Equity Kenya Macro Note

Kenya Financial Markets Weekly

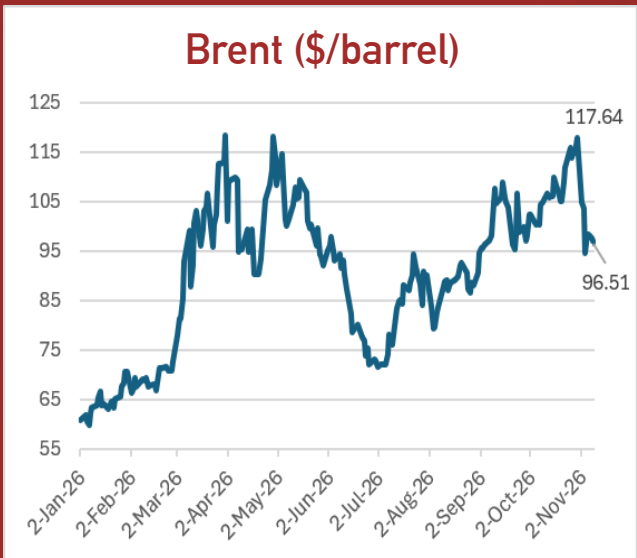
09th Nov to 13th Nov 2026

Republicans lose control of both houses

For the first time in 20 years a sitting president has lost both houses. US president Donald Trump's Republican partly lost control of both the senate and the house of representatives in last week's midterm elections. The blue wave reflected voters' deep frustration with Trump's handling of the economy and his decision to launch a war against Iran, which sent gasoline prices sharply. Despite the loss president trump maintains military & diplomatic powers and can veto any decision.

Oil eases as democrats capture both houses

Brent futures retreated last week following democrats win in both the senate and the house of representatives . Brent futures stood opened Mondays session down 0.58% trading at $97/barrel from despite reports of at least five vessel attacks in the Persian Gulf since Sunday last week . President Trump signaled he had no immediate plans for further attacks on Iran. Brent futures touched a 6-month high of $117/barrel at the end of October.



US Jobs beats expectations chances of a fed hike high as inflation remains high

New data showed the US economy added 165,000 jobs in October surpassing expectations. The unemployment rate fell to 4.1% from 4.2%, according to Bureau of Labor Statistics data. Job growth in the previous two months was stronger than initially reported, with a total of 84,000 jobs added: August was revised upwards by 53,000 to 186,000; and September gains totaled 60,000, up from 29,000. With Inflation still elevated at 3.7% in September, all eyes are on Fed's December's meeting where the market is currently pricing a higher chance of a 25bps hike but done expect a longer-term hiking cycle.

England hikes rate by 25bps as inflation rises to 3.5%

The bank of England's Monetary Policy Committee voted a majority 8-1 to increase Bank Rate by 0.25 percentage points to 4% . One member voted to increase Bank Rate by 50bps to 4.25%. Global energy prices have continued to rise from an already elevated level. UK CPI inflation increased to 3.5% in September. It is now expected to rise to around 5% by the middle of next year.

Investors scramble for short term papers on elevated rate uncertainty

Investors placed bids worth Sh68bn ($520m) for the three papers as CBK took up Sh53.1bn (Sh 408m) of which Sh35bn ($265m) were on the 3-month paper representing 65% of total placements. The preference for short term placements indicate elevate uncertainty levels. High liquidity in the financial markets has also been boosted by previous easing of monetary policy stance. Heavy borrowing in the domestic market has pushed domestic debt to Sh7.7trn ($59bn) from Sh6.8trn ($52bn) at the start of the year. Total government debt now stands at a record Sh13.5trn ($104bn).

Nedbank's 66% acquisition of NCBA turn foreigners into Sh107bn net buyers at NSE

Foreign investors pumped in a net of Sh107bn ($0.8bn) at the NSE last week from a net sell of Sh41.3bn ($0.3bn) in the previous week. The inflows witnessed last week is solely attributed to South African lender Nedbank 66% acquisition on NCBA. Market capitalization was up 0.7% to Sh4trn ($31bn) as all indices recorded slight gains over the week signaling increased activity at the NSE. Kenyan equities have remained resilient despite the ongoing Middle East stalemate.

Tel: +254 763 000 000 @KeEquityBank KeEquityBank

Equity Bank (Kenya) Limited is regulated by Central Bank of Kenya

EQUITY

Equity Kenya Macro Note



Kenya Financial Markets Weekly

09th Nov to 13th Nov 2026

Key Financial and Economic Calendar Month	Events & Dates
Mon Nov 10	US CPI; US Core CPI
Sat Nov 14	EPRA release fuel prices
Mon Nov 30	November CPI release
Wed Dec 09	CBK MPC meeting
Wed Dec 09	FOMC Decision

News

- Highly liquid market help CBK raise 65% of Full year target in 4 months
- Treasury and CBK differ on banks' capital requirement deadlines
- Medical bills in Kenya could rise 13% next year
- Flower exporters ask court to suspend new levy
- Kenyans usage of crypto rises 38%
- World Bank says Kenya overpaid Mombasa-Naivasha SGR by Sh117bn($900m)
- Tax cuts on low income earners as state moves to end Sh2400 monthly relief
- October tax receipts beat target by 0.9%

Indicator	Period	IMF (Oct WEO)	IMF (Apr WEO)	CBK	National Treasury	Bloomberg Consensus
GDP Growth (% YoY)	2026	4.5%	4.5%	5.0%	5.5%	4.9%
GDP Growth (% YoY)	2027	4.7%	4.5%	5.3%	5.8%	5.1%
CPI Inflation (% YoY avg)	2026	6.0%	5.9%	Peak 7.2% Dec	5.0%	6.1%
CPI Inflation (% YoY avg)	2027	5.0%	5.9%	5.0%	4.5%	6.4%
Budget Balance (% GDP)	2026	-5.7%	-5.5%	—	-5.5%	-6.1%
Budget Balance (% GDP)	2027	-5.2%	-5.0%	—	-4.7%	-6.0%
Current Account (% GDP)	2026	-4.5%	n/a	-3.2%	-4.1%	n/a
Current Account (% GDP)	2027	-4.1%	n/a	—	-3.5%	n/a

Report prepared by:

Timothy Odinga (Kenya Lead Economist -EGH)

Disclaimer

This document has been prepared by Equity Bank Kenya Ltd.

All information in this document is for informational purposes. It is not intended to be a substitute for professional advice, nor is it intended to form the basis of any investment decision. Should you decide to act upon any information in this document, you do so at your own risk. Equity Group accepts no liability for your reliance on the information in this document. Read detailed T&C here