

Foreign Exchange Reserves

The usable foreign exchange reserves decreased by 0.50% to USD 13,239 million (5.60 months of import cover). This remains above the CBK's statutory requirement to endeavor to maintain at least 4.0-months of import cover and above the EAC region's convergence criteria of 4.5-months of import cover.

Currency

The Kenya Shilling depreciated against the Dollar, but appreciated against the Sterling Pound and the Euro to exchange at KES 129.32, KES 174.14 and KES 151.06 respectively. The observed depreciation against the Dollar is attributed to reduced foreign exchange reserves.

Currency	YTD Change	W-o-W Change
Dollar	0.21%	0.16%
Sterling Pound	0.11%	-0.42%
Euro	-0.44%	-0.68%

Liquidity

Liquidity in the money markets decreased, with the Kenya Shilling Overnight Interbank Average (KESONIA) marginally increasing from 8.755% to 8.756%, as tax remittances more than offset government payments. Open market operations remained active

Liquidity	Week (Previous)	Week (Ending)
KESONIA	8.755%	8.756%
Inter-bank volume (billion)	10.15	8.30
Commercial banks' excess reserves (billion)	12.80	71.40

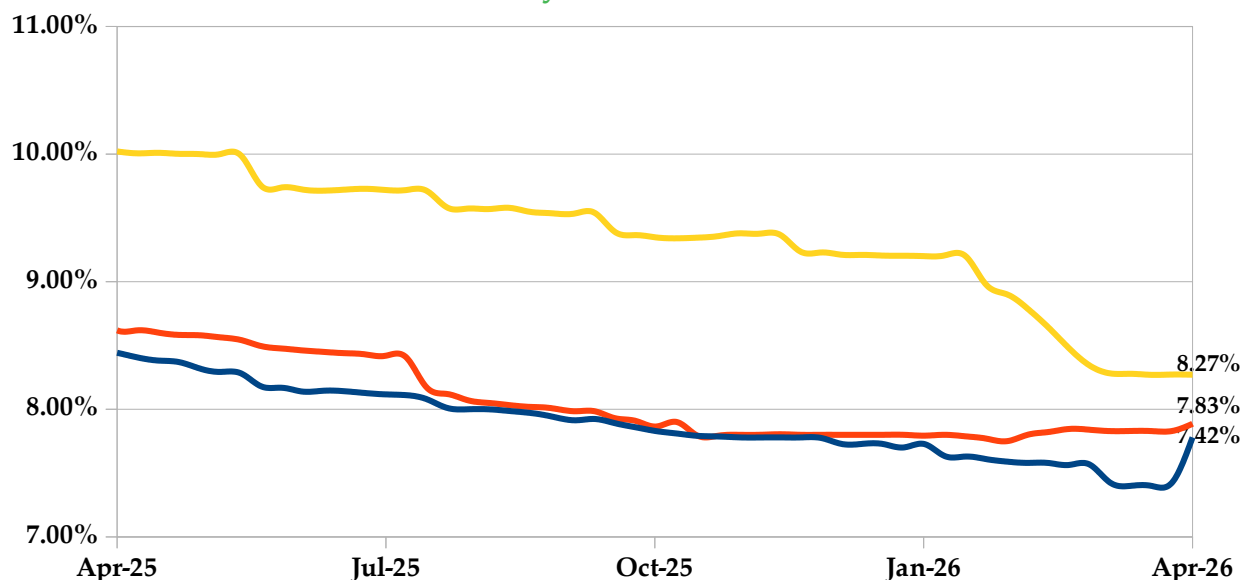
Fixed Income

T-Bills

T-Bills remained under-subscribed during the week, with the overall subscription rate decreasing to 57.41%, from 58.32% recorded in the previous week. The 91-day T-Bill received the highest subscription rate at 230.92%, while the 182-day T-Bill and 364-day T-Bill had subscription rates of 8.59% and 36.84% respectively. The acceptance rate increased by 0.16% to close the week at 100.00%.



Treasury Bills Yields



T-Bonds

In the secondary bond market, there was a higher demand for the week's bond offers. Bond turnover increased by 51.90% from KES 40.67 billion in the previous week to KES 61.77 billion. Total bond deals increased by 13.05% from 835 in the previous week to 944.

In the primary bond market, CBK reopened three bonds FXD1/2012/020, FXD1/2019/020 and FXD1/2021/025, with coupon rates of 12.00%, 12.87% and 13.92% respectively, targeting to raise KES 80 billion for budgetary support. The sale runs from 23rd April to 6th May 2026.

Additionally, CBK has also issued a prospectus for switch auction from FXD1/2017/010 with a coupon rate of 12.97% and 1.2 years to maturity, to FXD1/2021/020 with a coupon rate of 13.44% and 15.22 years to maturity. The sale runs from 23rd April to 18th May 2026.

Eurobonds

In the international market, yields on Kenya's Eurobonds increased by an average of 0.09% and 0.92% week-on-week and year-to-date respectively, but decreased 0.44% month-to-date. The yields on the 10-year Eurobonds for Ivory Coast increased while those for Angola declined.

Bond	YTD Change	MTD Change	W-o-W Change
2018 10-Year Issue	1.41%	-0.14%	0.14%
2018 30-Year Issue	0.44%	-0.20%	0.20%
2019 12-Year Issue	1.07%	-0.47%	0.12%
2021 13-Year Issue	0.77%	-0.66%	0.08%
2024 6-Year Issue	0.93%	-0.74%	-0.08%



Equities

NASI, NSE 20, NSE 25, NSE 10 and the Banking Sector Index settled 0.50%, 0.48%, 0.38%, 0.22% and 0.97% lower, bringing the year-to-date performance to 10.97%, 14.27%, 12.03%, 9.72% and 16.85% respectively. Market capitalization also decreased by 0.50% from the previous week to close at KES 3.43 trillion, recording a year-to-date increase of 16.15%. The performance was driven by losses recorded by large cap stocks such as StanChart, ABSA, NCBA and KCB of 3.68%, 3.02%, 1.11% and 1.08% respectively.

The Banking sector had shares worth KES 1.08B transacted which accounted for 20.46% of the week's traded value. Energy & Petroleum sector had shares worth KES 2.3B transacted which represented 43.58% and Safaricom, with shares worth KES 1.4B transacted, represented 26.53% of the week's traded value.

Top Gainers and Losers in the Equities Markets

Top Gainers	YTD Change	W-o-W	Top Losers	YTD Change	W-o-W
Eaagads	73.15%	9.50%	KPC	-	-6.84%
B.O.C Kenya	20.83%	8.94%	Sameer	26.79%	-6.82%
Standard Group	-4.56%	5.37%	TP Serena	0.32%	-6.31%
Satrix MSCI	2.99%	4.30%	KQ	79.33%	-5.59%
BK Group	33.17%	3.85%	Shri Krishana	8.60%	-4.54%

Alternative Investments

	Week (Previous)	Week (Ending)	% change
Derivatives Turnover (million)	17.20	13.91	-19.11%
Derivatives Volume	2,594	4,125	59.02%
ETF Turnover (million)	27.87	10.21	-63.38%
ETF Deals	148	312	110.81%

Global and Continental Markets

Global Markets	YTD Change	W-o-W
S&P 500	-4.28%	0.55%
Dow Jones Industrial Average (DJI)	-1.72%	-0.44%
FTSE 100 (FTSE)	-4.12%	-2.70%
STOXX Europe 600	-2.38%	-2.54%
Shanghai Composite (SSEC)	-1.38%	0.70%
MSCI Emerging Markets Index	-11.21%	0.81%
MSCI World Index	-4.05%	-0.38%



Continental Markets	YTD Change	W-o-W
JSE All Share	-6.27%	-10.26%
NSE All Share (NGSE)	44.24%	3.94%

Global and Continental Markets

- The US stock market recorded a mixed performance as strong corporate earnings offset high energy prices. Investors continued to monitor a standoff between the US and Iran, which has kept oil prices elevated amid uncertainty over the fragile ceasefire.
- European stock markets posted losses during the week, amid stalled talks between US and Iran and the ongoing closure of the Strait of Hormuz which has pushed fuel prices higher.
- Asian stocks gained over the week as investors digested inflation data that remained below the Bank of Japan's 2% target ahead of its policy meeting next week.
- On the global commodities markets, Crude Oil WTI and ICE Brent Crude closed the week 14.30% and 9.68% higher at \$94.40 and \$99.13 respectively. Gold futures prices settled 3.79% lower at \$4,694.71.

Week's Highlights

- Co-operative Bank has announced an overhaul of its corporate structure, transitioning into a Non-Operating Holding Company Arrangement, thus separating its listed parent entity from the licensed banking operations. This is subject to shareholders' approval in the upcoming AGM and relevant regulatory approval.
- Dubai-based Soren Investment Company and Nairobi-incorporated Auron Holdings, with stakes of 42.778% and 14.94%, completed the acquisition of a combined 57.72% stake in Gulf African Bank - Kenya's leading Islamic lender. The bank confirmed that all the regulatory approvals have been obtained and transactions closed.
- Sanlam Allianz Holdings released the results for the 2025 financial year, recording a 2.4% increase in profit after tax of KES 0.84B from KES 0.82B recorded in the previous year. This was majorly as a result of a 9.1% decrease in insurance services expenses and 35.9% decrease in net expenses from reinsurance contracts, leading to increased earnings per share. Total assets grew by 0.5% to KES 39.4B while liabilities declined by 7.0% to KES 34.6B.



- The year-ahead inflation expectations in the US, as compiled by the survey of the University of Michigan, accelerated to a seven-month high of 4.7% in April 2026 from 3.8% in March. The five-year inflation outlook was revised slightly up to 3.5%, the highest in six months, from an earlier estimate of 3.4% and above March's 3.2%. Additionally, Consumer Sentiment Index was revised up to 49.8 in April 2026 from an initial estimate of 47.6. Despite the slight improvement, this remains the weakest reading on record, reflecting the heavy toll of the Iran conflict on consumer morale. Expectations for business conditions deteriorated for both the short and long term, nearly matching levels seen a year ago, with the conflict's primary impact on consumers stemming from energy and broader price shocks.
- UK 10-year gilt yields marginally declined but stayed above 4.95%, approaching levels last seen in 2008, as traders ramped up bets on Bank of England rate hikes. Escalating crude prices and mounting inflation fears are driving the shift, with businesses now expecting CPI inflation to hit 4% over the next year, up from 3.5% in March, according to the Bank of England's Decision Maker Panel. Firms intend to raise prices by 3.8%, though wage growth is forecast to slow. Optimism briefly lifted markets on the back of the progress in US-Iran negotiations. However, Brent crude is still on track to end the week 14% higher, reflecting limited progress in peace talks. On the domestic front, UK retail sales unexpectedly rose by 0.7% last month, reinforcing expectations for BOE rate hikes.