The Mwango Weekly for 3rd November 2025

David Ndii’s Musings

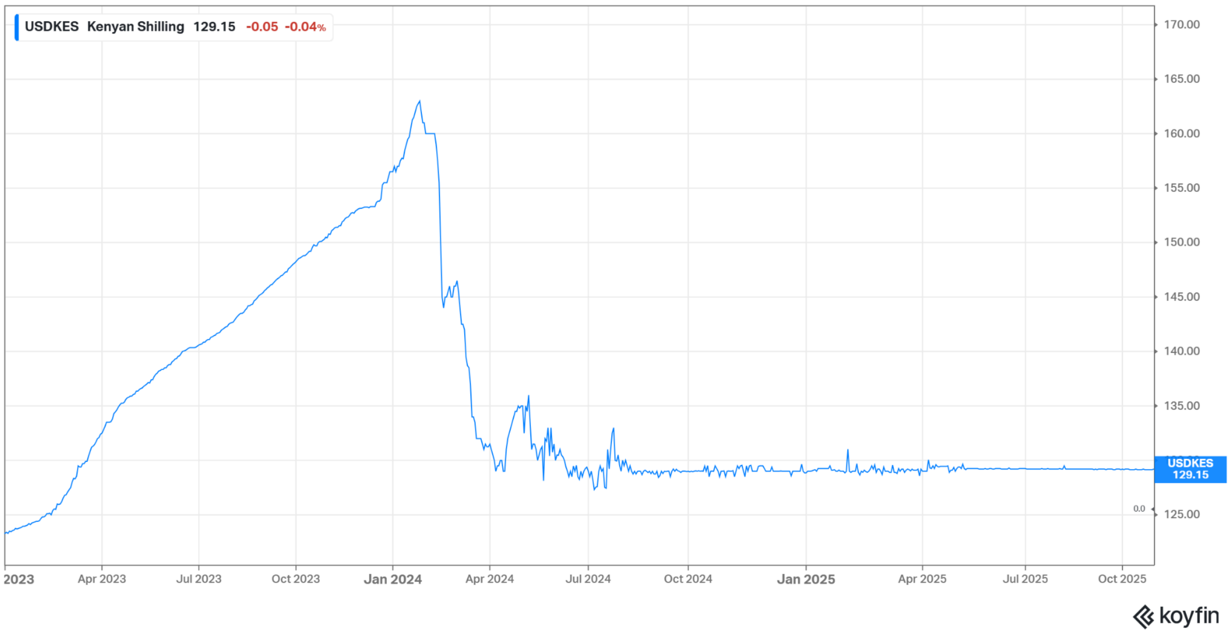
In this week’s newsletter, we cover David Ndii’s Musings from the NCBA Economic Forum, Equity Group’s Q3 2025 results, and KenGen’s FY 2025 earnings.

David Ndii’s Musings at the NCBA Economic Forum

Exchange Rate Stability: Speaking at the NCBA Economic Forum, the Chair of the President’s Council of Economic Advisors, Dr. David Ndii, began by addressing the current stability of the Kenya shilling and the long-running debate around whether it is “too stable.” He noted that this argument has recurred at various points in Kenya’s monetary history. At present, the nominal exchange rate has remained broadly within the KES 128 to KES 130 range for most of 2024. According to Ndii, the real exchange rate has shown steady appreciation over the past decade, and historically, this divergence between real and nominal value has remained persistent. He explained that exchange rates in practice are influenced by two very different adjustment speeds: rapid financial flows on the one hand, and slow-moving changes in real economic fundamentals such as output and employment on the other. This creates an environment where trying to define a precise target or equilibrium through models is extremely unreliable. Ndii therefore stated that exchange rate management in Kenya’s context is best approached with a pragmatic mindset rather than assuming theoretical models can accurately determine the “correct” level.

> *“One thing stood out during Dr Ndii's KES remarks in this past week's NCBA Economic Forum: pragmatism. The context amidst the 'pragmatism' was the authorities' efforts in stemming potential further slide in KES to 200 levels (in early 2024) and subsequent stemming against further appreciation (post the sharp appreciation in Feb/March 2024), hence the current middle ground of 129 level stability. This was the first official confirmation by a senior aide in the Ruto administration on the 'managed' KES, which has confounded market participants and real sector alike, with the IMF throwing a monkey wrench on the discourse.*
>
> *From a fundamental perspective, the external sector has improved this year. The tweaks in the current account computation, from merchandise trade to general*

trade, has seen a narrowing in the current account balance. FX Reserves are patched at record high levels of USD 12.0B, rebuilt by financial flows and CBK's FX purchase in the FX interbank market. Latching on to this latter point, the restoration of the FX interbank market has strengthened the apex bank's hand in managing the KES at current levels. Given this attitude, KES stability will be here for the foreseeable future." [*Churchill Ogutu*]() *- Economist, IC Group.*



Kenya's IMF Discussions: Ndii noted that a successor programme to the prematurely terminated USD 3.6B IMF arrangement is unlikely, reflecting a lack of consensus within the government on whether such a programme is needed. He described the discussion as driven by uncertainty: questions remain about whether Kenya faces a shock that requires IMF support and what form that support should take. On the long term, however, Ndii was categorical that the overarching goal is to transition from a lower-middle-income to an upper-middle-income country. He emphasized that part of achieving this status is being market-facing rather than relying on multilateral finance frameworks. For him, the key benchmark for economic stability is not a relationship with the IMF, but the perception of Kenya in capital markets, including the sovereign credit rating, with investment grade as the target.

Ndii noted that in the interim, Kenya may still engage with the IMF, including under standby arrangements, but stressed that structural reform priorities differ: the IMF focuses heavily on demand-side measures, whereas Kenya is concentrating on supply-side reforms. He highlighted that supply-side improvements, particularly in agriculture and production, are central to macroeconomic outcomes, and that alignment with the IMF on these measures is limited. The conversation with the Fund, he concluded, continues, but Kenya's longer-term orientation is toward market credibility and domestic structural reforms rather than program-dependence.

Fiscal Consolidation and Revenue Base: Treasury analysis indicates an 8% of GDP revenue gap. VAT accounts for 2.89% of GDP, personal income tax for 2.7% of GDP, and domestic excise for 2.4% of GDP. Ndii noted that VAT performance in particular reflects more of a participation and compliance challenge than a headline rate issue. According to him, the problem is not that VAT rates are too low, but that too much activity sits outside the net due to exemptions, structural leakages, and under-declared turnover. He added that new analytical and AI-based income modeling allows Treasury to estimate undeclared income among the non-payroll segment of the labour force. Out of the 17 million people not on payroll, approximately 20%, or about 2.5 million individuals, fall into tax-paying income brackets, yet currently pay around 2% of what they should pay based on model estimates.

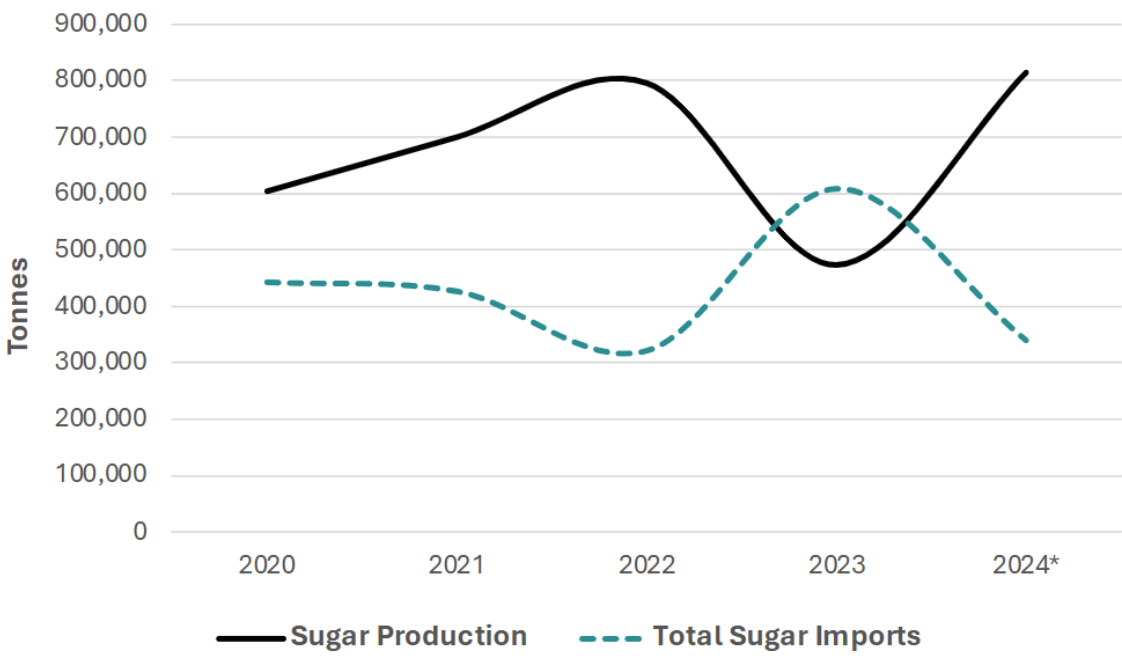
Ndii also highlighted an upcoming change in the administration of VAT regarding the Second Schedule. The government plans to move away from the current framework where VAT zero-rating is tied to manufacturer refunds with the expectation that benefits are passed to consumers. Going forward, both Exempt and Zero Rated Schedules will be retained, but the VAT reprieve will go directly to the consumer rather than being anchored on manufacturer refunds. In his view, revenue reform should focus on expanding the base, tightening compliance, and eliminating non-productive exemptions rather than increasing pressure on those already paying.

Market Signals: Ndii highlighted Kenya's September 2024 Eurobond issuance as a direct demonstration of market sentiment. The country issued USD 1.5B at a spread of approximately 325 basis points over U.S. Treasuries. He stated that this was the lowest spread at issuance since Kenya first entered the Eurobond market in 2014. He referenced that in 2014 when U.S. rates were below 2%, Kenya issued at 6.25 to 7.25%, meaning that in interest rate equivalent terms, the current relative pricing would have been closer to 5.0 to 5.5% under those conditions. He said this indicates that the market view of Kenya's sovereign risk premium has materially improved and should be considered a key signal to policy direction. According to Ndii, improved market pricing remains a more grounded indicator of credibility than debates based purely on macro forecasting models.

Drivers Behind Current Stability: Ndii attributed current relative stability to a mix of supply-side improvements and responsive macro management. He cited agricultural productivity interventions, alignment with global monetary policy cycles, the G2G petroleum import structure which helped reduce FX pressure in 2023, debt liability management decisions, and the benefit from robust remittance inflows which now exceed USD 4.5B annually. He indicated that supply-side inflation in Kenya historically is heavily driven by food and agriculture rather than purely monetary drivers, which is why interventions in production have had outsized impact relative to traditional tightening alone. He said inflation easing into the mid-single digit band reflects the combined effect of these measures.

Agriculture Production Impact: He emphasized that the results of reforms in agriculture are starting to show up in measurable output. Rice production has increased from 200,000 metric tons to 280,000 metric tons which resulted in the first meaningful decline in rice imports in several years. Sugar imports fell from 640,000 metric tons to 340,000 metric tons. The value of dairy production rose from KES 30B to KES 60B within a year and is projected to reach KES 75B this year. According to Ndii, these production increases are directly traceable to reforms such as input subsidies, irrigation expansion, and structured market development. He said that the foreign exchange savings attributable to reduced food imports has also eased pressure on the currency.

Figure 5.3: Sugar Production and Imports



Coffee and Dairy Sector Reforms: Ndii described reforms in the coffee sector as a major reversal of long-term decline. The Direct Settlement System (DSS) and reforms limiting service-provider fees to 20% of final sale price now ensure farmers receive 80% of proceeds. Auction composition has shifted from 20% high-grade coffee to 80% high-grade. Export prices have risen from approximately USD 5,000 per ton to USD 7,000 per ton. He said output which has remained around 40,000 metric tons can double by the end of 2025 and could potentially reach the level of tea exports within three years, forecasting coffee export earnings could rise above USD 1B. In the dairy sector, improving feed supply and structured market reforms have continued to support steady increases in delivery volumes to processors.

Table 6: Coffee Sales and Prices

Descriptions/ Period	2023 QUANTITY (MT)	2023 PRICE ($ /Kg)	2023 PRICE (KSh /Kg)	2024 QUANTITY (MT)	2024 PRICE ($ /Kg)	2024 PRICE (KSh /Kg)	2025* QUANTITY (MT)	2025* PRICE ($ /Kg)	2025* PRICE (KSh /Kg)
January	4,439.65	4.87	603.31	4,553.00	4.28	684.31	5,686.32	6.82	882.01
February	5,598.25	5.41	680.21	4,824.00	5.09	775.33	7,923.84	7.31	945.09
March	5,072.50	4.80	621.55	5,070.00	4.84	665.42	6,511.53	6.89	890.02
April	4,407.45	4.22	565.89	6,878.66	4.98	654.32	3,176.28	6.37	824.97
May	1,373.50	4.41	603.87	3,462.38	3.97	523.40	420.19	6.97	901.50
June	**	**	**	4,523.73	4.33	560.81	**	**	**
July				939.89	4.03	519.79	..	..	..
August	154.15	4.57	655.84	3,033.55	4.80	619.65	..	..	..
September	339.85	4.67	685.08	2,648.57	4.91	633.52			
October	1,419.00	3.99	594.62	3,082.61	5.08	655.58			
November	1,677.00	3.69	559.87	2,540.41	5.83	754.14			
December	3,039.00	3.81	588.57	3,314.70	6.65	859.40			
Annual	**27,520.35**	**4.44**	**615.88**	**44,871.49**	**4.90**	**658.81**	**23,718.16**	**6.87**	**888.72**

Source: Agriculture and Food Authority ; Coffee Directorate

Infrastructure Financing: Ndii said that to maintain fiscal stability while still funding infrastructure requirements, the government intends to front-load blended finance through a National Infrastructure Fund capitalized by proceeds from privatization. Target areas include one million acres of irrigation expansion, 10,000 MW of additional power capacity and approximately 2,000 kilometers of expressway-class national highways. He said only bankable projects will proceed and that this is to avoid repeating reliance on debt-financed public infrastructure that created fiscal pressure leading into the COVID shock.

Investment Pipeline: Ndii illustrated that policy consistency and improved stability is attracting investment interest. He referenced a Dutch-owned animal feed plant operational in Athi River, a USD 3B SEZ development in Kilifi involving Arise and Centum and multiple Chinese and Taiwanese manufacturers repositioning supply chains. Teleperformance is expanding BPO capacity to approximately 40,000 seats. He projected that if these commitments proceed, private investment could become a more dominant growth driver from 2026 going forward.

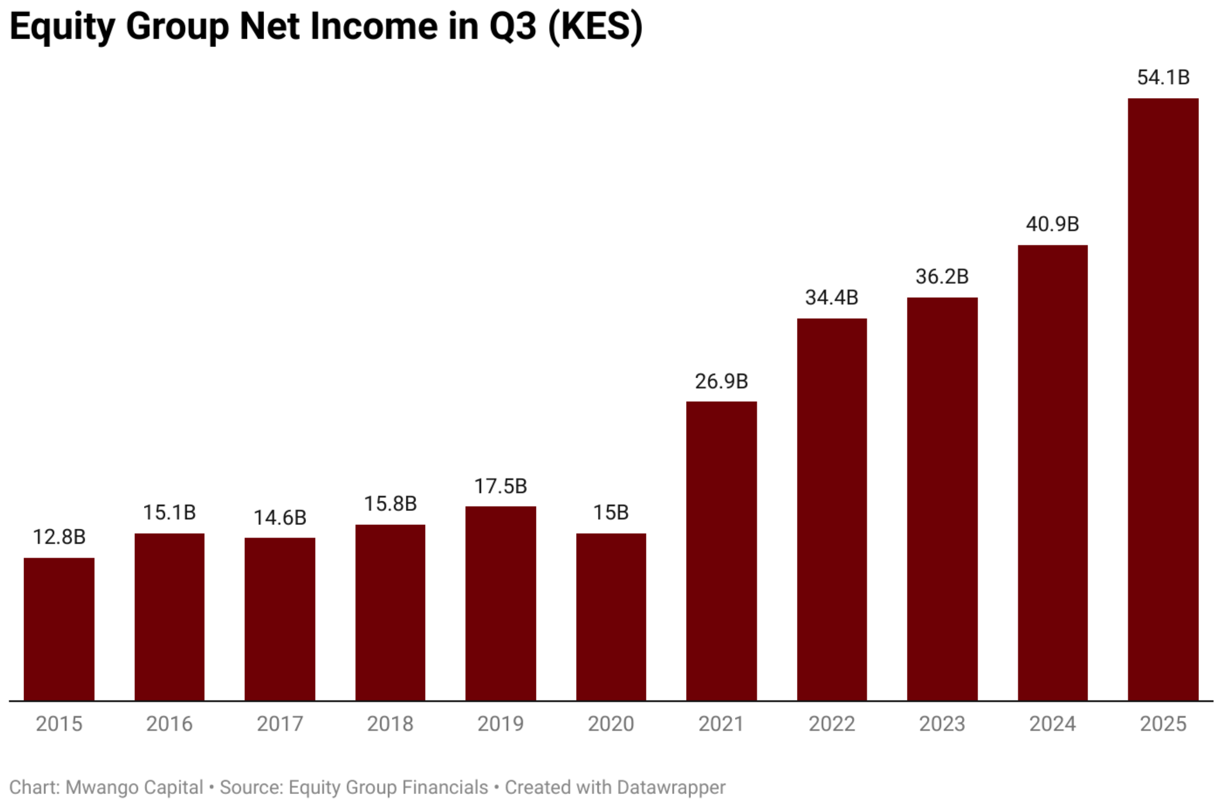
Outlook: He concluded by stating that growth prospects remain positive if current investment flows materialize and agricultural output measures continue performing at current trend levels. Engagement with the IMF will continue, but the longer-term benchmark for success is shifting toward a market-facing model supported by stable sovereign metrics rather than program-dependence.

Equity Group Q3 Profit Up on Revenue Gains

Equity Group became the first bank to report its Q3 results last week, on October 30, the earliest a Kenyan bank has ever released its third-quarter numbers. The bank delivered strong growth, with Profit After Tax rising 32.2% year-on-year to KES 54.1B. Total income increased by 10% to KES 156B, supported by a 16.1% rise in net interest income to KES 93.6B. Non-funded income was up 2.5% to KES 62.7B, driven by a 10% increase in other income to KES 34.9B, while income from foreign exchange trading remained subdued, falling by 5.2% year-on-year to KES 8.8B, reflecting the impact of the stable shilling.

Interest expenses fell faster than interest income, with other interest expenses declining 20% to KES 6.3B. Interest expenses on deposits and placements from banking institutions plunged 75% to KES 956.1M, while interest expenses on deposits eased 14.7% to KES 28.7B, compared to a 29% year-on-year jump in Q3 2024, as the Group managed its liabilities. Customer deposits remained muted, rising 2.2% year-on-year to KES 1.3T.

Equity Bank accounted for 45% of MSME loans disbursed in Kenya between January and July 2025, totaling KES 90.7B out of KES 201B. The bank targets a 65% MSME loan mix by 2030.

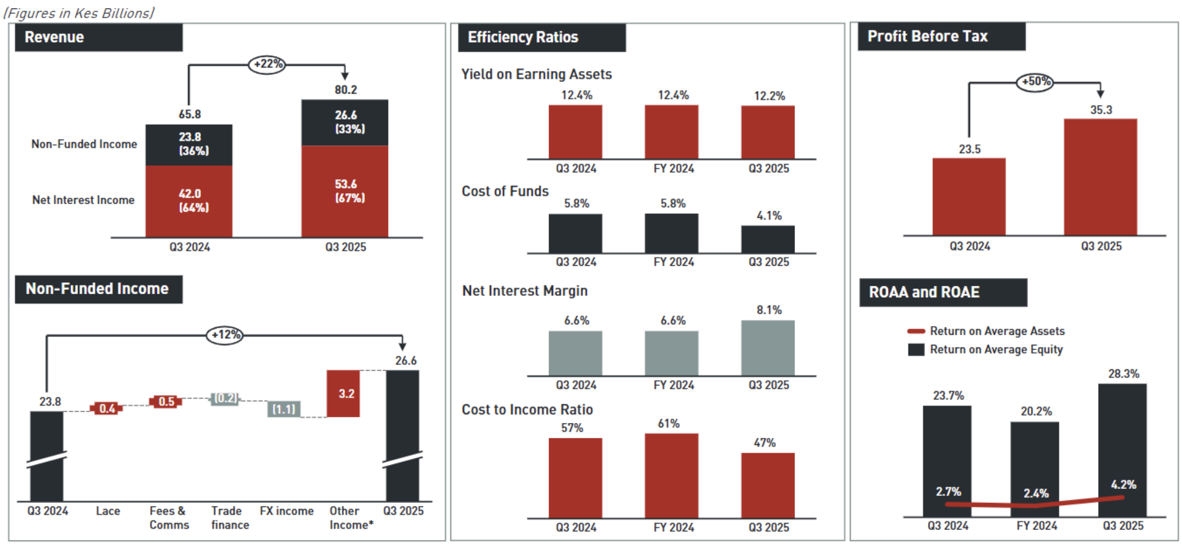


Kenya Delivers Strongest Income Growth as Regional Markets Maintain Expansion: Equity Bank Kenya remained the largest contributor to the Group's performance in Q3 2025, generating KES 80.2B in revenue, equivalent to 51.3% of total banking revenue. Profit before tax rose 50% to KES 35.3B, while Profit After Tax increased 51% to KES 31.1B. The subsidiary accounted for half of the Group's total assets at KES 978.1B despite a 1% decline year-on-year. Deposits fell 6% to KES 745.2B, representing 49.8% of Group deposits, while loans declined 4% to KES 406.9B, equivalent to 47.3% of Group lending. Operating costs eased 1% to KES 37.5B, contributing 46.5% of the Group's total expenses.

Regional subsidiaries contributed approximately 45% of Group Profit Before Tax, compared to roughly 53% last year, but continue to add scale and diversification. In the DRC, loans grew 19% year-on-year to KES 302.7B; in Rwanda, the loan book expanded 34% to KES 62.3B; Uganda posted 61% Profit After Tax growth to KES

2.9B; while Tanzania reported 88% Profit After Tax growth to KES 1.5B.

EBKL P&L

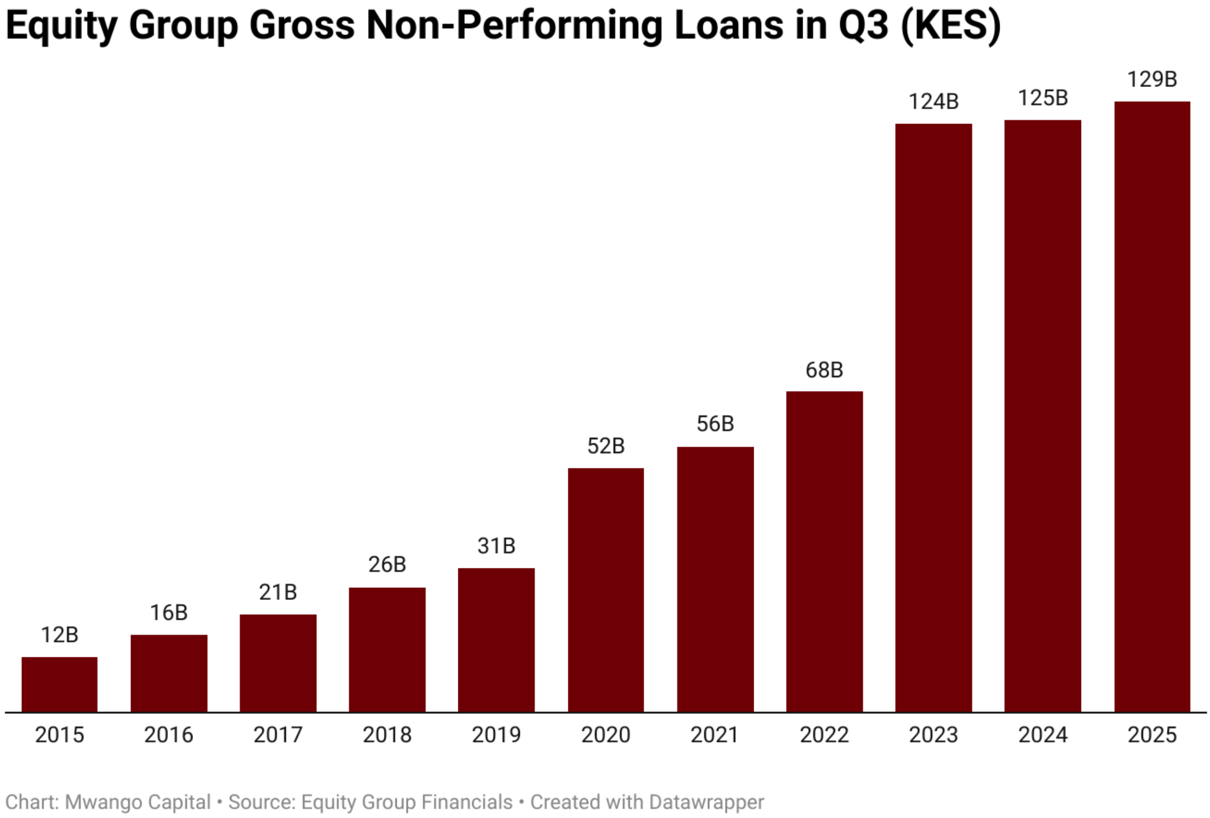


*Other income relates to trading gains, unrealized revaluation gains/loss and other commissions

Insurance Emerges as a Key Growth Driver with GWP at KES 6.55B: Insurance continued strengthening the Group's diversification beyond lending. Equity Insurance Group recorded a 36% increase in Profit Before Tax to KES 1.46B from KES 1.07B, supported by a 71% rise in gross written premiums to KES 6.55B from KES 3.83B. Insurance revenue rose 57% to KES 2.46B, while the insurance balance sheet expanded 36% to KES 32.1B. Life Insurance gross written premiums grew 28% to KES 4.9B, with total assets rising to KES 29.5B and 17.8M policies issued to date. General Insurance generated KES 1.67B in gross written premiums in the first nine months, delivering KES 140M Profit Before Tax, while Health Insurance (licensed in July 2025) posted KES 5M in gross written premiums and KES 23M Profit Before Tax.

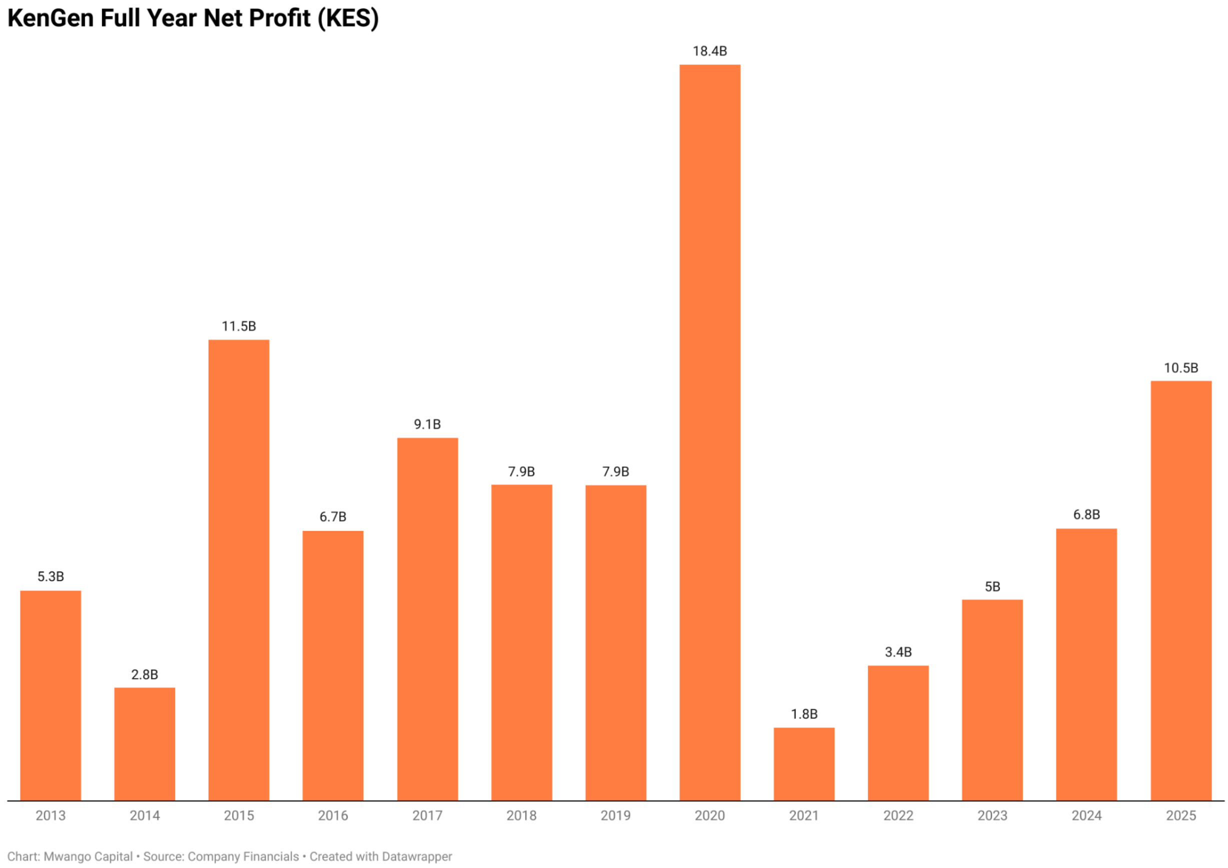
Asset Quality Improves: The group's gross non-performing loans rose 3.2% year-on-year to KES 129.2B, while net non-performing loans fell 31.2% to KES 37.3B. The Group's non-performing loan ratio improved to 12.1%, down from 13.7% in Q2

2025.

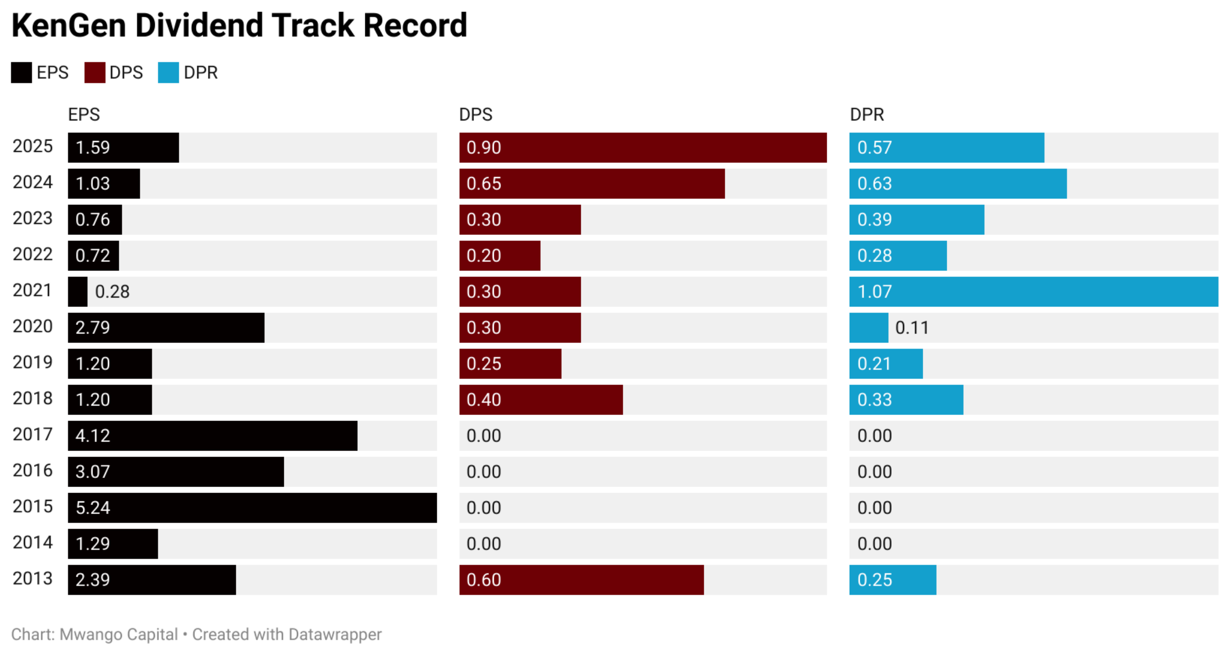


KenGen Profit Rises 54% on Cost Cuts

Kenya Electricity Generating Company (KenGen) reported a 54% year-on-year increase in Profit After Tax to KES 10.5B for the fiscal year ended 30th June 2025, up from KES 6.8B, while Profit Before Tax rose 41.3% to KES 15.47B. Operating profit grew 42.6% to KES 13.6B, supported by lower operating expenses, which fell 11% to KES 35.14B due to cost optimization initiatives including reduced depreciation and overheads. Finance costs declined 20% to KES 2.25B, while net foreign exchange and fair valuation gains improved to KES 1.45B from a loss of KES 0.72B in 2024. Earnings per share rose 54.4% to KES 1.59. Notably, the company's Q3 results were accidentally published in a local daily last week, ahead of the official release.



Dividend Increases to KES 0.90: Total revenue remained largely flat at KES 56.09B, down 0.4% from last year, as declines in geothermal and steam revenue were offset by higher pass-through recoveries and a 235% increase in diversified income. KenGen generated 8,482 GWh during the year, a 1% rise from 8,383 GWh in 2024, supported by resumption of Muhoroni Power Plant operations and favorable hydrological conditions. Total assets increased 2.9% to KES 505.6B, with cash balances rising 17.6% to KES 30.1B. The Board proposed a first and final dividend of KES 0.90 per share, up from KES 0.65 last year, payable to shareholders on record as of 27th November 2025.



Markets Wrap

NSE Week 44 Highlights: The Nairobi Securities Exchange extended its gains in Week 44, with the NASI rising 4.72% to 188.3. The NSE 20 and NSE 25 also gained 2.48% and 2.49%, respectively, while market capitalization increased 4.71% to KES 2.97T. Equity turnover fell 38.0% to KES 2.60B, while bond turnover declined 30.3% to KES 37.96B. Foreign investor activity accounted for 26.9% of total turnover (KES 698M), recording a net outflow of KES 173.1M. Total Kenya led the gainers, surging 26.6% to KES 46.40, followed by Flame Tree Group (+16.8%) and the Nairobi Securities Exchange (+12.8%). On the losing side, Africa Mega Agricorp dropped 8.1% to KES 59.75, while Crown Paints fell 7.8%.

The Mwango Capital Weekly Market Wrap

Week 44 (24 to 31 October 2025)

NSE Top Gainers & Losers in Week 44

Top Gainers	Ticker	24 Oct	31 Oct	Change (%)	YTD %
Total Kenya Limited	TOTL	36.65	46.40	26.6%	132.00%
Flame Tree Group Holdings	FTGH	1.49	1.74	16.8%	74.00%
Nairobi Securities Exchange	NSE	14.40	16.25	12.8%	170.83%
Equity Group Holdings	EQTY	59.50	66.25	11.3%	37.16%
Sameer Africa Plc	SMER	13.70	15.00	9.5%	517.28%

Top Losers	Ticker	24 Oct	31 Oct	Change (%)	YTD %
Africa Mega Agricorp	AMAC	65.00	59.75	-8.1%	-14.64%
Crown Paints Kenya	CRWN	54.50	50.25	-7.8%	52.74%
NCBA Group Plc	NCBA	91.00	88.00	-3.3%	82.57%
TPS EA Serena	TPSE	16.80	16.30	-3.0%	9.40%
Uchumi Supermarket	UCHM	0.37	0.36	-2.7%	111.76%

NSE Upcoming Corporate Actions

Date	Corporate	Corporate Action
6 November 2025	Safaricom	HY 26 Earnings Release
11 November 2025	KCB Group	Interim Div Payment (KES 4.00 Per Share)
13 November 2025	KCB Group	Q3 Results Release
20 November 2025	NCBA	Q3 Results Release
20 November 2025	Stanbic	Q3 Results Release
26 November 2025	Carbacid	Final Dividend Books Closure (KES 2.00)
27 November 2025	KenGen	Final Dividend Books Closure (KES 0.90)
2 December 2025	KPLC	Final Dividend Books Closure (KES 0.80)
18 December 2025	Carbacid	Final Dividend Payment (KES 2.00)
19 December 2025	Centum	Final Dividend Payment (KES 0.32)
23 January 2026	KPLC	Final Dividend Payment (KES 0.80)

The NSE This Week

		Week 43	Week 44	Change (%)	YTD %
NSE All Share Index	NASI	179.8	188.3	4.72%	52.49%
NSE 20 Share Index	NSE 20	3,041.4	3,116.7	2.48%	55.01%
NSE 10 Share Index	NSE 10	1,805.3	1,910.8	5.84%	46.72%
NSE 25 Shareindex	NSE 25	4,792.9	4,998.4	4.29%	46.89%
Market Cap (KES B)	CAP	2,832.9	2,966.5	4.71%	52.93%
Volume (M)		134.4	100.9	-24.9%	
Equity Turnover (Kes. Mn)		4,189.00	2,599.00	-38.0%	
Bond Turnover (Kes. Mn)		54,498.30	37,960.41	-30.3%	

NSE Foreign Participation in Week 44

KES (M)	Buys	Sales	Net
Mon, 27 Oct 2025	13.8	44.8	-31.0
Tue, 28 Oct 2025	52.1	205.2	-153.2
Wed, 29 Oct 2025	153.2	147.8	5.5
Thu, 30 Oct 2025	23.5	93.9	-70.4
Fri, 31 Oct 2025	368.9	292.9	76.0
Totals	611.5	784.6	-173.1

Week 44	AMOUNT (KES M)	%
Total Foreign Turnover	698.01	26.86%
Total Local Turnover	1,900.99	73.14%

Domestic Debt

30 Oct Offering (KES B)	Offered	Bids Received	Accepted	% Accepted	% perfomance
91-Day	4.00	1.87	1.87	99.84%	46.70%
182-Day	10.00	1.56	1.56	99.68%	15.61%
364-Day	10.00	20.82	20.82	100.00%	208.23%

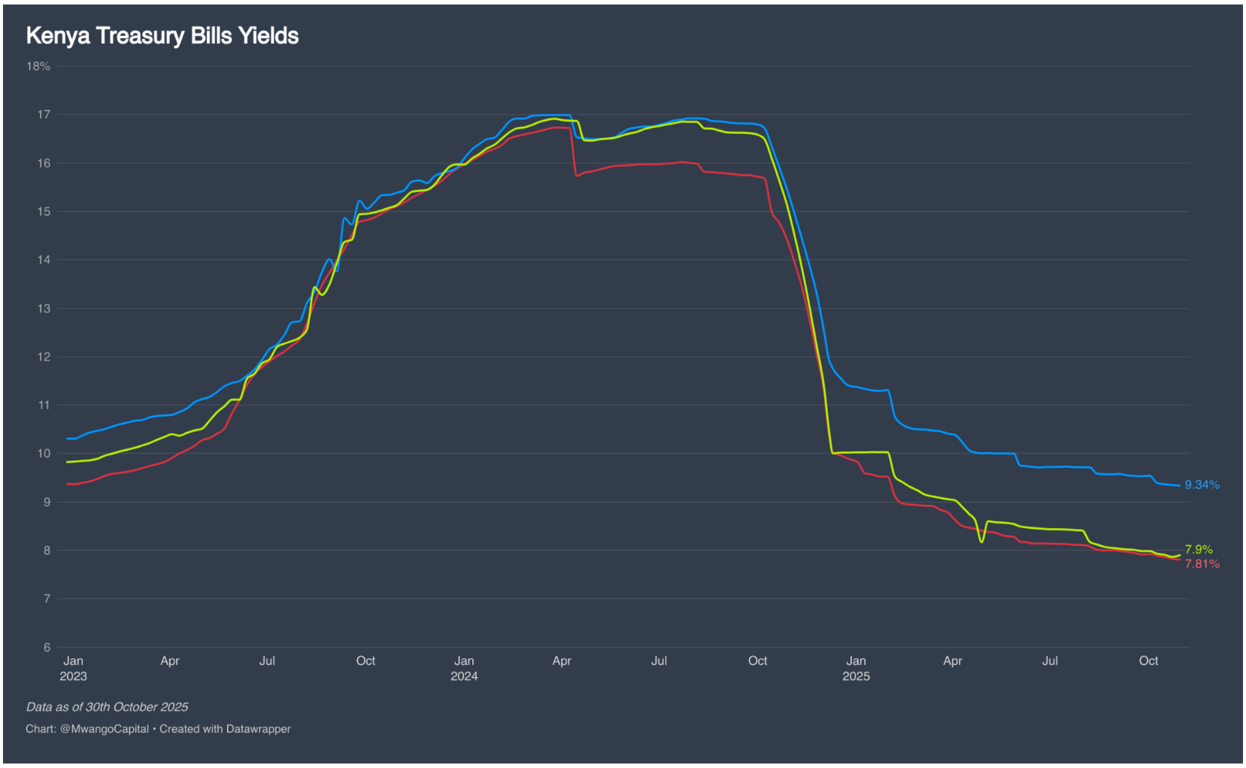
T-Bill Yield (%)	24 Oct	31 Oct	Change (bps)
91-Day	7.83	7.81	-1.9
182-Day	7.87	7.90	3.5
364-Day	9.35	9.34	-0.6

Eurobond Yields

KES (M)	24-Oct	30-Oct	7D Change (bps)
10-Year 2028	5.81%	5.91%	10.0
6-Year 2031	7.89%	7.78%	-10.6
12-Year 2032	8.11%	8.06%	-5.7
13-Year 2034	8.49%	8.40%	-9.4
30-Year 2048	9.25%	9.16%	-8.6

Sources: NSE, Central Bank of Kenya

Treasury Bills: Treasury bills were oversubscribed last week, with a subscription rate of 101.1%, down from 105.9% the previous week. Investors submitted bids totaling KES 24.25B, and the Central Bank of Kenya (CBK) accepted KES 24.24B out of the KES 24B on offer. Yields on the 91-day and 364-day T-bills fell by 1.95 and 0.63 basis points to 7.8%and 9.34% respectively, while the 182-day increased by 3.5 basis points to 7.9%.

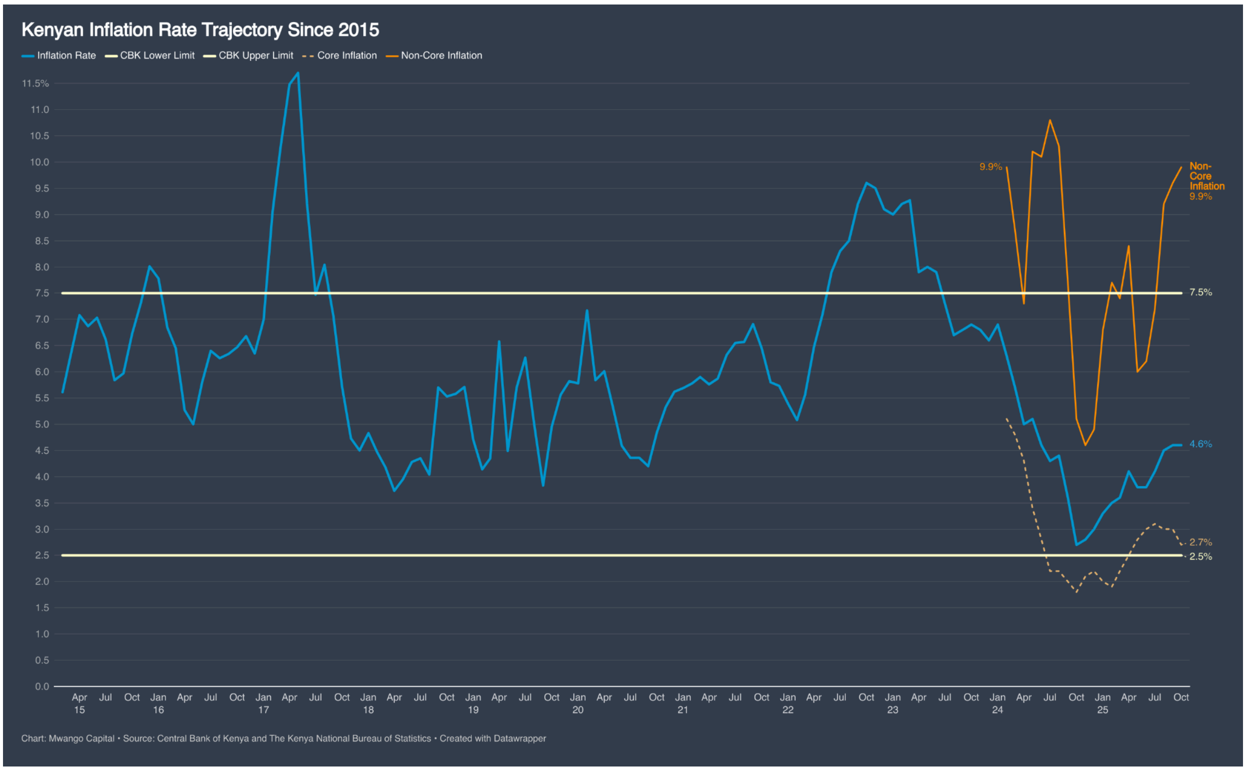


Eurobonds: Kenya's Eurobond curve eased slightly in the week ending 31 October 2025, posting an average decline of 6.04 bps. The biggest drops were recorded in KENINT 2032 and KENINT 2034, which fell by 13.5 bps and 10.2 bps to 8.168% and 8.178%, respectively. In contrast, KENINT 2027 rose by 8 bps to 5.777%, marking the only uptick on the curve.

Market Gleanings

💱**| Is the Kenyan Shilling Too Stable? |** David Ndii and Kwame Owino offered contrasting yet complementary views on the question of whether the Kenyan shilling is "too stable." Ndii dismissed the debate as "economic witchcraft," arguing that exchange rate movements are inherently unstable and driven by both fast-moving financial factors and slow real-economy fundamentals, leaving pragmatism as the only sensible guide for policymakers. Kwame, on the other hand, acknowledged the value of stability but questioned whether the Central Bank of Kenya is still pursuing inflation targeting, noting that the shilling's near-fixity since mid-2024 resembles a de facto peg to the US dollar. He warned that such a peg conflicts with inflation targeting and may reflect weak domestic demand rather than genuine strength, concluding that whatever "witchcraft" is producing the current stability deserves closer scrutiny.

📈| **Kenya's Inflation Holds at 4.6% in October |** Annual consumer price inflation in Kenya remained steady at [4.6%](#) in October 2025, unchanged from September. The rise was mainly driven by Food & Non-Alcoholic Beverages (+8.0%), Transport (+4.8%), and Housing, Water, Electricity, Gas & other fuels (+1.9%), which together account for over 57% of the CPI basket. Core inflation, which excludes volatile items such as food and energy, stood at 2.7%, while non-core inflation reached 9.9%, reflecting continued pressure from essential goods and transport costs.



📊| **Carbacid Profits Jump 19% on Regional Demand |** Carbacid Investments Plc posted a strong FY25 performance, with net profit rising 19% to [KES 1.0B](#) from KES 841M a year earlier. Turnover edged up 1.6% to KES 2.1B, supported by growing demand across South Africa, Namibia, Botswana, Zimbabwe, and Malawi, although gains were partly offset by the stronger Kenyan shilling. Operating efficiency and lower power costs from solar energy investments lifted gross margins from 59% to 65%, while the Group also recorded KES 68M in unrealized gains on NSE-listed equities and KES 52M on DSE-listed equities. The board proposed a KES 2.00 dividend, up from KES 1.70 in FY24.

🟢| **AA Kenya Plans Share Capital Increase Ahead of Listing |** AA Kenya PLC will hold its Annual General Meeting virtually on 25th November 2025, where shareholders will consider a [proposal](#) to increase the company's authorized share capital from 35 million to 100 million shares. The move is aimed at supporting future growth and expansion as the company progresses through its demutualization and prepares for a potential listing.

⚖️| **Ombudsman Queries CMA Over Uchumi's Persistent Disclosure Breaches |** The Commission on Administrative Justice has written to the Capital Markets Authority seeking an explanation over alleged inaction against Uchumi Supermarkets PLC's board for repeated non-compliance with disclosure regulations. The complaint, filed by a shareholder, cites failures to provide timely updates on financial performance, governance, and material developments. Uchumi, which has struggled with financial distress and governance issues, reported year-to-date revenue of KES 86.3M for the period ending June 2025, up 67% from 2024, while its market capitalization remains around KES 135M.

📊| **Olympia Capital Profit Rises 3% in H1 2025 |** Olympia Capital posted H1 2025 results, with revenue declining 4% to KES 266.8M and operating profit falling 18% to KES 21.2M. However, profit after tax rose 3% to KES 14.4M, supported by modest cost efficiencies. Total assets increased 3% to KES 1.97B, while equity strengthened 13% to KES 1.23B. The company did not declare an interim dividend for the period.

🍺| **Varun Beverages Enters Kenyan Alcohol Market |** Varun Beverages, PepsiCo's largest bottler outside the US, is expanding into Africa's alcoholic beverage market with the launch of operations in Kenya. The company has signed an exclusive distribution agreement with Carlsberg Breweries to test-market select beers across its African subsidiaries. The move diversifies VBL's portfolio beyond soft drinks, with plans to introduce beer, wine, whisky, rum, and vodka in India and international markets. In Kenya, Varun Food and Beverages (Kenya) Limited will manufacture and distribute beverages locally.

✅| **KenGen Cleared to Proceed with USD 19.6M Carbon Credit Sale |** The Kenya Electricity Generating Company (KenGen) has been cleared to proceed with a USD 19.6M tender for the sale of 6.38 million carbon credits after the procurement watchdog dismissed an application by a losing bidder. The Public Procurement Administrative Review Board (PPARB) ruled against Sintmond Group Ltd, stating that given the scale of the tender and its substantial financial value, the firm was obliged to demonstrate the capacity to undertake a contract of this magnitude.

⚡| **Kenya's Electricity Demand Hits Record 2,412MW in October |** Kenya's electricity demand reached a record 2,411.98MW in October 2025, up from 2,363.41MW in August, driven by rising industrial and household consumption. KenGen attributed the growth to increased uptake of clean, reliable renewable energy, particularly geothermal and hydropower. During the period, geothermal stations produced 12,787MWh, which was 5.07 percent above dispatch projections, while hydropower plants generated 9,871MWh, 3.23 percent above target, helping stabilize the grid despite fluctuations in wind and solar output.

💰| **Stanbic Banks Provide USD 45M for PepsiCo Bottlers' Expansion in East Africa |** Stanbic Bank Kenya and Stanbic Bank Uganda provided a USD 45M long-term funding package to support the expansion of PepsiCo bottlers in East Africa. Crown Beverages Limited in Uganda received USD 30M, while SBC Kenya received USD 15M. The financing aims to support growth in local manufacturing and regional trade, building on the existing relationship between Stanbic Bank Uganda and Crown Beverages, and following the 2023 acquisition of SBC Kenya by CBL shareholders.

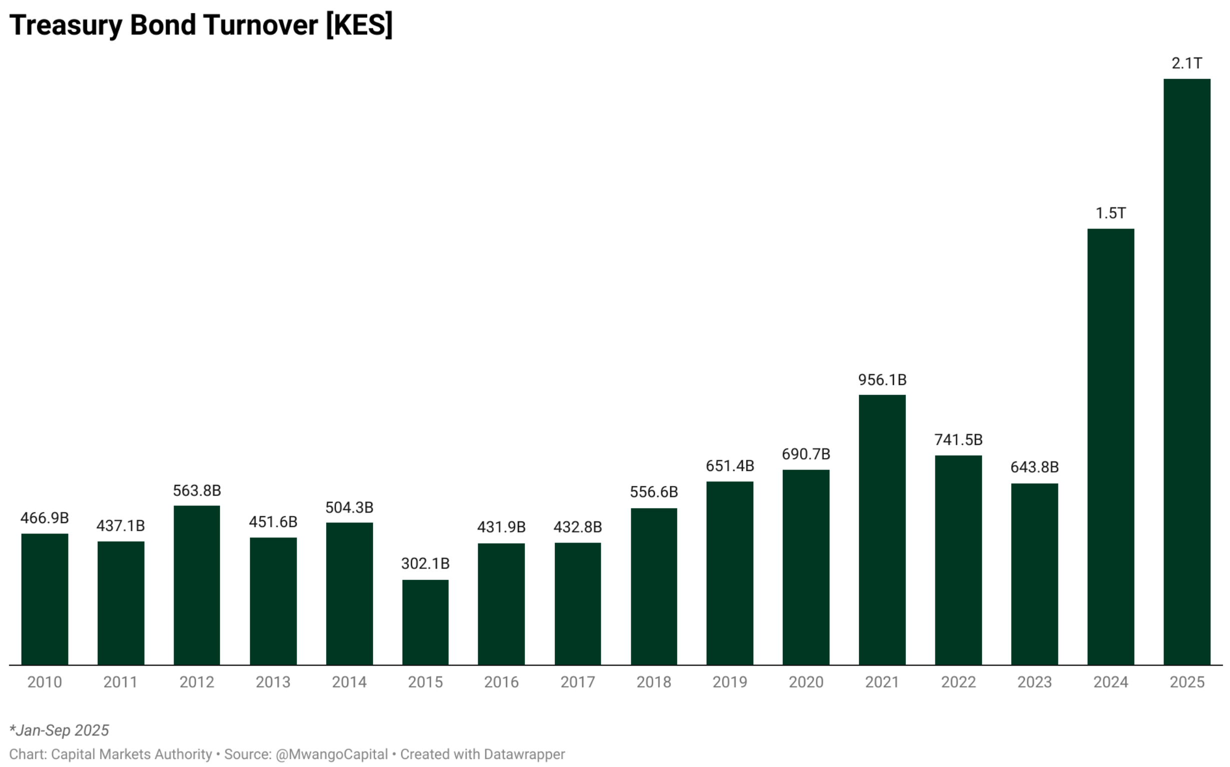
📱| **M-Pesa Integrates with EthSwitch for Bank Transfers in Ethiopia |** M-Pesa has connected its mobile money platform to EthSwitch, Ethiopia's national payment network, enabling users to transfer funds and make payments between M-Pesa and all participating banks. Customers can move money directly between mobile wallets and bank accounts, and make QR-based payments. The integration currently links 16 banks and microfinance institutions, with more expected to join in the coming weeks.

🚩| **20 Companies Fined KES 2.2B for Unclaimed Asset Defaults |** An audit by the Auditor-General found that 20 companies failed to remit unclaimed assets, resulting in fines totaling KES 2.2B by the Unclaimed Financial Assets Authority. CIC Insurance received the largest fine at KES 999.6M, while Carbacid Investments was fined KES 30.9M for unclaimed assets worth KES 1.1M. The audit revealed that heavy penalties often exceeding 50% of the asset value in 15 of 20 compliance reports discouraged holders from remitting assets, with total penalties of KES 2.2B against identified assets of KES 5.1B.

Table 8: Penalties Imposed on Unremitted Unclaimed Financial Assets

	Name of Holder	Unclaimed Financial Assets (Kshs.)	Penalties Imposed (Kshs.)	Penalties as a Percentage of Unclaimed Financial Assets
1	Carbacid Investments	1,075,882	30,876,594	2870%
2	Moi University Retirements and Benefits Scheme	29,788,759	111,609,152	375%
3	Maseno University	40,655,081	74,556,809	183%
4	Pacis Insurance Company Ltd	6,232,034	10,143,026	163%
5	Egerton University	30,289,654	39,104,062	129%
6	Egerton University Pension Scheme	12,048,522	15,350,580	127%
7	Moi University	171,406,660	211,376,187	123%
8	Airtel Kenya	28,070,855	27,200,530	97%
9	Total Kenya Ltd	27,969,942	26,712,095	96%
10	Kenyatta University	20,795,242	19,784,031	95%
11	Equity Bank Ltd	286,511,724	249,728,593	87%
12	United States International University (USIU)	50,100,371	34,975,064	70%
13	CIC Group PLC	1,458,143,538	999,604,283	69%
14	WPP Scan Group	93,079,528	62,169,503	67%
15	Pioneer Assurance Company Ltd	246,529,341	131,103,610	53%
16	Unaitas SACCO	119,841,836	58,039,443	48%
17	UNGA Group	61,336,034	29,402,865	48%
18	Mwalimu National SACCO	38,259,312	16,615,132	43%
19	Geminia Insurance	48,875,624	16,786,826	34%
20	University of Nairobi	2,318,241,273	66,850,000	3%[9]
	Total	**5,089,251,212**	**2,231,988,385**	

Chart of the Week



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