

## 1. Capital Markets

| Top Gainers |        |          | Top Losers |       |          |
|-------------|--------|----------|------------|-------|----------|
| Company     | Price  | % Change | Company    | Price | % Change |
| UCHM        | 1.84   | 6.98%    | Sasini     | 27.10 | -8.45%   |
| CTUM        | 15.25  | 3.04%    | Eveready   | 1.35  | -7.53%   |
| CGEN        | 72.75  | 2.83%    | CIC        | 6.20  | -4.02%   |
| FTGH        | 2.02   | 2.54%    | HAFR       | 1.44  | -4.00%   |
| BAT         | 515.00 | 2.18%    | ABSA       | 28.45 | -3.40%   |

Source: Nairobi Securities Exchange (NSE)

Activity at the Nairobi Securities Exchange (NSE) moderated in the week ended 20 February 2026 following the previous week's strong rally. Total equity turnover declined by 20.96% week-on-week to KES 5.81 billion from KES 7.35 billion, while traded volumes eased by 19.55% to 181.64 million shares. The pullback reflected profit-taking across key blue-chip counters after the historic surge recorded in the prior week.

### Sectoral and Stock Performance

Market activity remained concentrated in **diversified and banking counters** during the week. Stanbic Holdings led turnover activity, followed by KCB Group PLC, Equity Group Holdings, Safaricom PLC and East African Breweries PLC.

The **banking sector experienced a mild correction**, with the Banking Index declining by 1.94% to 232.53 after reaching an all-time high in the preceding week. **Safaricom PLC remained among the most actively traded counters**, although activity normalized following the heightened **retail-driven momentum** witnessed earlier in the month.

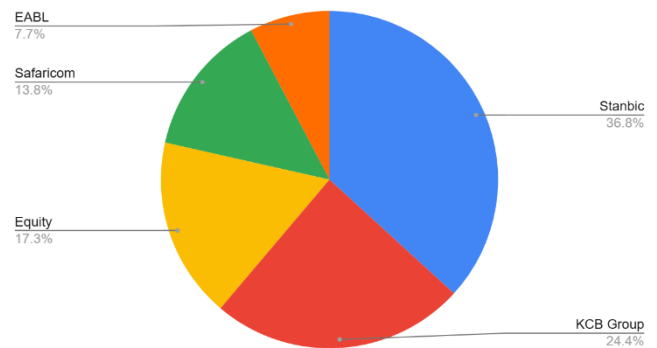
The market recorded broad-based corrections across several counters, with major indices retreating from multi-year highs. The NSE 20 Share Index declined by 0.29% while the NSE All Share Index fell by 3.14%, reflecting cautious investor sentiment amid profit-taking. Market liquidity remained relatively stable, with the top five counters accounting for 63.19% of total turnover, slightly higher than the 63.01% recorded in the previous week.

### Market Indices and Capitalization

The market closed lower across major benchmarks:

- **NASI All-Share Index:** Declined by 3.14% to close at 209.88.
- **NSE 20 Share Index:** Decreased by 0.29% to 3,622.57 points.
- **NSE 25 Share Index:** Fell by 2.62% to 5,701.79.
- **NSE 10 Share Index (N10):** Dropped by 3.51% to 2,172.95.
- **Banking Index:** Eased by 1.94% to 232.53.
- **Market Capitalization:** Contracted by KES 107.40 billion (3.14%) to close at KES 3,312.20 billion.

Top Five by Market Turnover



### Performance by Equity Turnover

During the week, the total market turnover of the top 5 companies was **Kes. 3,670.01 million**, accounting for 63.19% of the total turnover. The top five companies by market turnover were **Stanbic Holdings, KCB Group PLC, Equity Group Holdings, Safaricom PLC and East African Breweries PLC**. The Top Five's total turnover as a proportion of total market turnover increased marginally from 63.01% recorded in the previous week.

### Investor Participation

The week ended **20 February 2026 saw continued foreign selling pressure at the Nairobi Securities Exchange**, with a net foreign outflow of KES 855.42 million compared to a net outflow of KES 594.98 million in the preceding week.

Foreign investor turnover stood at **KES 2,083.06 million**, representing 35.87% of total market activity, while local

investor turnover accounted for **KES 3,724.61 million**, or 64.13% of total transactions.

Despite the increase in foreign outflows, domestic demand remained resilient, cushioning the market from sharper declines. Trading activity normalized from the elevated retail-driven volumes witnessed earlier in the month, reflecting a more balanced participation profile across institutional and retail investors.

### Corporate Announcements.

- Kenya Pipeline Company PLC – Supplementary Information Memorandum No. 2;** Kenya Pipeline Company PLC has issued Supplementary Information Memorandum No. 2 regarding its IPO of 11,812,644,350 shares at KES 9.00 per share. Approved by the Capital Markets Authority, the update discloses changes in the status of material litigation, amendments to the Articles of Association to reflect investor feedback, and governance and strategic alignment measures, including broad-based ownership objectives.
- ARM Cement Plc– Notice of Creditors’ Meeting;** RM Cement PLC (In Liquidation) has convened a virtual creditors’ meeting scheduled for 27 February 2026 from 10:00 a.m. to 12:00 p.m. (EAT).The meeting will present the Liquidator’s account of acts, dealings, and the conduct of the liquidation for the preceding year, in line with Section 413(1) of the Insolvency Act, 2015.Creditors may register via USSD (483302#), email request, or through a registration link sent to their registered email addresses.

| Company              | Announcement  |
|----------------------|---|
| <b>Safaricom PLC</b> | Safaricom announced an <b>interim dividend of KES 0.85 per share</b> in early February 2026 for the financial year ending March 31, 2026. The dividend will be <b>paid on or about March 31, 2026</b> , to shareholders on the register as at the <b>book closure date of February 25, 2026</b> . |

|   |  |
|---|--|
| <b>Kenya Power and Lighting Company Plc</b> | KPLC declared an <b>interim dividend of KES 0.30 per share</b> on 3 <sup>rd</sup> February 2026, following the release of strong half-year unaudited results, which reported a <b>profit before tax of KES 14.83 billion</b> for the period ended December 31, 2025. The dividend represents a <b>50% increase</b> from the previous interim payout and will be <b>paid on or about March 27, 2026</b> , to shareholders on record as of 23 <sup>rd</sup> February 2026. |
| <b>East African Breweries PLC (EABL)</b>    | EABL announced an <b>interim dividend of KES 4.00 per share</b> in late January 2026. The dividend will be <b>paid on or about April 30, 2026</b> , to shareholders on the register as at the <b>book closure date of February 20, 2026</b> .  |

### Fixed Income Market Performance

| Bond            | Value Traded (Kshs. M) | WoW (%) Change |
|-----------------|------------------------|----------------|
| Total Mkt Value | 113,439.05             | 52.01%         |

Source: Nairobi Securities Exchange (NSE)

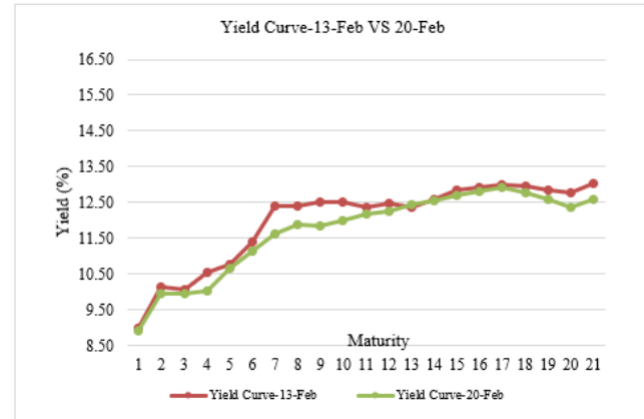
Activity in the fixed income segment at the Nairobi Securities Exchange (NSE) strengthened further during the week ended February 20, 2026. Bond turnover increased by 52.01% to KES 113.44 billion, up from KES 74.63 billion in the previous week, indicating robust secondary market activity across medium and long-dated papers.

The Bond Index rose by 1.85% to close at 1,195.49, up from 1,173.74 in the preceding week. The upward movement reflected improved demand conditions in the secondary market amid stable monetary policy conditions, with the Central Bank Rate remaining at 9.00% and the KESONIA rate at 8.99%.

The yield curve exhibited marginal adjustments during the week ended February 20, 2026. Yields for short-term maturities remained broadly stable within the 8.5% to 10.5% range, while longer-dated tenors (15 to 21 years) continued to trade between 12.5% and 13.5%. The 91-Day

Treasury Bill rate stood at 7.63%, reflecting slight stabilization compared to the previous week.

In corporate fixed income, previously announced payment notices for KMRC’s Tranche 1 Medium Term Note remained in focus, while investor attention continued to center on government securities following strong demand in the primary market.



remained contained at 4.49%, supporting continued investor appetite for fixed-income instruments.

The yield curve recorded marginal adjustments across most maturities. Interest rates on the 91-day, 182-day, and 364-day Treasury bills stood at approximately 7.63%, 7.82%, and 9.12% respectively. On the longer end, the recently re-opened bond continued to reflect strong investor interest following the earlier oversubscription of KES 213.8 billion against a KES 50 billion offer, as market participants positioned within the prevailing rate environment.

## 2. Key Benchmark Rates

| Benchmark Rate             | Current | Previous | Variance |
|----------------------------|---------|----------|----------|
| Central Bank Rate (CBR)    | 9.75%   | 9.75%    | 0.00%    |
| Month on Month Inflation   | 4.49%   | 4.49%    | 0.00%    |
| Inter Bank Rate (KESONIA)  | 8.99%   | 8.96%    | +0.33%   |
| 91 Day Treasury Bill Rate  | 7.63%   | 7.72%    | -1.17%   |
| 182 Day Treasury Bill Rate | 7.82%   | 7.82%    | 0.00%    |
| 364 Day Treasury Bill Rate | 9.12%   | 9.12%    | 0.00%    |

Source: Central Bank of Kenya (CBK)

Money market conditions remained stable during the week ended February 20, 2026, supported by balanced liquidity levels in the banking system and steady monetary policy conditions following the Monetary Policy Committee (MPC) meeting earlier in the month. The Central Bank Rate (CBR) remained at 9.00%, as policymakers maintained a cautious stance amid stable inflation dynamics. Headline inflation remained contained at approximately 4.49%, staying well within the government's target range.

The KESONIA rate edged up slightly to 8.99% from 8.96% in the previous week, reflecting modest adjustments in interbank liquidity conditions. Despite the marginal movement in short-term rates, money market liquidity remained comfortable, supported by strong investor

| (Kshs. Mn)         | Auction Results                |
|--------------------|--------------------------------|
|                    | <b>RE-OPENED</b>               |
| Bond               | FXD3/2019/015<br>FXD1/2018/025 |
| Tenor (Remaining)  | 8.4 Years                      |
| Due Date           | 16/02/2026                     |
| Total Amt. Offered | 50 billion                     |
| Total Amt. Bids    | 213.8 B                        |
| Performance Rate   | 427.5%                         |
| Coupon Rate (%)    | 8.75%                          |
| Withholding Tax    | 10.00%                         |

Source: Central Bank of Kenya (CBK)

Fixed income trading at the Nairobi Securities Exchange (NSE) strengthened further during the week ended February 20, 2026. Bond turnover increased by **52.01% to KES 113.44 billion from KES 74.63 billion** in the previous week, reflecting sustained investor demand in the secondary market.

Bond prices firmed as the NSE Bond Index rose by **1.85% to close at 1,195.49, up from 1,173.74** previously. The improvement occurred amid stable monetary policy conditions, with the Central Bank Rate (CBR) maintained at 9.00% and the KESONIA rate at 8.99%. Headline inflation

demand in government securities and sustained participation in the bond market.

### Treasury Bill Auction Results

In the week ended **February 20, 2026**, Treasury bill yields remained relatively stable across most tenors amid balanced liquidity conditions in the money market. Investor interest remained firm, with the 91-day, 182-day and 364-day papers recording average rates of approximately **7.63%, 7.82%, and 9.12%** respectively.

Investor participation remained strong across the longer-dated paper, reflecting continued demand for duration amid stable macroeconomic conditions.

| Tenor   | Amount Offered (KSh M) | Bids Received (KSh M) | Performance Rate (%) |
|---------|------------------------|-----------------------|----------------------|
| 91-Day  | 4,000.00               | 6,950.00              | 173.75%              |
| 182-Day | 10,000.00              | 7,100.00              | 71.00%               |
| 364-Day | 10,000.00              | 55,800.00             | 558.00%              |

### 3. Money Market Funds (MMF) – Top 10 as of 23<sup>rd</sup> February 2026

| Rank | Fund Manager   | Daily Yield | Effective Annual Rate (p.a.) |
|------|----------------|-------------|------------------------------|
| 1    | Nabo           | 11.12%      | 11.76%                       |
| 2    | Cytonn         | 10.93%      | 11.55%                       |
| 3    | Arvocap        | 10.55%      | 11.07%                       |
| 4    | Lofty_Corban   | 10.28%      | 10.80%                       |
| 5    | Kuza           | 9.95%       | 10.46%                       |
| 6    | Jubilee        | 9.80%       | 10.26%                       |
| 7    | Old Mutual     | 9.65%       | 10.11%                       |
| 8    | Etica          | 9.56%       | 10.03%                       |
| 9    | Britam         | 9.46%       | 9.92%                        |
| 10   | Dry Associates | 9.20%       | 9.60%                        |

Source: Business Daily 19.02.2026

### 4. Exchange Rates

| Currency | 20/02/2026 | 13/02/2026 | % Change |
|----------|------------|------------|----------|
|----------|------------|------------|----------|

|                          |        |        |                       |
|--------------------------|--------|--------|-----------------------|
| US Dollar (USD)          | 129.03 | 129.02 | 0.01% (Stable)        |
| Sterling Pound (GBP)     | 175.80 | 175.53 | -0.15% (Depreciation) |
| Euro (EUR)               | 153.40 | 153.05 | -0.23% (Depreciation) |
| Japanese Yen (JPY)*      | 84.35  | 84.18  | -0.20% (Depreciation) |
| Uganda Shilling (UGX)*   | 27.42  | 27.45  | +0.11% (Depreciation) |
| Tanzania Shilling (TZS)* | 20.15  | 20.11  | -0.20% (Depreciation) |
| Rwandese Franc (RWF)*    | 11.30  | 11.28  | -0.18% (Depreciation) |
| Burundi Franc (BIF)*     | 22.82  | 22.86  | +0.18% (Appreciation) |

Source: Central Bank of Kenya

During the week ending February 20, 2026, the **Kenya Shilling remained largely stable against the U.S. Dollar**, closing at approximately KSh 129.03. While the **Shilling experienced marginal depreciation against some major global currencies** such as the Sterling Pound and the Euro, overall exchange rate movements remained subdued, reflecting stable external conditions.

This stability continued to be supported by Kenya's solid foreign exchange reserve position, which remained above statutory requirements, providing a strong buffer against external shocks and supporting investor confidence amid stable monetary policy conditions.

### 5. Derivatives

| Indicator       | Current Week | Previous Week | WOW Change |
|-----------------|--------------|---------------|------------|
| Contracts Total | 17,094       | 11,469        | 49.05%     |
| Turnover        | 51,384.56    | 42,271.93     | 21.56%     |

During the week ended 20th February 2026, activity on the NEXT Derivatives Market increased significantly. A total of 17,094 contracts was traded, compared to 11,469

contracts in the previous week, reflecting a 49.05% increase.

## 6. Global Markets

| Index                | 1 Month (%) | YTD (%) | 1 Year (%) | 3 Years (%) |
|----------------------|-------------|---------|------------|-------------|
| Dow Jones            | +0.65       | +2.77   | +13.74     | +49.10      |
| S&P 500              | -0.20       | +0.24   | +14.12     | +71.66      |
| Nasdaq               | -2.33       | -2.41   | +16.18     | +97.37      |
| Bovespa              | +9.73       | +17.01  | +48.30     | +72.69      |
| MSCI World           | +1.29       | +2.19   | +17.80     | +65.21      |
| DAX                  | +2.08       | +2.37   | +12.49     | +62.83      |
| FTSE 100             | +5.34       | +7.53   | +23.33     | +33.87      |
| CAC 40               | +4.86       | +3.82   | +3.76      | +15.77      |
| Euro Stoxx 50        | +3.27       | +4.81   | +10.96     | +42.93      |
| MOEX Russia          | +0.51       | +0.65   | -15.19     | +25.87      |
| Shanghai DJ Shanghai | -0.85       | +2.85   | +20.80     | +23.46      |
| Hang Seng            | -0.66       | +4.55   | +22.29     | +20.56      |
| Nifty 50             | -0.65       | +3.05   | +12.50     | +28.66      |
|                      | +1.64       | -2.14   | +12.17     | +43.44      |

Global equity markets showed mixed performance in the week ending February 20, 2026, as investors navigated evolving macroeconomic signals and shifting expectations around global monetary policy. U.S. markets recorded modest gains amid resilient economic data, while European equities advanced on improving sentiment. Asian markets were mixed as investors balanced growth outlook concerns against stabilizing financial conditions and ongoing geopolitical developments.

## Commodities & Precious Metals

| Commodity     | Previous Week | Current    | Weekly Change (%) |
|---------------|---------------|------------|-------------------|
| Gold (Spot)   | \$5,029.20    | \$5,060.40 | +0.62%            |
| Silver (Spot) | \$78.91       | \$79.20    | +0.37%            |
| Brent Crude   | \$67.73       | \$68.10    | +0.55%            |
| WTI Crude     | \$62.81       | \$63.20    | +0.62%            |

Source: Trading Economics, Investing.com, Reuters

Commodity markets recorded modest gains during the week ending February 20, 2026. Gold remained supported above the \$5,000 psychological level amid continued safe-haven demand, while silver posted marginal gains. Energy markets stabilized, with Brent and WTI crude rebounding slightly as investors balanced supply concerns against steady global demand expectations.

## 7. Crypto Currencies

| Coin           | Volume (USD Bn) | Current (USD) | Previous Week Close (USD) | % Change (Weekly)     |
|----------------|-----------------|---------------|---------------------------|-----------------------|
| Bitcoin (BTC)  | 76.20           | 68,420.00     | 67,351.00                 | +1.59% (Appreciation) |
| Ethereum (ETH) | 33.10           | 2,015.00      | 1,959.00                  | +2.86% (Appreciation) |
| Solana (SOL)   | 8.45            | 81.50         | 79.70                     | +2.26% (Appreciation) |

Source: [finance.yahoo.com](https://finance.yahoo.com), [coinmarketcap.com](https://coinmarketcap.com)

The cryptocurrency market recorded a modest recovery during the week ending February 20, 2026, as major assets rebounded following the previous week's decline. Bitcoin stabilized above the \$68,000 level amid improved risk sentiment, while Ethereum regained ground above the \$2,000 mark. Solana also posted moderate gains as broader market conditions improved.

## 8. Market Watch- The Week Ahead

### 1. Global Focus

Global Focus Investors are expected to monitor evolving macroeconomic signals as markets reassess the timing of potential interest rate adjustments by major central banks. Key global attention will remain on upcoming inflation data releases, labour market indicators, and central bank commentary, which are likely to influence rate-cut expectations and risk sentiment. Additionally, market participants will watch global PMI data and corporate earnings releases for indications of economic momentum amid mixed growth outlooks across major regions.

## 2. Kenya Market Focus

On the local front, the Nairobi Securities Exchange (NSE) enters the week following a period of consolidation after recent gains. Investor focus is expected to remain on banking sector counters and large-cap stocks, particularly as foreign investor flows and domestic participation continue to shape market direction. Attention will also remain on ongoing dividend-related activity among blue-chip counters, which may support trading volumes.

In the fixed income market, investors are likely to monitor Treasury bill auctions and secondary market bond activity for signals on liquidity conditions and yield movements, while macroeconomic indicators such as inflation trends and exchange rate stability are expected to remain key drivers of sentiment.

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