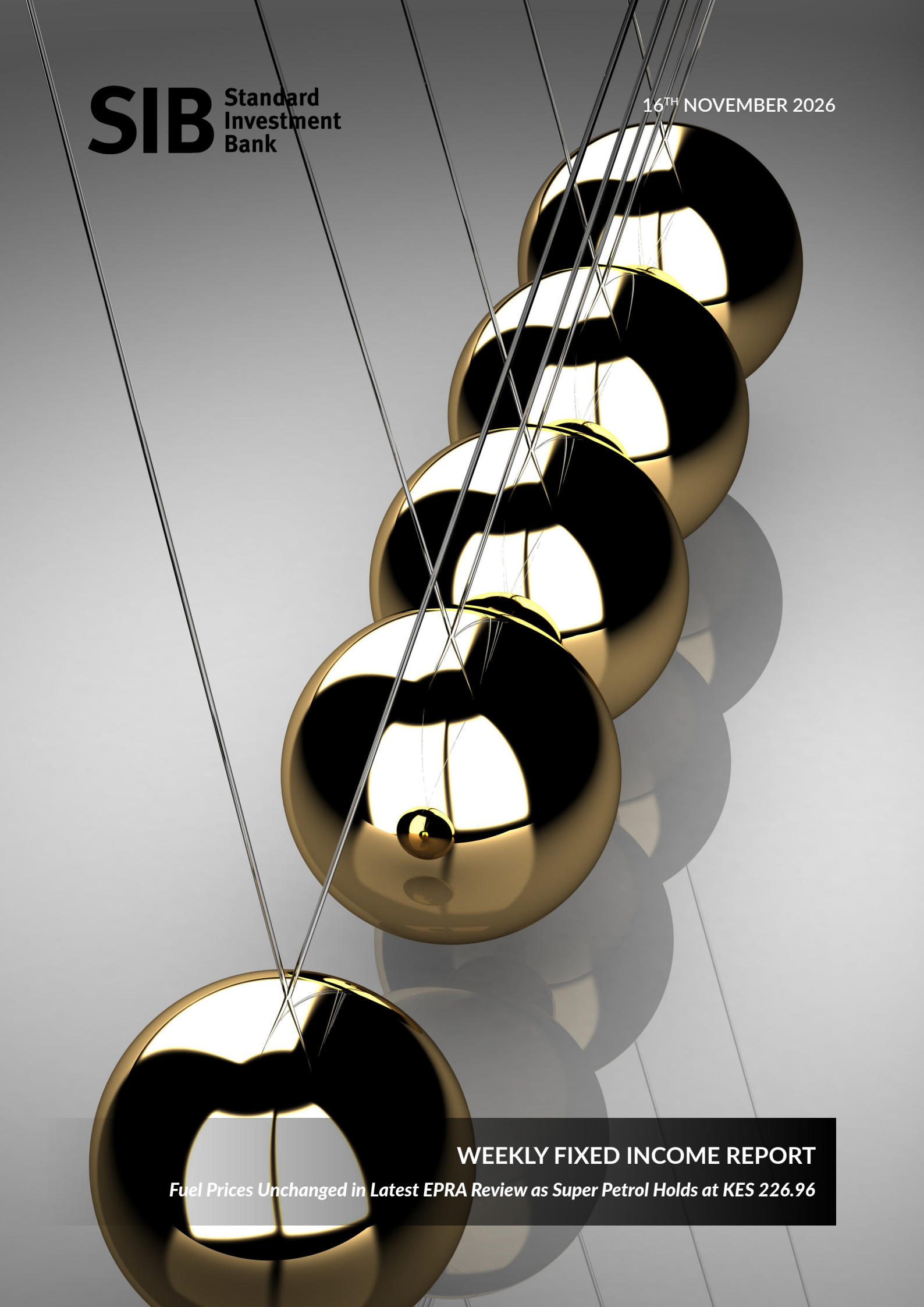
SIB Standard Investment Bank

16TH NOVEMBER 2026



WEEKLY FIXED INCOME REPORT

Fuel Prices Unchanged in Latest EPRA Review as Super Petrol Holds at KES 226.96

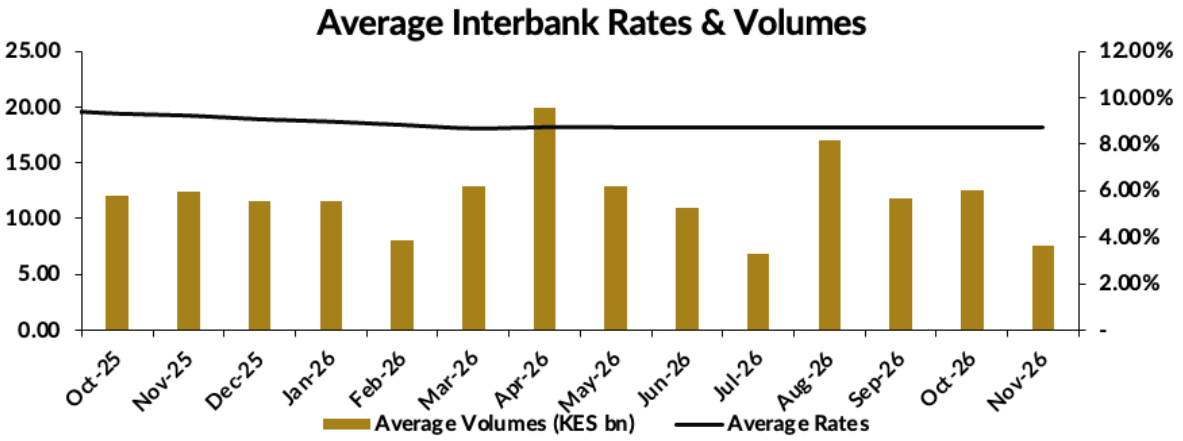
MONEY MARKET STATISTICS

Liquidity conditions remained stable in the week, with the Kenya Shilling Overnight Interbank Average (KESONIA) closing at an average of 8.75%. Interbank lending increased by 49% in the week, with average traded volumes coming in at KES 13.40Bn from last week's KES 9.20Bn. Notably, the interbank deals decreased by 30% to close the week at 23 compared to the 16 recorded in the previous week.

Find the summary below:

Average	Previous Week - ended 29/10/2026	Current Week - ended 12/11/2026	Change
Interbank Deals (Total)	23.00	16.00	(30.43%)
Inter- Bank volumes (KES bn)	9.00	13.40	48.89%
KESONIA (bps)	8.75%	8.75%	0.00

Source: Central Bank of Kenya (CBK), Table: SIB



Source: Central Bank of Kenya (CBK), Chart: SIB

GOVERNMENT SECURITIES MARKET

T-Bills:

Investor appetite for Treasury Bills **increased** this week as total submitted bids increasing to KES 69 billion compared to KES 68 billion recorded last week, of which the fiscal agent accepted KES 57Bn resulting in the subscription rate of 82% and a performance rate of 247%; lagging behind the subscription rate of 78%, recorded the previous week.

The 91-day Treasury Bill remained the most attractive debt instrument, registering a performance rate of 396%. The auction was significantly oversubscribed, receiving **KES 32Bn** in bids compared to the **KES 8.0Bn** on offer.

Below is a visual summary;

18-Nov-26	91-day	182-day	364-day	Totals
	17-Feb-27	19-May-27	17-Nov-27	
Amount offered	8.00	10.00	10.00	28.00
Bids received	34498.37	21892.76	11310.68	67701.81
Bids Accepted	34456.79	7431.06	11242.99	53130.84
Subscription rate (%)	99.88%	33.94%	99.40%	78.48%
Performance rate (%)	431.23%	218.93%	113.11%	241.79%
Rollover/Redemptions	13316.25	15090.60	23909.85	52316.70
New Borrowing/(Net Repayment)	21,140.54	-7,659.54	-12,666.86	814.14
Weighted Average Rate of Accepted Bids	8.8%	8.8%	9.0%	
Inflation	7.3%	7.3%	7.3%	
Real Return	1.5%	1.5%	1.7%	

Source: Central Bank of Kenya (CBK), Table: SIB

T-Bonds:

In the primary space, The Central Bank of Kenya released the **results** for the two re-opened bonds **FXD3/2019/015 and FXD1/2026/030 carrying** coupon rates of 12.34%. and 12.50% respectively.

Investor demand was strong, pushing total bids to KES 99Bn against an initial offer of KES 50Bn. This resulted in an overall oversubscription rate of 166%. Out of the bids received, the government accepted KES 71Bn, achieving a 71% acceptance rate.

Find below a summary the results:

Issue	FXD3/2019/015- Re-opened	FXD1/2026/030 - Re-opened
Tenor to Maturity	7.8 Yrs	29.5 Yrs
Coupon Rate	**12.34%**	**12.50%**
Offered Amount	**KES 50Bn**	
Bids Received (KES Mn)	37,069.54	62,397.80
Amount Accepted (KES Mn)	**29,904.78**	**40,954.62**
Market Weighted Average Rate (%)	**12.872%**	**14.171%**
Weighted Average Rate of Accepted Bids (%)	12.740%	14.127%
Adjusted Average Price (Per KES 100)	101.824	89.392
New Borrowing/Net Repayment	**KES 30Bn**	

Source: Central Bank of Kenya (CBK), Table: SIB

The Central Bank of Kenya recently released the **results** for a switch bond. Investor demand was muted, pushing total bids to KES 3.78Bn against an initial offer of KES 10Bn. This resulted in an overall oversubscription rate of 38%. Out of the bids received, the government accepted KES 3.8Bn, achieving a 100% acceptance rate.

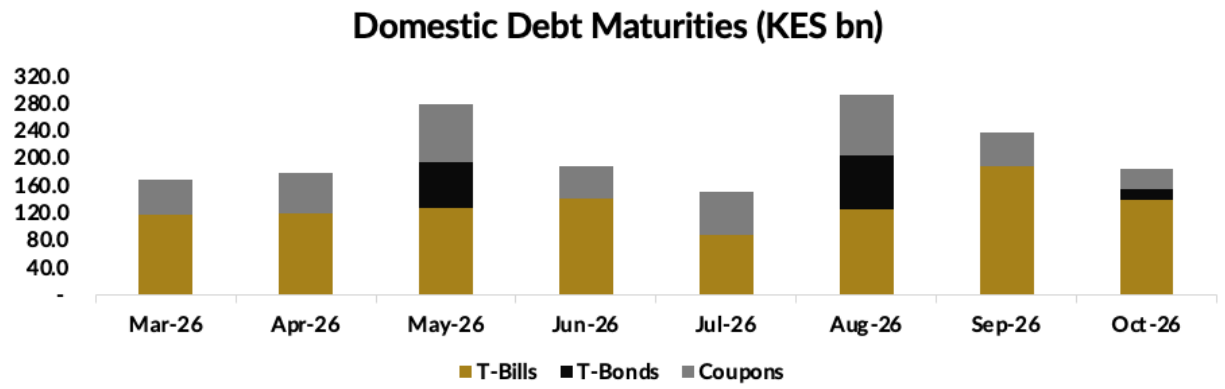
	SWITCH OFFER
Issue	**FXD4/2019/010- Destination Bond**
Tenor to Maturity	3.0 Years
Coupon Rate	**12.28%**
Offered Amount	**KES 10.00Bn**
Bids Received (KES Mn)	3,785.79
Amount Accepted (KES Mn)	**3,785.79**
Market Weighted Average Rate (%)	**11.240%**
Weighted Average Rate of Accepted Bids (%)	11.240%
Adjusted Average Price (Per KES 100)	108.565

Source: Central Bank of Kenya (CBK), Table: SIB

Looking at secondary bond market turnover, the quantum **increased** to KES 82Bn (+61%w/w) from KES 51Bn in the prior week. **Month on Month**, bond turnover decreased by 18% to KES 240Bn in October from KES 293Bn in September 2026.

Outstanding Debt Maturities (T-Bills and T-Bonds):

Total domestic debt maturities in October 2026 are at KES 244Bn compared to KES 238Bn in September 2026. See the chart below;



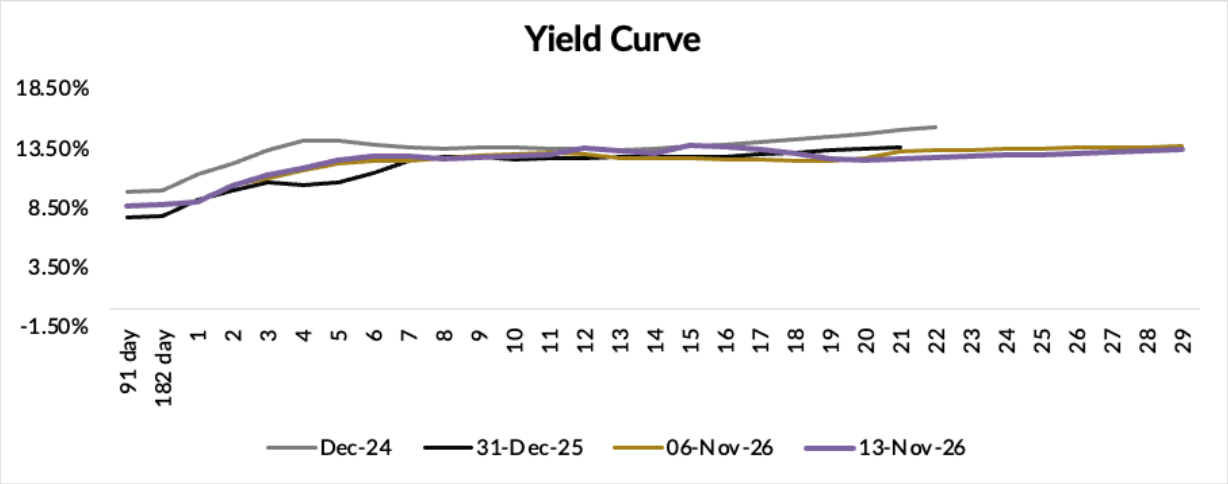
Source: Central Bank of Kenya (CBK), Chart: SIB

Yield Curve:

Local interest rates were largely stable during the week, with average government securities yields inching slightly higher by c.0.053% w/w.

With the government expected to lean heavily on the domestic market to plug its budget deficits, borrowing demands will likely stay high, keeping consistent upward pressure on local yields over the medium term despite high liquidity conditions.

Below is a visual representation;



Source: Nairobi Securities Exchange (NSE), Chart: SIB

THE INTERNATIONAL SCENE

Weekly Insight: November 2026 Macro Outlook: U.S. Labor Strength, Brent Rebound, and Global Oil Swings

The second week of November 2026 was characterized by sharp energy price volatility and a widening divergence in global monetary policy expectations. Internationally, stronger-than-expected U.S. labor market data reinforced expectations for tighter Federal Reserve policy into 2027, supporting the U.S. Dollar while safe-haven flows and lower early-week oil prices pulled U.S. 10-year Treasury yields down to roughly 4.86%. In energy markets, diplomatic de-escalation signals in the Middle East and an International Energy Agency (IEA) report noting a return to global oil surplus temporarily drove Brent crude below $90/bbl before late-week reassessment lifted prices back toward $98.45/bbl.

Domestically, fiscal intervention cushioned consumers from lagged import cost increases, with the government deploying KSh 4.6 billion from the Petroleum Development Levy Fund to hold EPRA retail pump prices unchanged for the November 15–December 14 cycle (Super Petrol at KSh 226.96/L, Diesel at KSh 227.76/L, and Kerosene at KSh 219.87/L) despite higher landed costs. While October headline inflation remains elevated at 7.3% and the World Bank projects 4.4% GDP growth in 2027 alongside governance reform priorities, domestic monetary stability remains firmly anchored: the Central Bank of Kenya (CBK) maintained its benchmark rate at 8.75%, the Kenyan Shilling held steady at KSh 129.96/USD for a third consecutive week, and official foreign exchange reserves stood at a healthy $14.61 billion (5.9 months of import cover).

U.S. Labor Resilience & Widening Developed-Market Divergence

Global macroeconomic sentiment during the second week of November 2026 was shaped by robust U.S. labor market data juxtaposed against persistent inflation risks. Stronger-than-expected U.S. job growth reinforced the narrative of domestic economic resilience, even as decelerating private-sector wage gains and rising healthcare costs began weighing on household purchasing power. This firm employment backdrop kept market expectations tilted toward tighter Federal Reserve policy, with investors pricing in a high probability of further interest rate hikes into 2027. In contrast, the Eurozone continued to grapple with sluggish growth alongside accelerating inflation, underscoring a widening macroeconomic divergence between the United States and Europe.

Middle East De-escalation & Oil Market Volatility

Energy markets experienced dramatic two-way volatility following major geopolitical developments and shifting supply fundamentals. Early in the week, Brent crude plunged below **$90/bbl**—its lowest level since August—after U.S. President Donald Trump stated that the conflict with Iran was "effectively over," prompting a rapid unwind of war-risk premiums. Reinforcing the downward pressure, the International Energy Agency (IEA) reported that global oil supply had returned to a surplus in October, driven by recovering Gulf exports and rising inventories. However, crude benchmarks rebounded sharply toward the end of the week, with Brent recovering to **$98.45/bbl** by Friday morning as markets reassessed lingering supply risks and post-conflict demand dynamics.

Sovereign Treasury Safe-Haven Flows & Inflation Sensitivity

Global fixed income markets navigated competing forces of equity volatility, lower energy prices, and sticky inflation readings. Early-week relief from tumbling crude prices and safe-haven demand amid equity market nervousness pushed the U.S. 10-year Treasury yield down roughly 7 basis points to finish near **4.86%**, with comparable yield declines recorded across German, British, and Canadian sovereign bonds. Nevertheless, bond market gains remained fragile following the upside U.S. employment surprise, leaving long-duration fixed income highly vulnerable to any renewed acceleration in consumer price data.

Greenback Support & Regional FX Settlement Initiatives

Foreign exchange markets saw the U.S. Dollar maintain broad underlying support, underpinned by resilient domestic activity and expectations of tighter U.S. monetary policy relative to major peers. The Euro traded near **$1.115** against the Greenback amid weaker European economic momentum, while the Japanese Yen hovered close to **¥158.2** per dollar. Meanwhile, structural developments in cross-border currency infrastructure gained traction in Asia: central banks across Malaysia, Indonesia, Thailand, and the Philippines signed an expanded Memorandum of Understanding on November 13 to promote local currency settlement for bilateral trade and investment, alongside a successful synchronised multi-currency FX settlement trial concluded by the Bank of England, Monetary Authority of Singapore, and Bank of Thailand.

Kenyan Eurobonds:

Yields on Kenyan Eurobonds decreased marginally by average of c.0.489% during the week dated 6th November 2026 to 11th November 2026, partly linked to the ongoing volatility in international markets. The table below summarizes the performance across maturities:

	KENINT 02/28/2028	KENINT 02/16/2031	KENINT 05/22/2032	KENINT 01/23/2034	KENINT 02/28/2048
Issuance	**10-Year 2028**	**6-Year 2031**	**12-Year 2032**	**13-Year 2034**	**30-Year 2048**
Maturity Date	**28-Feb-28**	**16-Feb-31**	**22-May-32**	**1-Jun-34**	**28-Feb-48**
Tenor to Maturity	**1.6**	**4.6**	**5.8**	**7.9**	**21.6**
31-Dec-25	6.0%	7.1%	7.2%	7.8%	9.3%
06-Nov-26	7.2%	7.6%	8.2%	9.0%	9.5%
09-Nov-26	7.1%	7.5%	8.3%	8.6%	9.3%
10-Nov-26	7.2%	7.6%	8.4%	8.7%	9.4%
11-Nov-26	7.2%	7.6%	8.4%	8.7%	9.4%
12-Nov-26	7.2%	7.7%	8.5%	8.9%	9.6%
Weekly Change	**(0.055%)**	**(0.062%)**	**(0.369%)**	**0.093%**	**(0.096%)**
YTD Change	**1.2%**	**0.6%**	**1.3%**	**1.1%**	**0.3%**

Source: Central Bank of Kenya (CBK), Table: SIB

Currency Performance:

The Kenyan Shilling displayed mixed week-over-week (w/w) performance across major global and regional currencies. Against major global counters, the Shilling remained virtually unchanged against the U.S. Dollar (USD/KES) at **(0.0%)**. Conversely, it posted gains across European currencies, strengthening by **0.8%** against the Euro (EUR/KES) and **0.4%** against the British Pound (GBP/KES), while softening slightly by **(0.2%)** against the Japanese Yen (JPY/KES). Regionally, performance was split: the Shilling edged up marginally by **0.1%** against the Tanzanian Shilling (KES/TZX), but weakened significantly by **(4.6%)** against the Ugandan Shilling (KES/UGX).

The U.S. Dollar Index **strengthened** by 1.60% during the week.

Murban crude oil prices declined to USD 90.07 per barrel on November 12, down from USD 94.04 per barrel on November 5, as fears of a wider military escalation in the Middle East eased. Over the same period, spot gold prices decreased to USD 3876.4 per ounce on November 12 from USD 4,087.7 per ounce on November 5.

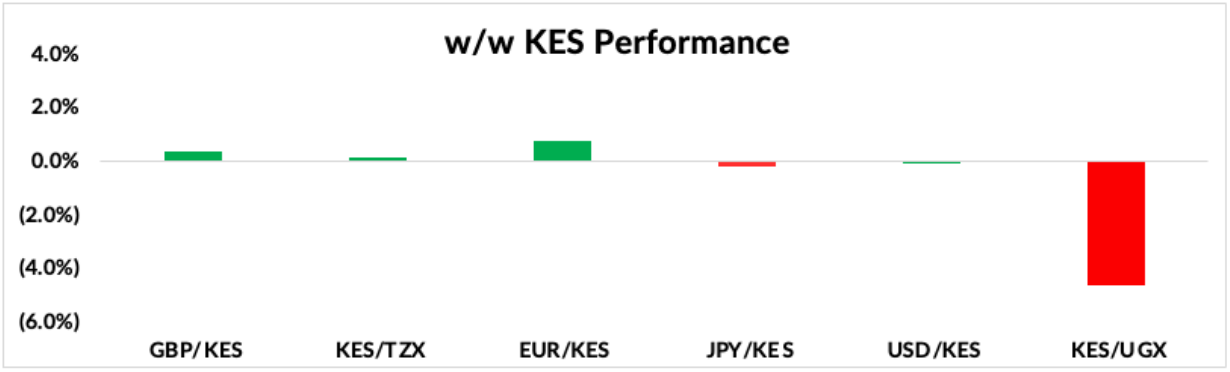
See the table below;

Currencies	31 Dec 2025 (vs KES)	Previous	Current	w/w Change	YTD change
GBP/KES	173.65	173.20	173.91	0.4%	0.2%
KES/TZX	19.03	20.32	20.35	0.1%	6.9%
EUR/KES	151.43	144.74	145.83	0.8%	(3.7%)
JPY/KES	82.39	82.31	82.18	(0.2%)	(0.3%)
KES/UGX	28.06	33.43	31.89	(4.6%)	13.7%
USD/KES	129.01	129.95	129.91	(0.0%)	0.7%

Source: Central Bank of Kenya (CBK), Table: SIB

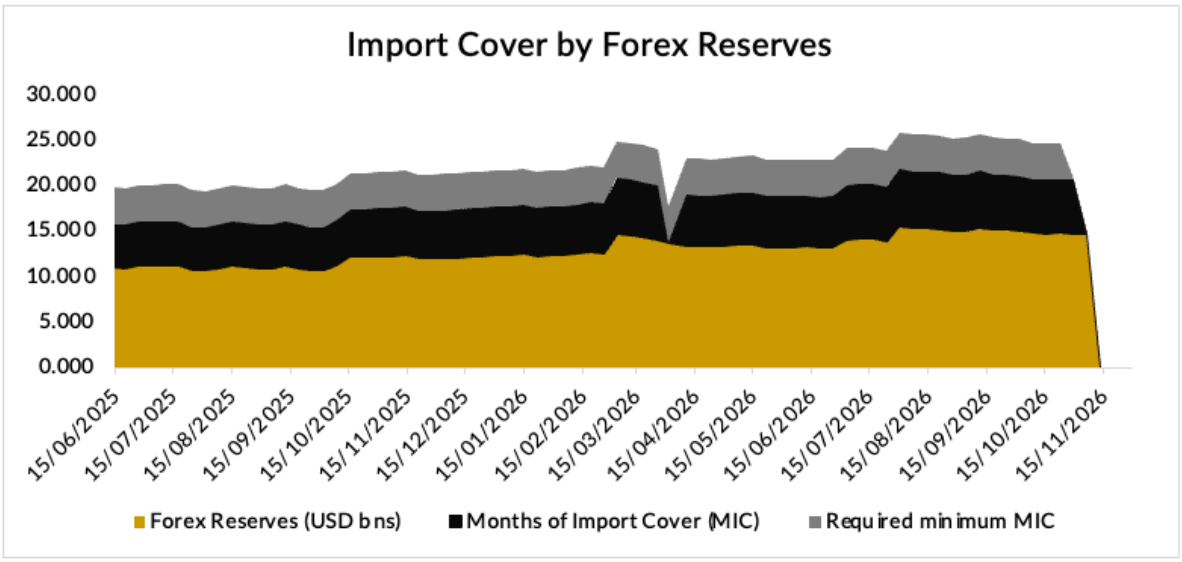
Abbreviations: GBP – British Pound, EUR – Euro, USD – US Dollar, UGX – Ugandan Shilling, TZS – Tanzanian Shilling, JPY – Japanese Yen I
FX rate is determined by calculating the weighted average rate of recorded spot trades in the interbank market

See also a visual representation below;



Source: Central Bank of Kenya (CBK), Chart: SIB

Kenya's foreign exchange reserves decreased marginally by 0.6% to close at USD 14.61bn, with import cover closing at 5.9 months. See the chart below for a visual summary.



Source: Central Bank of Kenya (CBK), Chart: SIB

Domestic Energy Policy: EPRA November – December 2026 Fuel Review

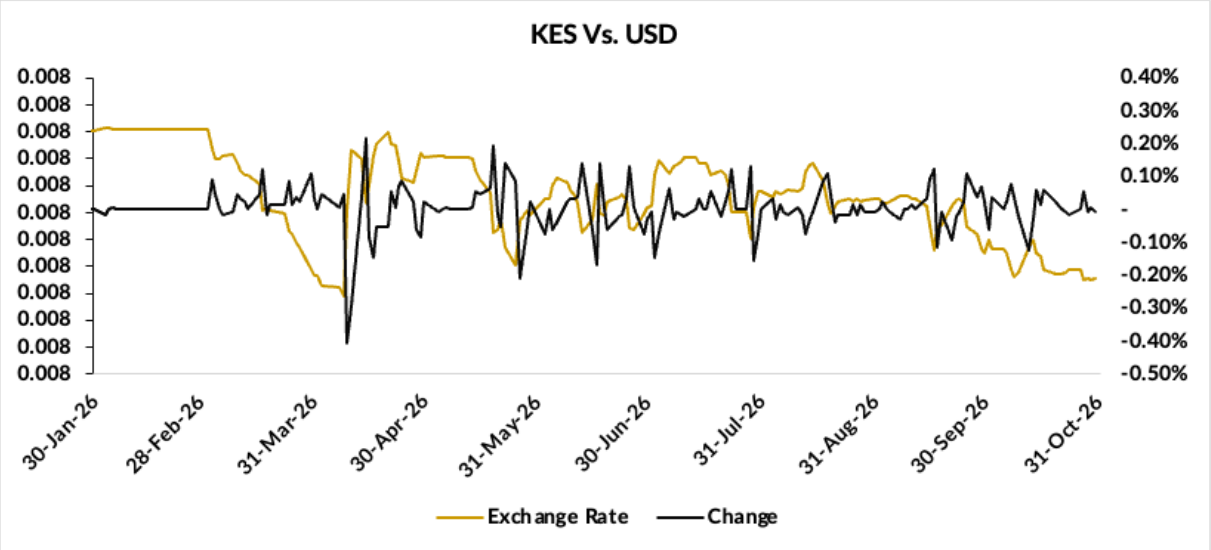
The Energy and Petroleum Regulatory Authority (EPRA) retained existing retail fuel prices for the November 15 to December 14, 2026 pricing cycle, providing consumers and businesses with relief from rising global oil costs. In Nairobi, pump prices hold steady at **KES 226.96** per litre for Super Petrol, **KES 227.76** for Diesel, and **KES 219.87** for Kerosene, inclusive of the 8% Value Added Tax (VAT).

- **Fiscal Stabilization:** According to EPRA Director General Edward Kinyua, the government deployed **KES 4.6 billion** from the Petroleum Development Levy Fund to subsidize and stabilize pump prices for the cycle. Without this fiscal intervention, retail prices would have increased by **KES 8.58/L** for Super Petrol, **KES 10.54/L** for Diesel, and **KES 1.16/L** for Kerosene.

- **Landed Cost & FX Dynamics:** The stabilization cushioned domestic motorists from significant increases in October landed import costs—where Super Petrol rose **6.11%** ($977.55 to $1,037.30/m³), Diesel climbed **6.73%** ($1,065.38 to $1,137.09/m³), and Kerosene edged up **0.71%** ($1,098.31 to $1,106.11/m³)—alongside a slight mean exchange rate depreciation from KES 129.91/USD in September to **KES 130.17/USD** in October 2026.

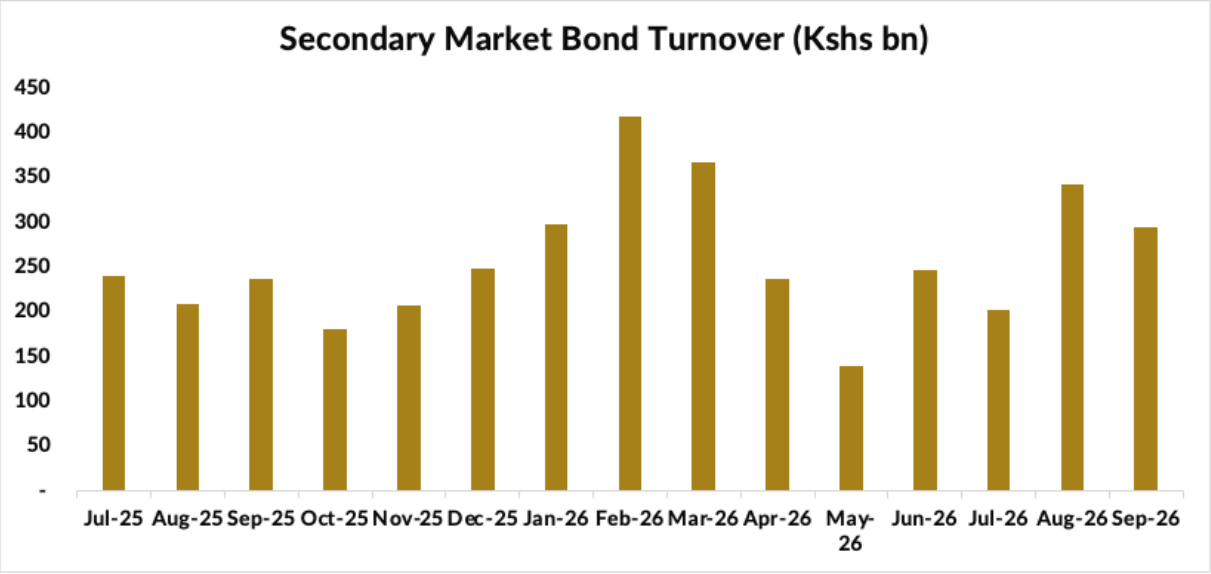
While freezing pump prices shields motorists, manufacturers, and public service operators from immediate new cost shocks, households remain burdened by elevated expenses across transportation, food distribution, and industrial operations—particularly given Diesel's critical role in commercial transit and agriculture. Ultimately, meaningful fuel price relief at local stations in subsequent review cycles will require sustained declines in international refined product prices that remain offset by exchange rate fluctuations, importation and distribution expenses, or domestic taxes and levies.

BACKGROUND CHARTS
KES/USD Performance:



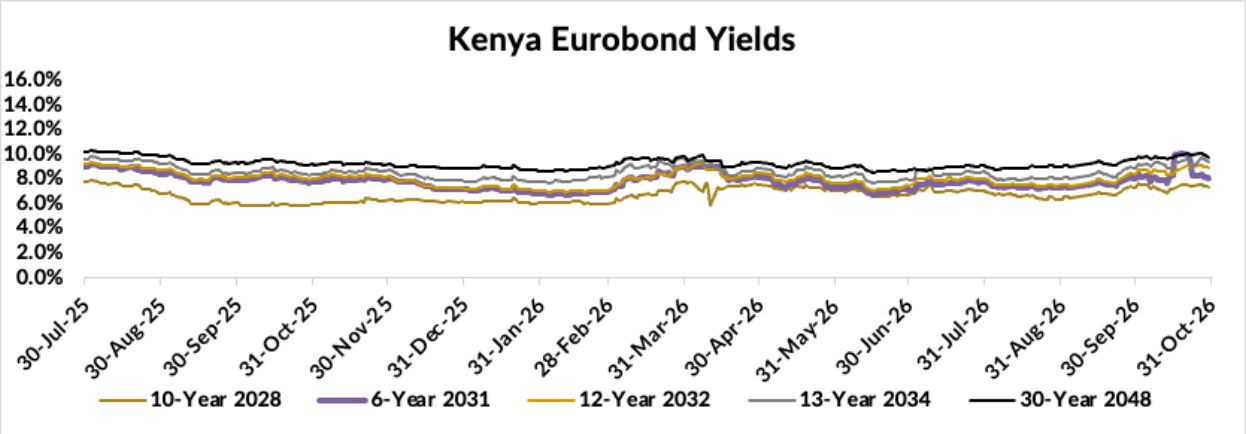
Source: Central Bank of Kenya (CBK), Chart: SIB

Bond Turnover:



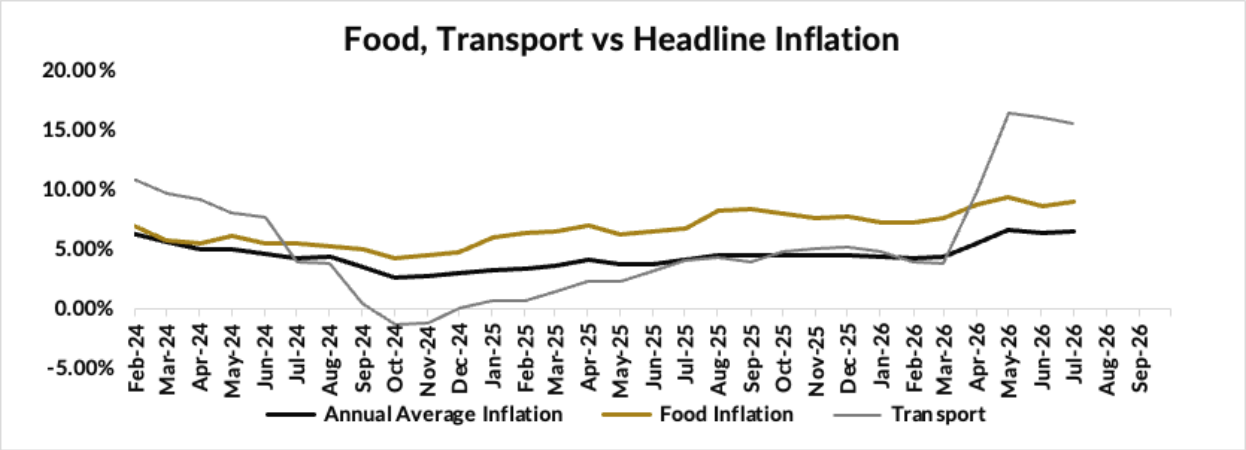
Source: NSE, Chart: SIB

Kenyan Eurobonds:



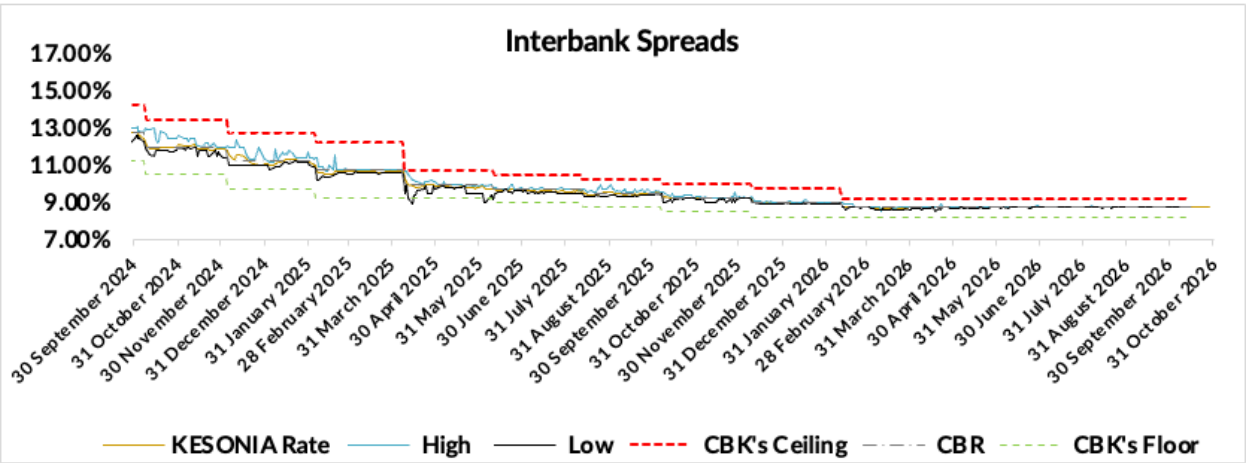
Source: Central Bank of Kenya (CBK), Chart: SIB

Inflation:



Source: Kenya National Bureau of Statistics (KNBS), Chart: SIB.

Interbank Spreads.



Source: Kenya National Bureau of Statistics (KNBS), Chart: SIB

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