



# **CAPITAL MARKETS AUTHORITY**

*Promoting the Integrity and Growth of the Capital Markets*



**MARKET PERFORMANCE,  
LICENSING SUFFICIENCY AND  
MARKET SUSTAINABILITY**



# FOREWORD

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The Capital Markets Authority (CMA) is mandated to regulate, supervise, and develop Kenya's capital markets to facilitate capital formation, promote investor confidence, and support the government economic development agenda. In fulfilling this mandate, the Authority continuously monitors market developments and performance and undertakes research to inform policy decisions, enhance market efficiency, and strengthen the resilience of the capital markets ecosystem.

This report presents a comparative review of capital market performance, while also examining the important issue of licensing sufficiency and market sustainability across various categories of licensed intermediaries. The report provides an integrated assessment of market trends, regulatory developments, investor participation, and the evolving structure of Kenya's capital markets within the context of regional and global market developments.

The findings indicate that Kenya's capital markets demonstrated remarkable resilience and growth during the period October 2025 to March 2026. The equities market recorded significant gains in market capitalization and share indices, supported by improved investor confidence, new listings, technological innovations, and favourable macroeconomic conditions. The fixed-income market remained robust, while collective investment schemes continued to register strong growth, reflecting increasing investor appetite for diversified investment products. These developments underscore the growing importance of capital markets in mobilizing savings, facilitating investment, and supporting economic transformation.

In addition to market performance, the report provides an evidence-based assessment of licensing sufficiency and market sustainability. As the market continues to evolve, it is important that the number and composition of licensed entities remain aligned with market demand, investor needs, and the long-term viability of the industry. The study examines trends in licensed intermediaries, reviews experiences from selected jurisdictions, and incorporates stakeholder perspectives to identify indicators that can support ongoing monitoring and policy decision-making. The findings reaffirm the importance of maintaining a balanced regulatory framework that promotes competition, innovation, investor protection, and sustainable market growth.

The Authority remains committed to fostering a fair, efficient, transparent, and globally competitive capital market. As new products, technologies, and business models emerge, regulatory approaches must continue to be informed by empirical evidence and stakeholder engagement. The insights contained in this report will contribute to strengthening policy formulation, enhancing market oversight, and supporting the development of a vibrant and sustainable capital markets sector.

I wish to express my appreciation to all stakeholders who contributed to this study, including market intermediaries, industry associations, investors, and other participants whose valuable insights enriched the findings. I also commend the Authority's Research, Analytics and Knowledge Management team and all staff involved in the preparation of this report.





# EXECUTIVE SUMMARY

This report presents a comprehensive assessment of the performance, development, and sustainability of Kenya's capital markets during the period ending March 2026. The report combines an analysis of international and domestic market developments with an assessment of licensing sufficiency and market sustainability within Kenya's capital markets. Together, these analyses provide insights into market resilience, investor participation, regulatory effectiveness, and the capacity of the market ecosystem to support continued growth.

Comparatively, the Kenyan capital markets recorded strong performance across all market segments supported by favourable macroeconomic conditions, regulatory reforms, technological innovation, and improved investor confidence emerging among the strongest-performing markets in the region. Market capitalization increased by 16.03 percent to KShs. 3.23 trillion for the 6-month period ending March 2026, while all major market indices recorded double-digit growth. The NSE 20 Index, NASI, and NSE 25 Index increased by 15.44 percent, 10.23 percent, and 17.13 percent, respectively. Key drivers of this performance included the successful listing of Kenya Pipeline Company (KPC), the listing of the ALP Industrial REIT, enhanced retail investor participation facilitated by digital platforms, strong corporate earnings, and a stable macroeconomic environment characterized by easing interest rates and contained inflation.

Market activity reflected evolving investor preferences and increasing diversification. Exchange Traded Funds (ETFs) and Real Estate Investment Trusts (REITs) attracted growing investor interest, with the New Gold ETF emerging as the most liquid counter during the review period. Secondary bond market activity remained robust, with turnover increasing by 26.99 percent to KShs. 1.71 trillion, while Collective Investment Schemes (CIS) continued to expand, with Assets under Management (AUM) reaching KShs. 851.71 billion by March 2026. Money Market Funds remained the dominant investment vehicle, reflecting investors' continued preference for professionally managed and relatively low-risk investment products. Beyond traditional capital market products, the coffee market also recorded strong performance, with auction volumes increasing to 516,599 bags and the value of coffee traded rising to USD 222.77 million.

Against this backdrop of market growth, the report also evaluates licensing sufficiency and market sustainability within Kenya's capital markets. The study was undertaken to determine whether the current number of licensed entities remains appropriate for market needs, whether the market possesses sufficient absorptive capacity to accommodate new entrants, and whether a licensing moratorium could be justified as a regulatory tool under specific circumstances. The assessment combined a review of licensing trends from 2013 to 2025, a comparative analysis of fourteen jurisdictions, and a nationwide stakeholder survey undertaken in collaboration with the Kenya National Bureau of Statistics (KNBS), which achieved a response rate of 77 percent.

# EXECUTIVE SUMMARY

The jurisdiction review further revealed that licensing moratoria are rarely used as regulatory tools within capital markets. Most developed and emerging markets rely instead on prudential requirements, risk-based supervision, fit-and-proper assessments, market conduct regulation, and continuous monitoring of key market indicators. Among the jurisdictions reviewed, only Ghana had implemented a capital-markets-specific licensing moratorium, primarily as a corrective measure to address structural challenges within the fund management sector.

Stakeholder perceptions were largely consistent with the findings of the desktop review. Most respondents indicated that the number of licensed entities is either adequate or few while a majority did not support the introduction of licensing moratoria. Respondents expressed confidence in the Authority's licensing framework, noting that licensing requirements are generally clear, transparent, fair, and timely. Alternative measures proposed for safeguarding market sustainability included strengthening prudential requirements, enhancing supervision and enforcement, improving investor protection, supporting innovation and market development, strengthening governance standards, and addressing inactive or dormant licensees.

The report findings show that Kenya's capital markets remain resilient, dynamic, and capable of supporting further growth. The strong performance observed across equities, bonds, collective investment schemes, and other market segments demonstrates increasing investor confidence and growing market depth. At the same time, the evidence does not indicate widespread licensing saturation or structural imbalances that would warrant the introduction of licensing moratoria under current market conditions.

The report therefore concludes that regulatory strengthening, rather than restrictions on market entry, represents the most appropriate approach to promoting market sustainability. Going forward, the Authority should continue to enhance prudential standards, strengthen risk-based supervision, monitor key licensing sufficiency indicators, promote innovation and competition, and support investor protection. Moratoria should remain an exceptional regulatory measure reserved only for clearly defined circumstances involving systemic risk, market failure, significant investor harm, or major regulatory restructuring.

The findings and recommendations contained in this report provide an evidence-based foundation for policy formulation, regulatory oversight, and strategic market development initiatives aimed at ensuring that Kenya's capital markets remain efficient, competitive, inclusive, and sustainable in the long term.



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It is my sincere hope that this report will serve as a useful reference for policymakers, market participants, researchers, investors, and the public in understanding the performance, licensing sufficiency, and sustainability of Kenya's capital markets.

**FCPA Wycliffe Shamiah, MBS**

**Chief Executive Officer**







# PREFACE

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This report was developed by the Capital Markets Authority (CMA) to inform the industry stakeholders and the public on the key statistical indicators on capital markets performance. While reasonable care has been taken to prepare this report, the Authority accepts no responsibility or liability whatsoever resulting from the use of information contained herein. Note further that CMA has no objection to the material contained herein being referenced, provided an acknowledgement of the same is made. Any comments and/or suggestions on the statistics can be sent to [resankmgt@cma.or.ke](mailto:resankmgt@cma.or.ke).

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# LIST OF DEFINITIONS

**Adequate:** Adequate refers to a market condition in which the number of participants is sufficient to support efficient operations, fair competition and investor choice, while still allowing normal market forces to determine entry and exit. In this study, the term indicates that the market is functioning effectively, with neither excess concentration nor oversupply of participants, and that current license levels do not hinder innovation, competition or the ability of new entrants to join the market when conditions are favourable.

**All Share Index** - This is a market index that includes all listed companies on a specific stock exchange, representing the overall performance of that market.

**Assets Under Management:** The total market value of financial assets managed by a licensed fund manager or held under a Collective Investment Scheme at a specific point in time.

**Asset Backed Securities** - Securities that are issued as part of a securitization transaction in which assets are transferred to a third party that issues the securities.

**Blue-Chip Index** - This is an index composed of large, well-established, and financially sound companies known for reliable performance, often leading in their respective industries.

**Bond** - This is a fixed-income instrument representing a loan made by an investor to a borrower, typically corporate or governmental, which pays periodic interest and returns the principal at maturity.

**Capital Markets Authority:** The statutory regulator mandated to license, supervise, and develop Kenya's capital markets in accordance with the Capital Markets Act.

**Collective Investment Scheme:** Regulated financial vehicle that pools funds from various investors with similar financial objectives to invest in diversified portfolio of assets.

**Corporate Actions** - These are events initiated by a company that bring changes to its securities, such as dividends, mergers, and stock splits, impacting shareholders and the company's stock.

**Corporate Bonds** - Debt securities issued by companies to raise capital, with investors receiving fixed interest payments and the return of principal at maturity.

**Derivatives** - Financial contracts whose value is derived from an underlying asset, such as stocks or bonds. Derivatives are commonly used for hedging or speculation.

**Exchange Traded Fund (ETF)** - This is a type of investment fund traded on stock exchanges, holding a diversified portfolio of assets to provide exposure to a specific market or sector.

# LIST OF DEFINITIONS

**Financial Sustainability:** The ability of a licensed market intermediary to operate viably over time while meeting operational, compliance, and governance obligations without undue financial distress.

**Fit-and-Proper Assessment:** A regulatory evaluation of a license applicant's or licensee's integrity, competence, financial soundness, and governance capacity to determine suitability for participation in the capital markets.

**Foreign Direct Investment (FDI)** - Investments made by an entity in one country into business interests in another, typically by acquiring ownership or controlling interest.

**Global Depositary Receipts and Global Depositary Notes.** - certificates represents securities issued in another country.

**Green bonds** - these are fixed-income instruments with proceeds earmarked exclusively for projects with a positive environmental impact.

**Key Stakeholders:** Key stakeholders refer to individuals, institutions or groups that influence or contribute to the development and functioning of the capital markets. In this study, the term describes stakeholders who are not licensed by the Authority but whose roles support market confidence, policy decisions and overall market development.

**Licensing Sufficiency:** The extent to which the number and distribution of licensed market intermediaries within each category are appropriate to support orderly market functioning without resulting in excessive competition, inefficiencies, or systemic risk.

**Liquidity** - Refers to the ability to buy or sell assets in the market quickly and without significantly impacting the asset's price. High liquidity means transactions can occur with minimal price change.

**Market Absorptive Capacity:** The ability of the capital market to accommodate an increasing number of licensees without diluting average scale, profitability, or sustainability, as reflected by indicators such as AUM growth and AUM per licensee.

**Market Capitalization** - The total value of all outstanding shares in the stock market, calculated as the sum of all listed companies' share price times their corresponding number of shares. It provides a measure of an equities market for the respective jurisdiction.

**Market concentration** - This refers to the proportion of market share held by a specific company, sector, or a few companies or sectors

**Market Concentration Risk** - This is the risk associated with a high concentration of market share held by a few companies, which can limit liquidity and diversification options for investors.

**Market Saturation:** A condition in which the number of licensed intermediaries exceeds effective demand, leading to declining scale per licensee, heightened competitive pressure, reduced viability, or increased conduct risks.

# LIST OF DEFINITIONS

**Marketable U.S. Treasury securities** - Treasury Bills, Treasury Notes, Treasury Bonds, Treasury Inflation-Protected Securities (TIPS), and Floating Rate Notes (FRNs).

**Moratorium:** A temporary regulatory suspension on the issuance of new licenses within a specific category, applied to allow market stabilization, assessment of existing participants, and evidence-based policy review.

**Mutual Fund** - A pooled investment fund that aggregates money from multiple investors to purchase securities, managed by professional fund managers.

**NASDAQ Composite Index** - An index that includes all stocks listed on the NASDAQ stock exchange, often used to measure the performance of technology and growth stocks.

**NSE 10 Share Index** - A market index that tracks the top ten most liquid and highly capitalized companies on the Nairobi Securities Exchange, offering a benchmark for leading companies.

**Real Estate Investment Trust (REIT)** - A company that owns, operates, or finances income-generating real estate, allowing investors to earn rental income without directly owning property.

**Sustainability Indicators:** Quantitative measures, such as AUM per licensee, growth rates, concentration ratios, and sub-scale participation, used to assess the long-term viability and balance of market segments.

**S&P 500 Index** - A market index tracking the stock performance of 500 large companies listed on U.S. exchanges, commonly used as a benchmark for the U.S. stock market.

**Securities Exchange** - A marketplace where securities, including stocks and bonds, are bought and sold. Examples include the New York Stock Exchange (NYSE) and the Nairobi Securities Exchange (NSE).

**Systemic Risk:** The risk that the failure or distress of one or more market participants could disrupt the functioning, stability, or confidence in the broader capital market.

**Treasury Bills (T-Bills)** - Short-term government debt securities with maturities of one year or less, commonly used by governments to meet short-term funding needs.

**Treasury Bonds** - Long-term debt securities issued by the government, usually with maturities over ten years, which pay interest to investors regularly.

**Treasury Notes** - These are medium-term government debt securities with maturities typically ranging from 2 to 10 years

**Turnover** - The total volume or value of shares or securities traded over a given period, indicating market activity or liquidity.

**Volatility** - This is a statistical measure of the dispersion of returns for a given security or market index.

**Yields** - This is the annual income generated from an investment expressed as percentage



# ABBREVIATIONS/ACRONYMS

|                    |                                                                                          |
|--------------------|------------------------------------------------------------------------------------------|
| <b>AML</b>         | Anti Money Laundering                                                                    |
| <b>AML/CFT</b>     | Anti Money Laundering and Combating the Financing of Terrorism                           |
| <b>ASIC</b>        | Australian Securities and Investment Commission                                          |
| <b>AUM</b>         | Assets Under Management                                                                  |
| <b>CBK</b>         | Central Bank of Kenya                                                                    |
| <b>CIS</b>         | Collective Investment Scheme                                                             |
| <b>CMA</b>         | Capital Markets Authority                                                                |
| <b>FCA</b>         | Financial Conduct Authority                                                              |
| <b>FSCA</b>        | Financial Sector Conduct Authority                                                       |
| <b>FX</b>          | Foreign Exchange                                                                         |
| <b>KE</b>          | Kenya                                                                                    |
| <b>IPO</b>         | Initial Public Offering                                                                  |
| <b>KPI</b>         | Key Performance Indicators                                                               |
| <b>KNBS</b>        | Kenya National Bureau of Statistics                                                      |
| <b>KShs.</b>       | Kenyan Shillings                                                                         |
| <b>KUSCCO</b>      | Kenya Union of Savings and Credit Cooperatives                                           |
| <b>NASDAQ-U.S.</b> | The National Association of Securities Dealers Automated Quotations in the United States |
| <b>MAS</b>         | Monetary Authority of Singapore                                                          |
| <b>NSE</b>         | Nairobi Securities Exchange                                                              |
| <b>NYSE</b>        | New York Stock Exchange                                                                  |
| <b>POCAMLA</b>     | Proceeds of Crime and Anti Money Laundering Act                                          |
| <b>REIT</b>        | Real Estate Investment Trust                                                             |
| <b>SACCO</b>       | Savings and Credit Cooperative Societies                                                 |
| <b>SEC</b>         | Securities and Exchange Commission                                                       |
| <b>SIB</b>         | Standard Investment Bank                                                                 |



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# Capital Markets Performance Report

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## GLOBAL CAPITAL MARKETS

This section provides an overview of key developments and performance indicators across major segments of global capital markets, with a particular focus on the United States. It covers the dynamics of both the equity and debt markets, offering insights into capital formation activities, market capitalization trends, trading volumes, and investor sentiment.

The analysis highlights movements in the primary and secondary markets, changes in market indices, issuance and turnover in the Treasury securities market, corporate bond markets, and shifts in mutual fund assets under management (AUM). These trends are evaluated within the context of macroeconomic developments, monetary policy changes, and geopolitical factors influencing capital flows and market confidence.

The United States continues to dominate global capital markets, accounting for the largest share of global equity and debt activity. Notably, the U.S. Market experienced significant changes in market structure and performance, ranging from a slowdown in IPO activity due to policy uncertainty, to a sharp rebound in technology stocks that propelled the Nasdaq past the NYSE in terms of market capitalization.

The following subsections provide a detailed breakdown of developments in the U.S. capital markets, covering equities, bonds, and mutual funds.

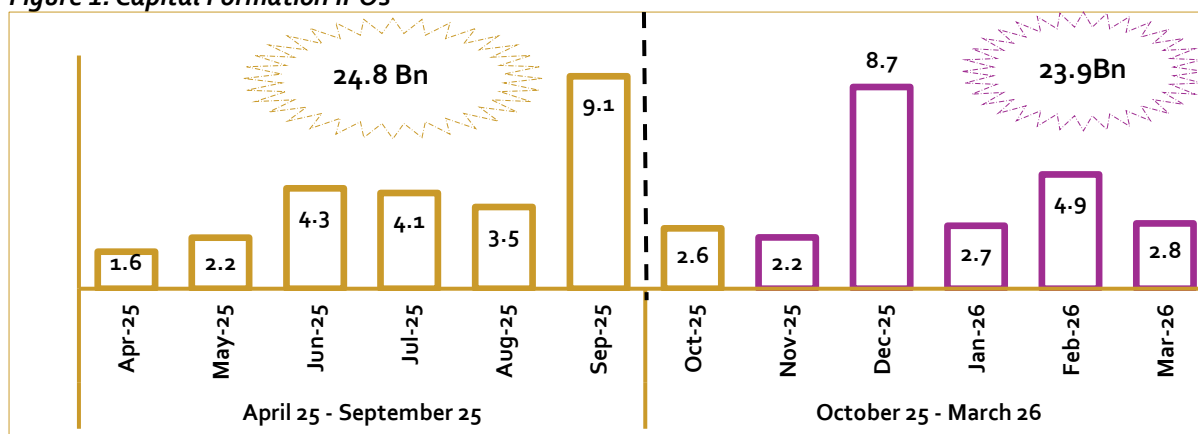
### United States of America (U.S.)

#### Equities Market

##### Primary Equities Market: Initial Public Offering (IPO)

The US equity primary market raised USD 23.9 billion from IPOs as at March 2026, reflecting a 3.63 percent decline compared to USD 24.8 billion raised in the previous period ending September 2025. The decline is primarily attributed to a mix of geopolitical tensions, policy uncertainty resulting to the US new tariffs, and market volatility, which collectively dampened investor sentiment and slowed capital formation.

**Figure 1: Capital Formation IPOs**



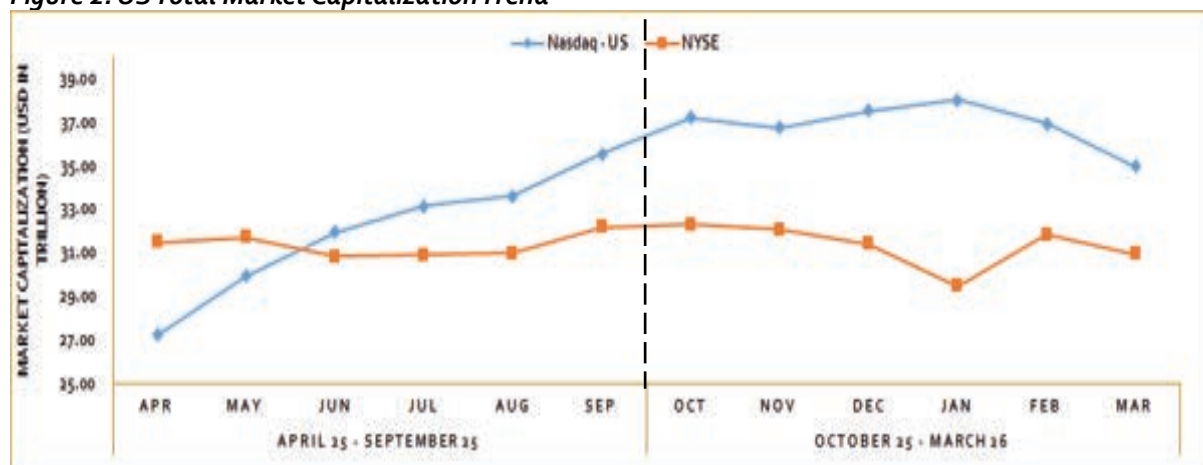
| Year | IPOs (USD Billion) | Month   | IPOs (USD Billion) |
|------|--------------------|---------|--------------------|
| 2014 | 93.5               | Apr-25  | 1.6                |
| 2015 | 32.2               | May-25  | 2.2                |
| 2016 | 20.7               | Jun-25  | 4.3                |
| 2017 | 39.2               | Jul-25  | 4.1                |
| 2018 | 49.9               | Aug-25  | 3.5                |
| 2019 | 48.8               | Sept-25 | 9.1                |
| 2020 | 85.4               | Oct-25  | 2.6                |
| 2021 | 153.6              | Nov-25  | 2.2                |
| 2022 | 8.5                | Dec-25  | 8.7                |
| 2023 | 20.1               | Jan-26  | 2.7                |
| 2024 | 31.4               | Feb-26  | 4.9                |
| 2025 | 47.0               | Mar-26  | 2.8                |

Source: SIFMA

## Secondary Equities Market: Market Capitalization

As of January 31, 2026, the total market capitalization of the U.S. equities market stood at approximately USD 68.96 trillion.<sup>1</sup> This figure represents the combined market value of all publicly listed U.S. companies across major exchanges such as the NYSE, Nasdaq, and OTCQX, reaffirming its status as the largest equities market in the world. The New York Stock Exchange (NYSE), established companies across sectors recorded a market capitalization of USD 30.96 trillion at the end of March 2026. This represents a 3.85 per cent decline from USD 32.20 trillion at the end of September 2025. In contrast, the Nasdaq Stock Market (Nasdaq-US) closed the current period with a market capitalization of USD 35.00 trillion, reflecting a 1.55 per cent increase from USD 35.55 trillion at the end of September 2025.

**Figure 2: US Total Market Capitalization Trend**



| Period                 | Date    | Nasdaq (USD trillion) | NYSE (USD trillion) |
|------------------------|---------|-----------------------|---------------------|
| Apr-25<br>-<br>Sept-25 | Apr-25  | 27.24                 | 31.49               |
|                        | May-25  | 29.94                 | 31.71               |
|                        | Jun-25  | 31.96                 | 30.84               |
|                        | Jul-25  | 33.15                 | 30.92               |
|                        | Aug-25  | 33.62                 | 30.98               |
|                        | Sept-25 | 35.55                 | 32.20               |
| Oct-25<br>-<br>Mar-26  | Oct-25  | 37.22                 | 32.31               |
|                        | Nov-25  | 36.77                 | 32.08               |
|                        | Dec-25  | 37.54                 | 31.40               |
|                        | Jan-26  | 38.04                 | 29.48               |
|                        | Feb-26  | 36.94                 | 31.86               |
|                        | Mar-26  | 35.00                 | 30.96               |

Source: [WFE](#)

Between October 2025 and March 2026, the Nasdaq market capitalization remained above that of the NYSE. However, both Nasdaq and NYSE recorded a decline between period ending September 2025 and March 2026, with Nasdaq declining from USD 35.55 trillion to USD 35.00 trillion, while NYSE stood at USD 30.96 trillion in March 2026 from USD 32.20 trillion in September 2025.

## Secondary Equities Market: Indices

The performance of the U.S. equities market is commonly tracked using major indices, including the Dow Jones Industrial Average (DJIA), Standard & Poor's 500 Index (S&P 500), Nasdaq Composite Index, Russell 2000 Index, and the NYSE Composite Index.

**Table 1 : US Equities Market Indices**

| Period                  | Month  | DJIA      | S&P 500  | Nasdaq    | Russell 2000 | NYSE      |
|-------------------------|--------|-----------|----------|-----------|--------------|-----------|
| April 25 - September 25 | Apr-25 | 40,669.36 | 5,569.06 | 17,446.34 | 1,964.12     | 19,114.23 |
|                         | May-25 | 42,270.07 | 5,911.69 | 19,113.77 | 2,066.29     | 19,783.81 |
|                         | Jun-25 | 44,094.77 | 6,204.95 | 20,369.73 | 2,175.04     | 20,429.55 |
|                         | Jul-25 | 44,130.98 | 6,339.39 | 21,122.45 | 2,211.65     | 20,458.44 |
|                         | Aug-25 | 45,544.88 | 6,460.26 | 21,455.55 | 2,366.42     | 21,151.46 |
|                         | Sep-25 | 46,397.89 | 6,688.46 | 22,660.01 | 2,436.48     | 21,564.54 |
| October 25 - March 26   | Oct-25 | 47,562.87 | 6,840.20 | 23,724.96 | 2,479.38     | 21,459.58 |
|                         | Nov-25 | 47,716.42 | 6,849.09 | 23,365.69 | 2,500.43     | 21,824.67 |
|                         | Dec-25 | 48,063.29 | 6,845.50 | 23,241.99 | 2,481.91     | 22,003.93 |
|                         | Jan-26 | 48,892.47 | 6,939.03 | 23,461.82 | 2,613.74     | 22,719.32 |
|                         | Feb-26 | 48,977.92 | 6,878.88 | 22,668.21 | 2,632.36     | 23,494.44 |
|                         | Mar-26 | 46,341.51 | 6,528.52 | 21,590.63 | 2,496.37     | 22,089.43 |
| End Period Change (%)   |        | -0.12%    | -2.39%   | -4.72%    | 2.46%        | 2.43%     |

Source: [SIFMA](#)

The performance of major U.S. equity indices was mixed, with only modest gains overall during the period ending March 2026 compared to the period ending September 2025. The Russell 2000 Index and the NYSE Composite Index posted growth rising by 2.46 percent and 2.43 percent, respectively. In contrast, the Nasdaq Composite Index declined by 4.72 percent, the S&P 500 Index fell by 2.39 percent, and the Dow Jones Industrial Average (DJIA) slipped marginally by 0.12 percent.

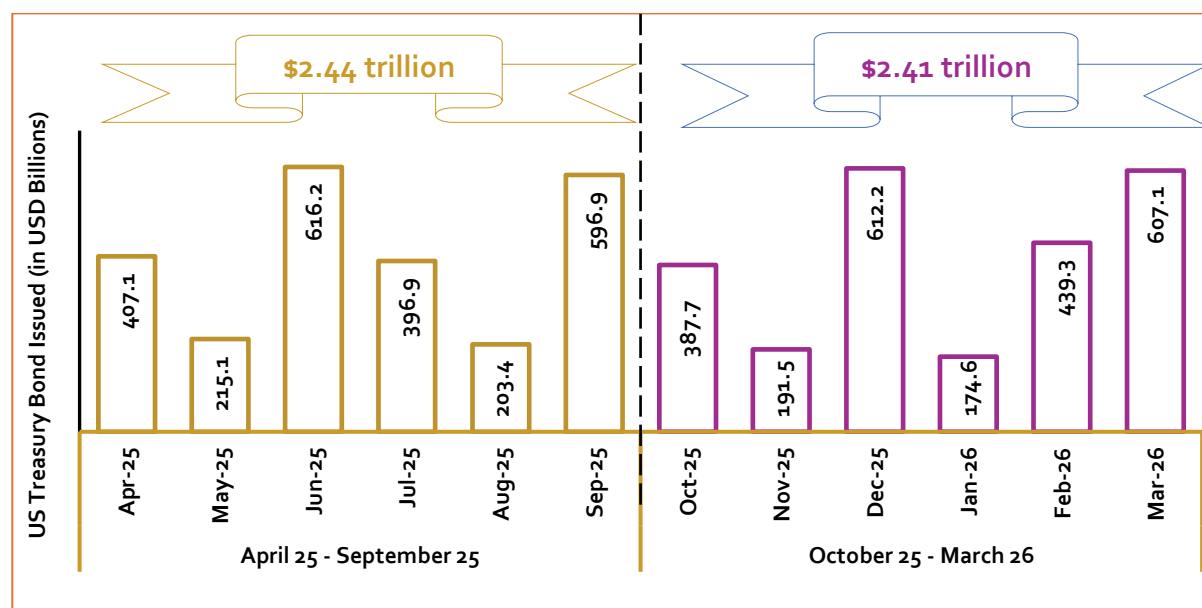
This divergence demonstrates a rotation in investor sentiment: while large-cap and technology-heavy stocks faced headwinds from policy uncertainty and market volatility, smaller-cap companies and broader market composites showed resilience. The relative strength of the Russell 2000 and NYSE suggests that investors sought diversification and opportunities in sectors less exposed to global trade frictions.

## Bonds Market

### Primary Market: US Treasury Securities Issuance

The US government issued Treasury bonds worth USD 2.41 trillion during the period ended March 2026 compared to USD 2.44 trillion issued during the period ended September 2025. The highest monthly issuance was recorded in December 2025, amounting to USD 612.2 billion, followed by USD 607.1 billion in March 2026.

Figure 3: Treasury Securities Amount Issued



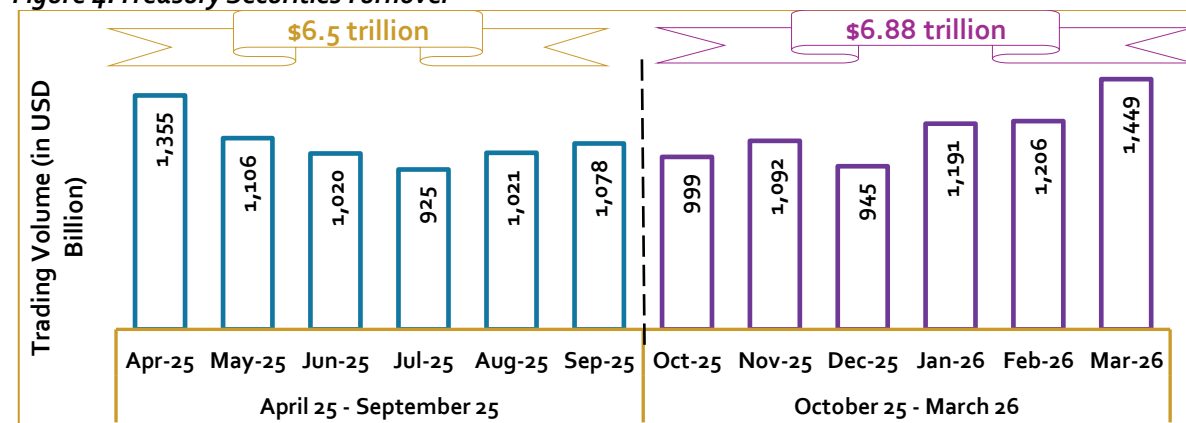
Source: SIFMA

This slight decrease in issuance was primarily linked to adjustments in financing needs, as the government sought to balance borrowing requirements against a fiscal budget deficit estimated at USD 1.9 trillion for the 2025-2026 fiscal year, as reported by the Congressional Budget Office (CBO)<sup>2</sup>.

### Secondary Bond Market: Turnover

The trading volume in the secondary US bond market stood at USD 6.88 trillion at the end of March 2026, representing 6 per cent surge compared to USD 6.5 trillion traded in the period ending September 2025.

Figure 4: Treasury Securities Turnover



<sup>2</sup> 2025-2026 fiscal year, Congressional Budget Office (CBO).

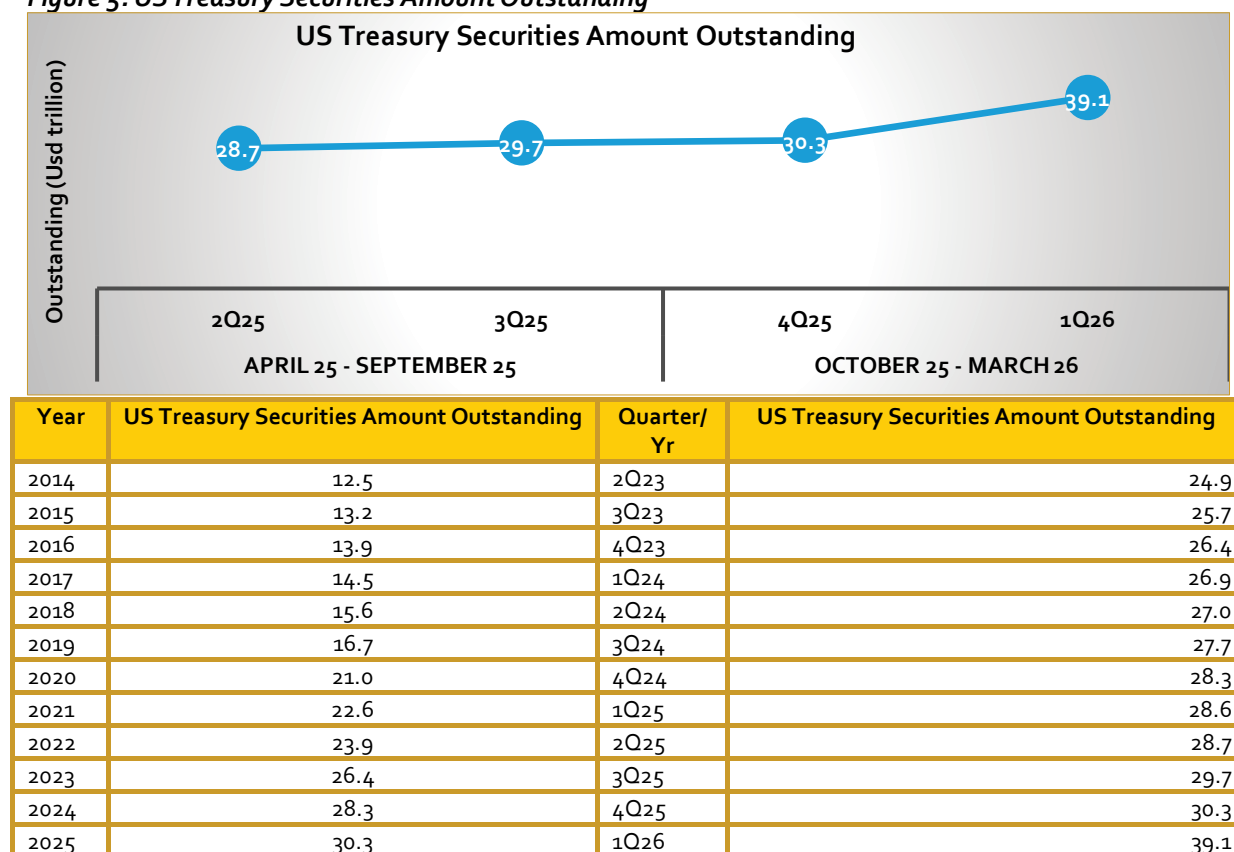


The notable increase in U.S. Treasury trading activity in March 2026 was primarily driven by heightened market volatility arising from changing interest-rate expectations, inflation concerns, and geopolitical uncertainties. These factors prompted investors to actively rebalance portfolios and adjust duration exposures, contributing to record Treasury trading volumes of approximately US\$1.45 trillion in March 2026. Additionally, continued Treasury issuance supported market liquidity and trading activity.

### Treasury Securities Outstanding

The amount of U.S. Treasury securities outstanding increased from USD 29.7 trillion at the end of September 2025 to USD 39.1 trillion by March 2026, representing a 31.5 percent rise. This growth reflects the government's continued borrowing to finance a fiscal deficit that reached approximately USD 1.9 trillion in the 2025-2026 financial year. The increase in outstanding debt also corresponds with elevated Treasury issuance during the period, as the government raised USD 2.41 trillion through bond sales to meet funding needs. Additionally, strong investor demand for safe-haven assets amid global economic uncertainty supported the absorption of new debt in the secondary market.

**Figure 5: US Treasury Securities Amount Outstanding**

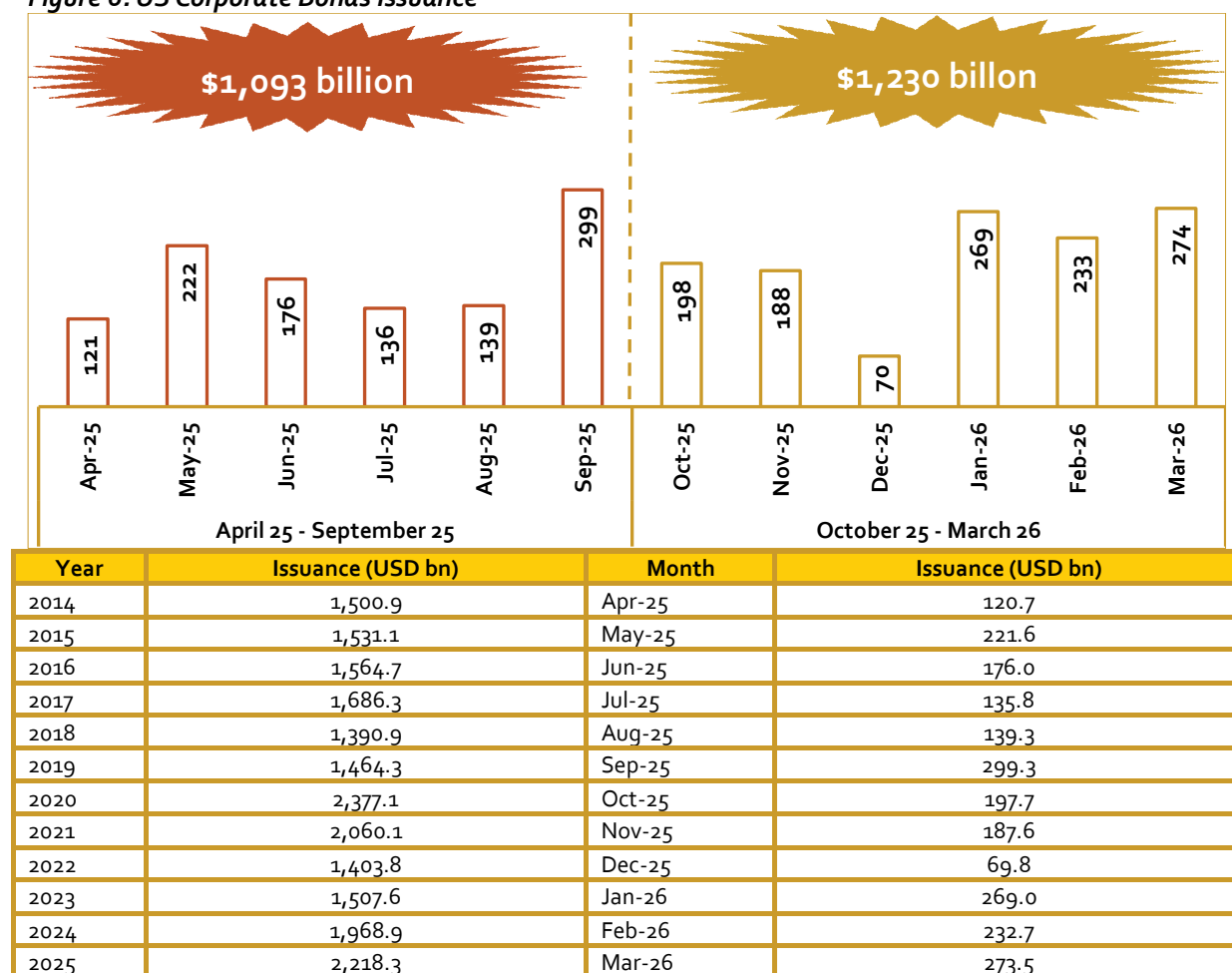


## Corporate Bonds Market

### Issuance

The U.S. corporate bond issuance totalled USD 1,230 billion in the period ending March 2026, up from USD 1,093 billion in the period ending September 2025, representing a 12.5 percent increase. The highest monthly issuance was recorded in September 2025, reaching USD 299 billion. This surge coincided with the Federal Reserve's decision to cut the benchmark interest rate, alongside growing market expectations of further rate reductions. The rate cut not only lowered borrowing costs but also boosted investor appetite for corporate debt, prompting companies to accelerate issuance to capitalise on favourable financing conditions.

**Figure 6: US Corporate Bonds Issuance**



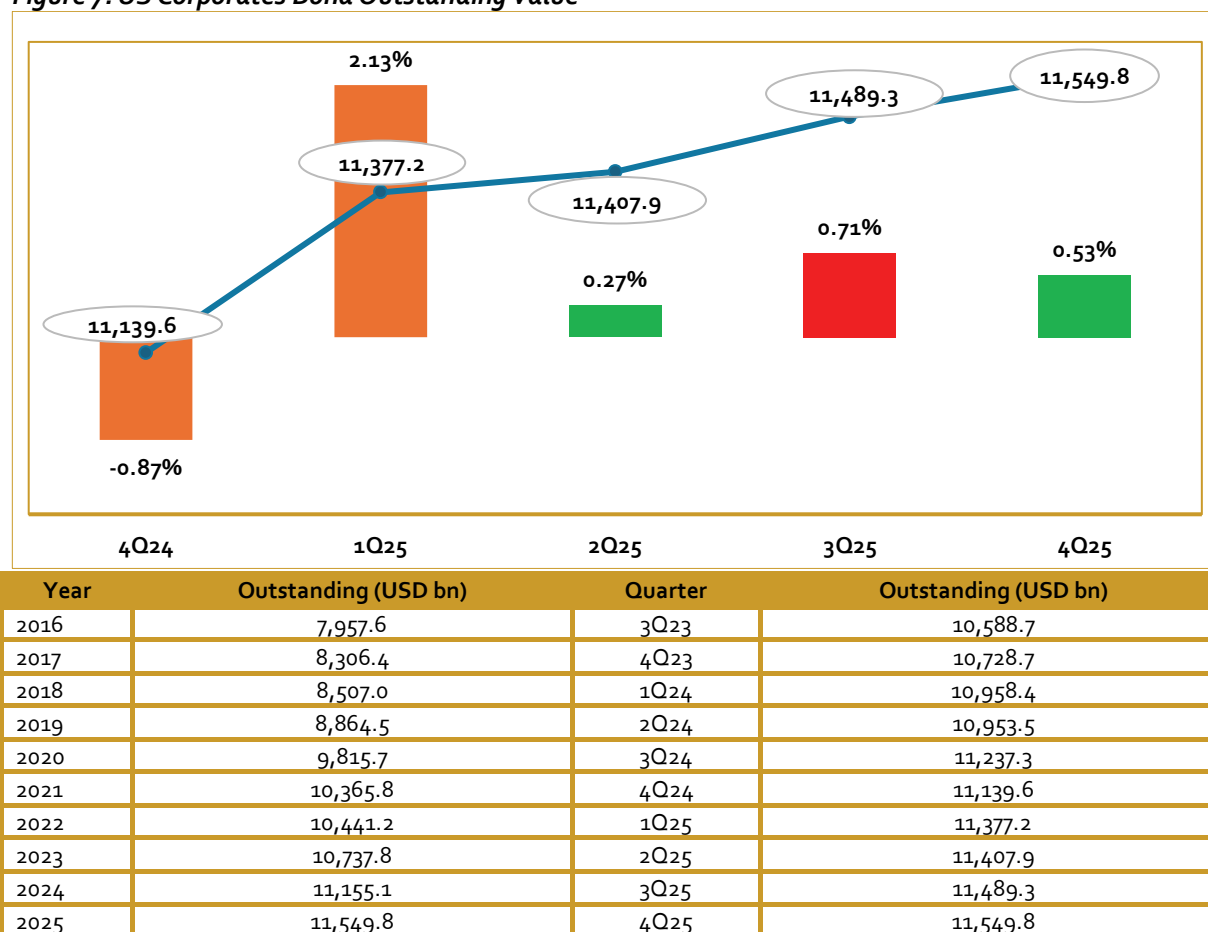
Source: [SIFMA](#)

## Corporate Bonds Outstanding

As at the end of December 2025, the total outstanding volume of U.S. corporate bonds stood at USD 11,549.8 billion, reflecting a marginal increase from USD 11,489.3 billion recorded at the end of September 2025. This represents a quarter-over-quarter rise of just 0.53 percent, indicating a relatively stable market for corporate debt issuance during the fourth quarter of the year.

The slight uptick suggests that while corporations continued to access the bond market, the pace of new issuance remained largely balanced by maturities, redemptions, or other factors such as refinancing. Such modest growth in outstanding corporate bonds often reflects a combination of macroeconomic factors, including interest rate movements, inflation expectations, and corporate earnings outlooks, all of which influence both the demand for and supply of corporate debt instruments.

**Figure 7: US Corporates Bond Outstanding Value**



Source: [SIFMA](#)

## Trading Volume

The trading activity in the U.S. corporate bond market reached a total volume of USD 380.8 billion for the period ending March 2026, marking a 9.84% increase compared to USD 346.8 billion recorded in the period ending September 2025.

**Figure 8: US Corporates Bond Trading Volume**



Source: [SIFMA](#)

## REGIONAL CAPITAL MARKETS STATISTICS

### Africa Markets

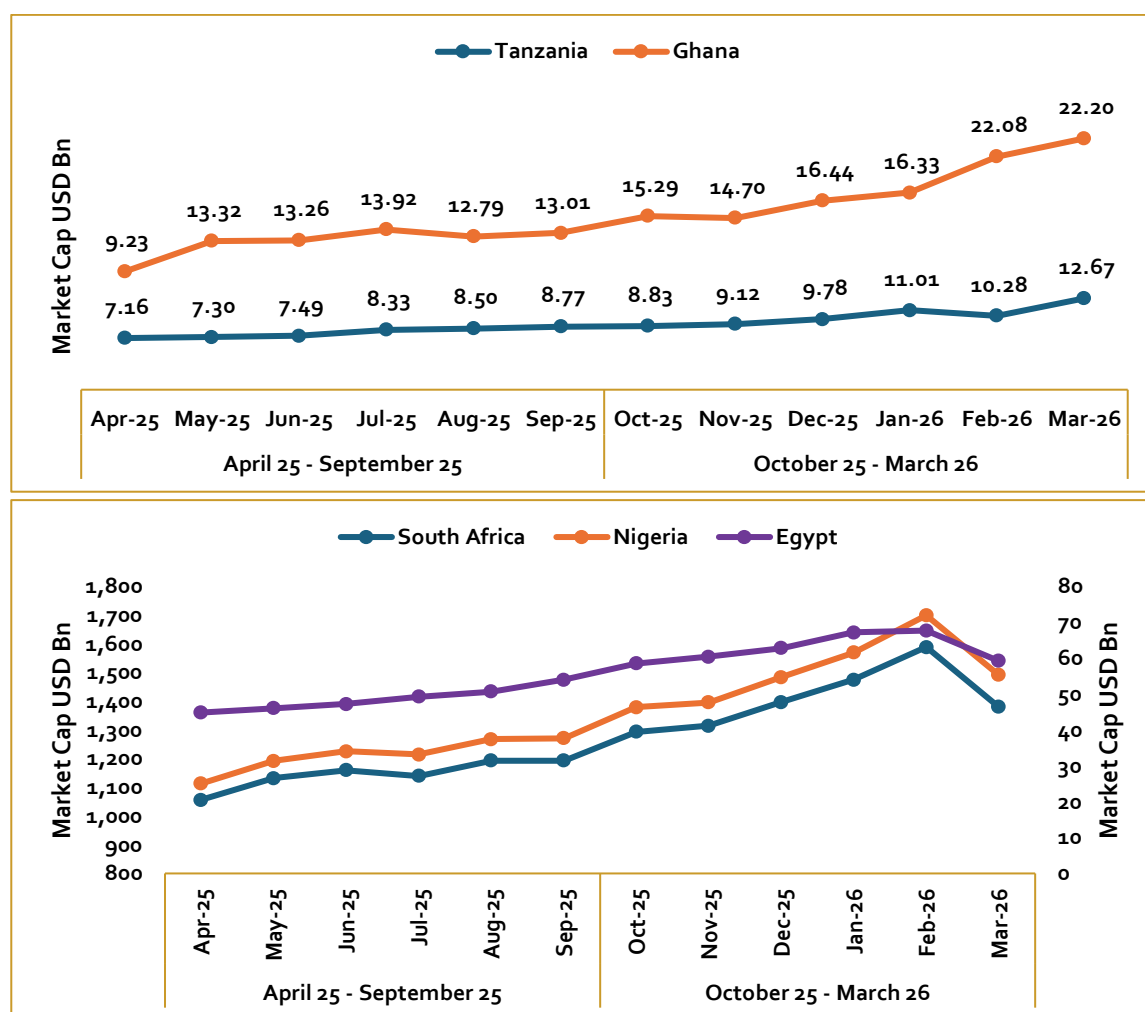
This section presents a comparative analysis of a key performance indicators with a focus on market capitalization across selected African equity markets during the period ending March 2026. The changes observed in countries such as Ghana, Nigeria, Egypt, South Africa and Tanzania underscore varying levels of market resilience, policy effectiveness, and capital inflows, all of which have played a significant role in shaping the region's investment landscape.

### Market Capitalization

The equity markets across the selected African countries recorded robust performance, reflecting bullish investor sentiment and increased market activity. Most markets registered significant growth in market capitalization, supported by improved corporate earnings, sustained investor confidence, and increased capital inflows.

Ghana recorded the strongest performance among the selected markets, with market capitalization rising by 71 per cent from USD 13.01 billion in September 2025 to USD 22.20 billion in March 2026. The substantial increase could be attributed to heightened investor confidence, stronger corporate performance, and increased participation by both foreign and institutional investors seeking opportunities in frontier markets. Nigeria's market capitalization also posted robust growth, increasing by 43 per cent from USD 78.32 billion to USD 111.89 billion over the same period. Similarly, Tanzania's market capitalization rose by 44 per cent, from USD 8.77 billion to USD 12.67 billion, reflecting growing market activity and investor participation. South Africa, while recording comparatively moderate growth, remained the largest market by capitalization, with its market value increasing by 16 per cent from USD 1,193.68 billion in September 2025 to USD 1,380.62 billion in March 2026. Egypt's equities market recorded the lowest growth among the countries studied, rising by 10 percent over the six-month period.

Figure 9: Regional Market Capitalization



| Period                  | Month  | Tanzania | Ghana | South Africa | Nigeria | Egypt |
|-------------------------|--------|----------|-------|--------------|---------|-------|
| April 25 - September 25 | Apr-25 | 7.16     | 9.23  | 1,056.98     | 56.70   | 44.89 |
|                         | May-25 | 7.30     | 13.32 | 1,132.36     | 60.17   | 46.07 |
|                         | Jun-25 | 7.49     | 13.26 | 1,160.02     | 65.85   | 47.30 |
|                         | Jul-25 | 8.33     | 13.92 | 1,140.11     | 74.38   | 49.30 |
|                         | Aug-25 | 8.50     | 12.79 | 1,193.68     | 74.33   | 50.71 |
|                         | Sep-25 | 8.77     | 13.01 | 1,193.68     | 78.32   | 54.05 |
| October 25 - March 26   | Oct-25 | 8.83     | 15.29 | 1,294.25     | 85.18   | 58.58 |
|                         | Nov-25 | 9.12     | 14.70 | 1,314.79     | 81.13   | 60.47 |
|                         | Dec-25 | 9.78     | 16.44 | 1,397.93     | 86.94   | 62.88 |
|                         | Jan-26 | 11.01    | 16.33 | 1,475.12     | 95.40   | 67.24 |
|                         | Feb-26 | -        | 22.08 | 1,589.79     | 110.34  | 67.76 |
|                         | Mar-26 | 12.67    | 22.20 | 1,380.62     | 111.89  | 59.27 |
| 6-Month Change (%)      |        | 44%      | 71%   | 16%          | 43%     | 10%   |

Source: [WFE](#)

The overall performance in these selected equity markets and the rest of Africa indicate a resilient and increasingly optimistic regional investment outlook, with differential performance tied to country-specific factors such as corporate earnings, currency stability, foreign capital inflows, regulatory reforms, and investor risk preferences.

## KENYAN CAPITAL MARKET PERFORMANCE

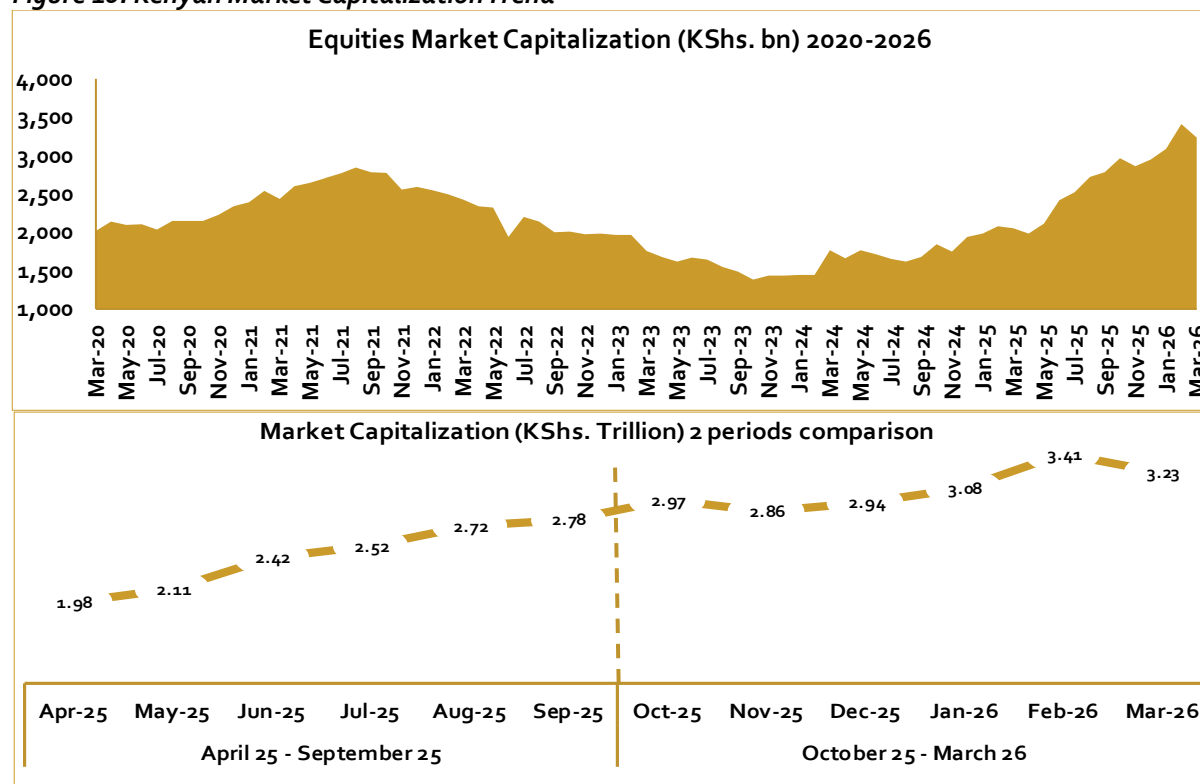
### EQUITIES MARKET

#### Market Capitalization

Between October 2025 and March 2026, the Nairobi Securities Exchange (NSE) experienced a significant surge in market capitalization, reflecting a robust investor sentiment and a dynamic market environment. In September 2025, the NSE's market capitalization stood at KShs.2.78 trillion, rising to KShs.3.23 trillion in March 2026, marking a significant 16.03 percent increase. Market Capitalization for Ghana led with a 71 percent increase, followed by Tanzania and Nigeria, by 44 percent and 43 percent, respectively, while South Africa and Egypt grew by 16 percent and 10 percent, respectively.

Year-on-year comparisons further demonstrates the market's positive trajectory. From March 2025 to March 2026, the NSE's market capitalization increased by 57.13 percent, and over a two-year period, it rose by 82.84 percent, reflecting sustained growth and investor optimism.

**Figure 10: Kenyan Market Capitalization Trend**



Source: CMA





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Several factors contributed to the upward trajectory of the Nairobi Securities Exchange (NSE) throughout 2025 and into early 2026, reflecting growing investor confidence and an increasingly attractive and accessible capital market landscape.

A key driver was the wave of new listings that attracted significant interest from both local and foreign investors. Notable among these were the Kenya Pipeline Company (KPC), which listed on 10 March 2026 following a highly oversubscribed IPO, and the Africa Logistics Properties Industrial REIT (ALP I-REIT), which listed on 11 March 2026 as the first USD-denominated security on the NSE and was oversubscribed by 115 per cent.

Another major boost to market accessibility and participation came from the launch of Ziidi Trader by Safaricom on 10 February 2026. This innovative platform, integrated into the M-Pesa app, allows millions of M-Pesa users to buy and sell shares listed on the NSE directly from their mobile phones without requiring a traditional brokerage account. Since its launch, Ziidi Trader has significantly increased retail investor participation and contributed to higher trading volumes.

Macroeconomic stability further supported the market's growth. The Kenyan Shilling remained relatively stable against major global currencies, while inflation stayed well-anchored within the Central Bank of Kenya's target range. This favourable environment was reinforced by accommodative monetary policy, as the Central Bank of Kenya implemented a series of benchmark interest rate cuts throughout 2025 and early 2026, bringing the Central Bank Rate down to 8.75 per cent by February 2026. The lower interest rate environment reduced the appeal of fixed-income securities, prompting investors to shift capital towards equities in search of higher potential returns.

Strong corporate earnings, particularly from the banking sector, also played a vital role. Several major banks reported robust financial results for the financial year 2025, driven by increased lending activity, resilient net interest margins, and improved asset quality. These strong results led to generous dividend payouts, which further incentivized investment in the equity market.

In addition, progressive regulatory reforms enhanced market accessibility and liquidity. A notable development was the reduction of the minimum share trading lot size from 100 shares to just one share. This change significantly lowered entry barriers for retail investors and contributed to increased trading activity across the exchange.

## Price gainers and losers

Between October 2025 and March 2026, the market recorded 41 share price gainers, 13 counters remained unchanged, and 15 decliners. Major listings during the period ending March 2026 include: the ALP Industrial REIT, East Africa's first industrial-focused and USD-denominated REIT, which raised USD 29.55 million backed by strong institutional demand and UK-supported anchor investments through PIDG and MOBILIST; and the landmark listing of Kenya Pipeline Company (KPC), Kenya's first major state-owned enterprise IPO in over 17 years, which was oversubscribed at 105.7 percent, raising KShs.112.4 billion and significantly boosting NSE liquidity while broadening investor ownership of strategic national infrastructure.

Among the gainers, the top 10 performers delivered particularly strong returns. Uchumi Supermarket Plc led the market with an exceptional 411.11 percent surge, rising from KShs. 0.36 to KShs.1.84. This was followed by Africa Mega Agricorp Plc with an 80.75 percent increase, and Eaagads Ltd, which posted a 50.49 percent gain. Other strong performers included Britam Holdings by 44.34 percent, Diamond Trust Bank by 39.29 percent, E.A. Portland Cement by 35.71 percent, Limuru Tea by 33.51 percent, Shri Krishna Overseas by 33.24 percent, Stanbic Holdings by 32.02 percent, and Sasini Plc by 30.19 percent. On the downside, Williamson Tea Kenya Plc registered the steepest decline at 29.23 percent, followed by Eveready East Africa by 20.44 percent, and WPP Scangroup by 18.57 percent. Additional declines were recorded in HF Group, KenGen, TotalEnergies Marketing Kenya, Safaricom, Centum, BOC Kenya, and Olympia Capital, largely attributed to sector-specific challenges and moderated investor sentiment toward select blue-chip and mid-tier counters.

**Table 2: Top 10 Gainers and Losers**

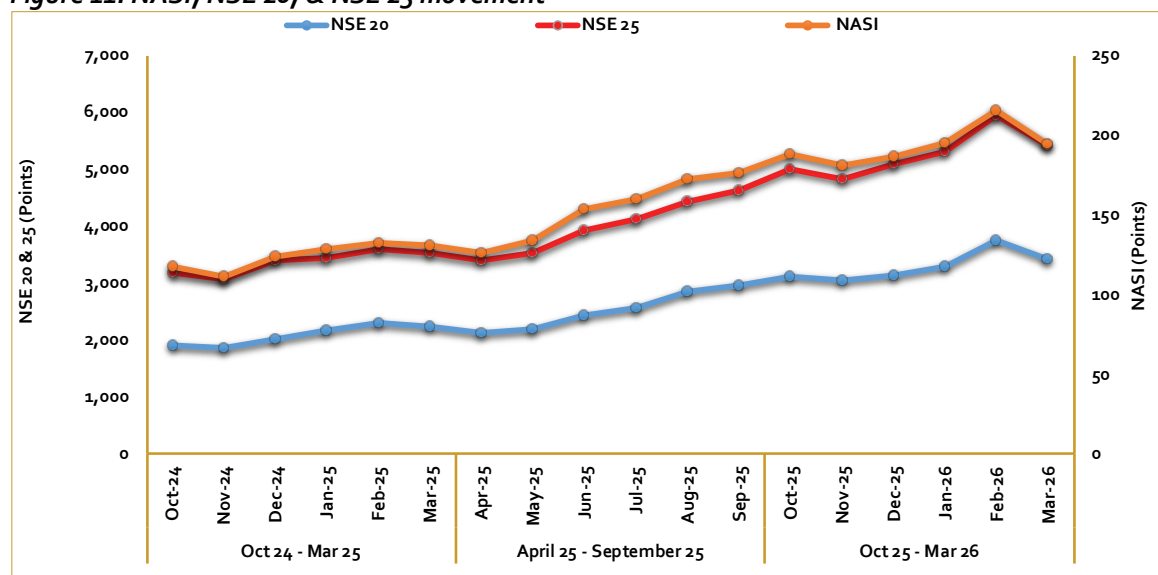
| Gainers                               |        |        |         | Losers                                     |        |        |         |
|---------------------------------------|--------|--------|---------|--------------------------------------------|--------|--------|---------|
| Company                               | Oct-25 | Mar-26 | Change  | Company                                    | Oct-25 | Mar-26 | Change  |
| Uchumi Supermarket Plc Ord 5.00       | 0.36   | 1.84   | 411.11% | Williamson Tea Kenya Plc Ord 5.00          | 195    | 138    | -29.23% |
| Africa Mega Agricorp Plc Ord 5.00SME  | 59.75  | 108    | 80.75%  | Eveready East Africa Ltd Ord 1.00          | 1.37   | 1.09   | -20.44% |
| Eaagads Ltd Ord 1.25SME               | 20.40  | 30.7   | 50.49%  | WPP Scangroup Plc Ord 1.00                 | 2.8    | 2.28   | -18.57% |
| Britam Holdings Plc Ord 0.10          | 8.66   | 12.5   | 44.34%  | HF Group Plc Ord 5.00                      | 10.65  | 9.2    | -13.62% |
| Diamond Trust Bank Kenya Ltd Ord 4.00 | 105.00 | 146.3  | 39.29%  | Ken Gen Co. Plc Ord. 2.50                  | 10.25  | 8.88   | -13.37% |
| E.A. Portland Cement Co. Ltd Ord 5.00 | 59.50  | 80.75  | 35.71%  | TotalEnergies Marketing Kenya Plc Ord 5.00 | 46.4   | 41.85  | -9.81%  |
| The Limuru Tea Co. Plc Ord 10.00SME   | 385.00 | 514    | 33.51%  | Safaricom Plc Ord 0.05                     | 30.25  | 28.05  | -7.27%  |
| Shri Krishna Overseas Plc 0.20SME     | 7.46   | 9.94   | 33.24%  | Centum Investment Co Plc Ord 0.50          | 14.6   | 13.6   | -6.85%  |
| Stanbic Holdings Plc ord. 5.00        | 196.00 | 258.8  | 32.02%  | B.O.C Kenya Plc Ord 5.00                   | 130.8  | 122    | -6.69%  |
| Sasini Plc Ord 1.00                   | 18.55  | 24.15  | 30.19%  | Olympia Capital Holdings Ltd Ord 5.00      | 7.82   | 7.3    | -6.65%  |

Green-Positive; Red-Negative; Source: CMA

## Movement of selected Share Indices

The equities market showed strong growth across all major indices.

**Figure 11: NASI, NSE 20, & NSE 25 movement**



| Period                  | Date   | NSE 20   | NASI   | NSE 25   |
|-------------------------|--------|----------|--------|----------|
| April 25 - September 25 | Apr-25 | 2,135.51 | 106.54 | 2,850.92 |
|                         | May-25 | 2,183.46 | 134.21 | 3,535.41 |
|                         | Jun-25 | 2,440.26 | 153.43 | 3,938.28 |
|                         | Jul-25 | 2,558.63 | 160.22 | 4,135.28 |
|                         | Aug-25 | 2,845.64 | 172.60 | 4,443.40 |
|                         | Sep-25 | 2,972.64 | 176.74 | 4,624.72 |
| October 25 - March 26   | Oct-25 | 3,116.69 | 188.29 | 4,998.39 |
|                         | Nov-25 | 3,052.73 | 181.06 | 4,820.79 |
|                         | Dec-25 | 3,139.19 | 186.58 | 5,096.68 |
|                         | Jan-26 | 3,299.28 | 195.36 | 5,321.96 |
|                         | Feb-26 | 3,750.45 | 216.08 | 5,948.29 |
|                         | Mar-26 | 3,431.56 | 194.82 | 5,416.72 |
| 6-Month Change          |        | 15.44%   | 10.23% | 17.13%   |

Source: CMA

Comparing the closing values at the end of September 2025 and March 2026, the NSE 20 index rose by 15.44 per cent, increasing from 2,972.64 points in September to 3,431.56 points in March 2026. Similarly, the Nairobi All Share Index (NASI) grew by 10.23 per cent, moving from 176.74 points to 194.82 points over the same period. The NSE 25 index recorded a gain of 17.13 per cent, rising from 4,624.72 points to 5,416.72 points. This upward trend reflects renewed investor confidence and positive market sentiment during the period, supported by gains across multiple sectors. The consistent rise in these indices from October 2025 through March 2026 demonstrates a robust market recovery following a relatively flat performance earlier in the year.

## Liquidity

Several counters demonstrated strong liquidity performance. The New Gold ETF led the market with a liquidity ratio of 63.58 per cent, indicating high investor activity and ease of trading. It was followed by Eveready East Africa Ltd, which posted a liquidity ratio of 27.37 percent. Satrix ETF came third posting a liquidity ratio of 21 percent. Uchumi posted a liquidity ratio of 18.19 per cent and LAPTRUST Imara I-REIT, which posted a liquidity level of 15.89 per cent, reflecting sustained interest in real estate investment instruments. These figures demonstrate the continued investor appetite for diversified asset classes, including ETFs, REITs, and financial services.

**Table 3: Top 5 Liquid Counters during the 6-month Period**

| Oct 23 - March 24 |       | April 24 -Sep 24 |       | Oct 24 -Mar 25 |       | April 25-Sept 25 |       | Oct 25 - March 26 |       |
|-------------------|-------|------------------|-------|----------------|-------|------------------|-------|-------------------|-------|
| Company           | %     | Company          | %     | Company        | %     | Company          | %     | Company           | %     |
| Laptrust          | 16.61 | I&M              | 25.55 | Bamburi        | 114.5 | Satrix ETF       | 37.08 | New Gold ETF      | 63.58 |
| KCB               | 4.22  | AMAC             | 11.78 | LAPTRUST       | 15.24 | LAPTRUST         | 18.63 | Eveready          | 27.37 |
| Equity            | 3.96  | Kenya Re         | 6.71  | Uchumi         | 12.28 | Home Afrika      | 15.98 | Satrix            | 21.00 |
| NMG               | 3.74  | KPLC             | 6.16  | Liberty        | 11.59 | Liberty          | 14.65 | Uchumi            | 18.19 |
| KPLC              | 3.73  | Bamburi          | 5.81  | Kenya Re       | 9.33  | GOLD ETF         | 14.32 | LAPTRUST          | 15.89 |

Source: CMA

Conversely, some counters continued to show significantly lower liquidity levels, underscoring limited trading activity. East African Portland Cement emerged as the least liquid stock, posting a liquidity ratio of 0.3153 percent. Kakuzi followed with 0.1920 percent, while Africa Mega Agricorn (AMAC) registered 0.1807 percent. Crown Paints Kenya recorded 0.1775 percent, and Kurwitu rounded out the bottom five with a liquidity ratio of 0.0205 percent.

**Table 4: Bottom 5 Less Liquid Counter during the 6-month Period**

| Oct 23 - March 24 |      | April 24 -Sep 24 |      | Oct 24 -Mar 25 |      | April 25-Sept 25 |      | Oct 25 - March 26 |        |
|-------------------|------|------------------|------|----------------|------|------------------|------|-------------------|--------|
| Company           | %    | Company          | %    | Company        | %    | Company          | %    | Company           | %      |
| AMAC              | 0.01 | Limuru Tea       | 0.01 | AMAC           | 0.06 | AMAC             | 0.03 | E.A.Portland      | 0.3153 |
| BK Group          | 0.03 | Crown Paints     | 0.04 | Crown Paints   | 0.09 | Crown Paints     | 0.22 | Kakuzi            | 0.1920 |
| Car & General     | 0.04 | Liberty Kenya    | 0.05 | NBV            | 0.16 | Limuru           | 0.24 | AMAC              | 0.1807 |
| NBV               | 0.04 | Standard G       | 0.05 | Eaagads        | 0.19 | Kakuzi           | 0.26 | Crown Paints      | 0.1775 |
| Standard G        | 0.04 | Car & General    | 0.08 | Kakuzi         | 0.2  | Standard Group   | 0.46 | Kurwitu           | 0.0205 |

Source: CMA

## Liquidity by Sectors

On the other hand, liquidity as measured by sectoral trading activity, showed notable shifts across various segments of the Nairobi Securities Exchange (NSE).

**Table 5: Liquidity by Sectors**

| Sector                       | Mar-25 | Sept-25 | Mar-26 |
|------------------------------|--------|---------|--------|
| EXCHANGE TRADED FUNDS        | 0.58%  | 5.71%   | 26.22% |
| REAL ESTATE INVESTMENT TRUST | 2.54%  | 3.10%   | 0.02%  |
| INVESTMENT SERVICES          | 1.16%  | 1.41%   | 4.81%  |
| INVESTMENT                   | 0.49%  | 0.82%   | 5.42%  |
| INSURANCE                    | 0.73%  | 0.79%   | 2.07%  |
| ENERGY & PETROLEUM           | 0.55%  | 0.62%   | 2.32%  |
| MANUFACTURING & ALLIED       | 0.36%  | 0.57%   | 4.04%  |
| BANKING                      | 0.41%  | 0.55%   | 8.01%  |
| TELECOMMUNICATION            | 0.38%  | 0.39%   | 0.36%  |
| COMMERCIAL AND SERVICES      | 0.34%  | 0.38%   | 34.88% |
| AGRICULTURAL                 | 0.09%  | 0.26%   | 3.79%  |
| AUTOMOBILES & ACCESSORIES    | 0.05%  | 0.09%   | 0.11%  |
| CONSTRUCTION & ALLIED        | 3.97%  | 0.07%   | 0.11%  |

Source: CMA

The Commercial and services segment recorded the most significant increase in liquidity, rising sharply from 0.38 per cent in September 2025 to 34.88 per cent in March 2026, followed by Exchange Traded Funds (ETFs) from 5.71 per cent in September to 26.22 per cent in March 2026. This surge suggests growing investor interest in passive investment instruments and portfolio diversification strategies. The Real Estate Investment Trusts (REITs) sector also experienced a moderate increase, with its share of market liquidity rising from 3.10 percent to 0.02 percent, indicating renewed confidence in real estate-linked assets. Similarly, the Investment Services and Investment sectors saw slight gains, increasing from 1.41 per cent to 4.81 per cent and 0.82 per cent to 5.42 per cent, respectively.

Insurance, Energy & Petroleum, and Manufacturing & Allied sectors all recorded modest improvements, pointing to steady investor participation. Notably, the Manufacturing & Allied sector's liquidity rose from 0.57 percent to 4.04 percent, while Energy & Petroleum increased from 0.62 percent to 2.32 percent. The Banking sector, traditionally among the most active on the NSE, saw a gradual rise in liquidity from 0.55 percent to 8.01 percent, while the Telecommunication and Commercial & Services sectors remained relatively stable, with minor increases.

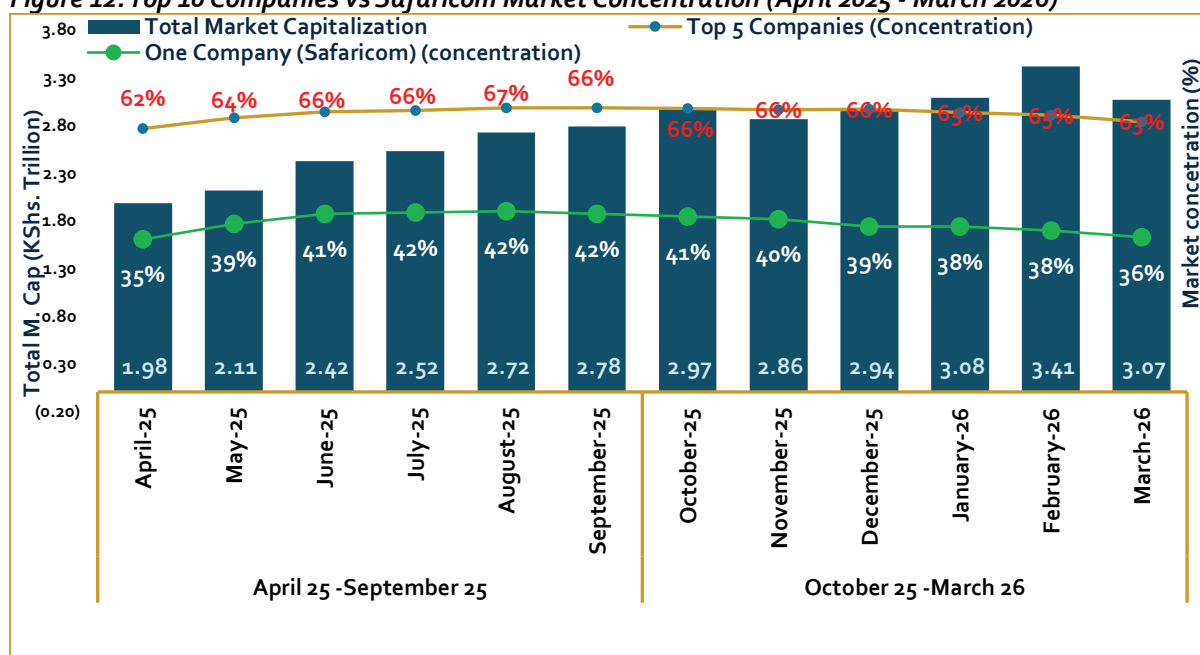
The Agricultural and Automobiles & Accessories sectors, which typically register lower activity, showed some improvement, especially Agricultural, which increased from 0.26 per cent to 3.79 per cent. In contrast, the Construction & Allied sector experienced a significant rise in liquidity to 0.11 percent in March 2026

## Market Concentration

The equities market continued to exhibit a high level of concentration, dominated by a few large-cap companies. Total market capitalization rose significantly from KShs.2,784.47 billion in September 2025 to KShs.3,065.72 billion by March 2026, reflecting strong valuation growth. However, this expansion did not translate into broader diversification, as the top five companies consistently accounted for between 63 percent and 66 percent of the market, peaking at 67 percent in August 2025 before settling at 63 percent in March 2026.

Safaricom maintained being a single largest contributor to market capitalization. However, its share of the total market declined by 6 percentage points, from 42 percent in September 2025 to 36 percent between March 2026. This drop reflects a relative weakening of its dominance, even though Safaricom's market capitalization only fell modestly from KShs.1,157.89 billion to KShs.1,101.80 billion. The decline was largely due to the faster growth of other counters, which diluted Safaricom's overall share despite its continued strength.

**Figure 12: Top 10 Companies vs Safaricom Market Concentration (April 2025 - March 2026)**



Source: CMA

## Foreign Investors Activities

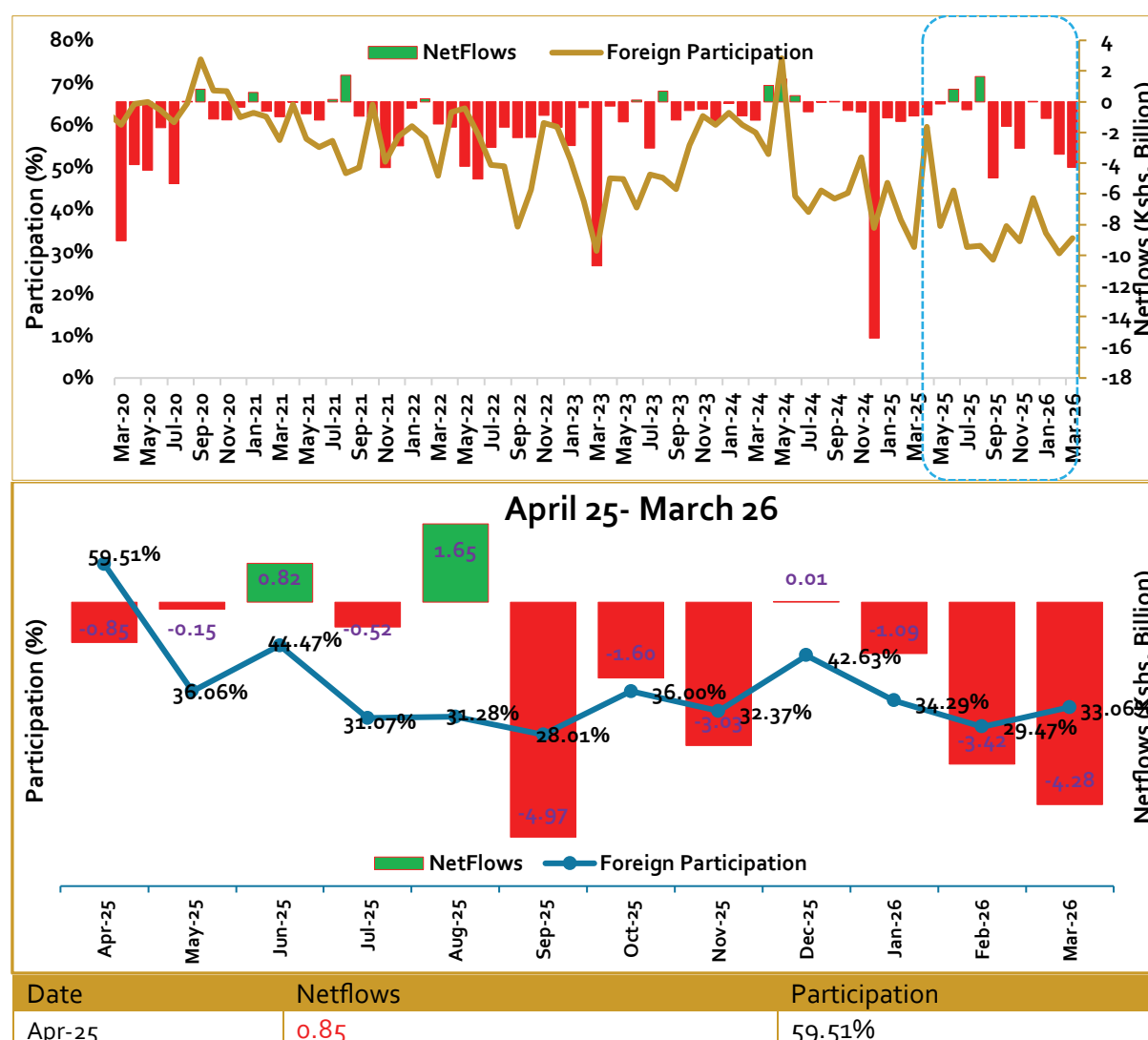
Foreign investor participation in the equities market showed a general downward trend, accompanied by volatile net flows. In April 2025, the market recorded a net outflow of KShs. 0.85 billion, followed by a marginal inflow of KShs. 0.15 billion in May and a stronger inflow

of KShs. 0.82 billion in June. July and August sustained positive momentum, recording inflows of KShs. 0.52 billion and KShs. 1.65 billion, respectively, suggesting selective accumulation despite relatively low participation levels.

However, this trend reversed sharply in September 2025, which recorded the largest net outflow of the period at KShs.4.97 billion, coinciding with the lowest participation rate, signalling heightened risk aversion or profit-taking. Although October and November continued to post outflows of KShs.1.60 billion and KShs.3.03 billion, respectively, December saw near balance with a marginal inflow of KShs.0.01 billion alongside improved participation.

The beginning of 2026 recorded a net foreign outflow of KShs. 1.09 billion in January, followed by further outflows of KShs. 3.42 billion in February, and KShs. 4.28 billion in March.

**Figure 13: Foreign Investors Participation (2020 - 2026)**





|        |      |        |
|--------|------|--------|
| May-25 | 0.15 | 36.06% |
| Jun-25 | 0.82 | 44.47% |
| Jul-25 | 0.52 | 31.07% |
| Aug-25 | 1.65 | 31.28% |
| Sep-25 | 4.97 | 28.01% |
| Oct-25 | 1.60 | 36.00% |
| Nov-25 | 3.03 | 32.37% |
| Dec-25 | 0.01 | 42.63% |
| Jan-26 | 1.09 | 34.29% |
| Feb-26 | 3.42 | 29.47% |
| Mar-26 | 4.28 | 33.06% |

**Red- Outflows; Green: Inflows; Data source: NSE**

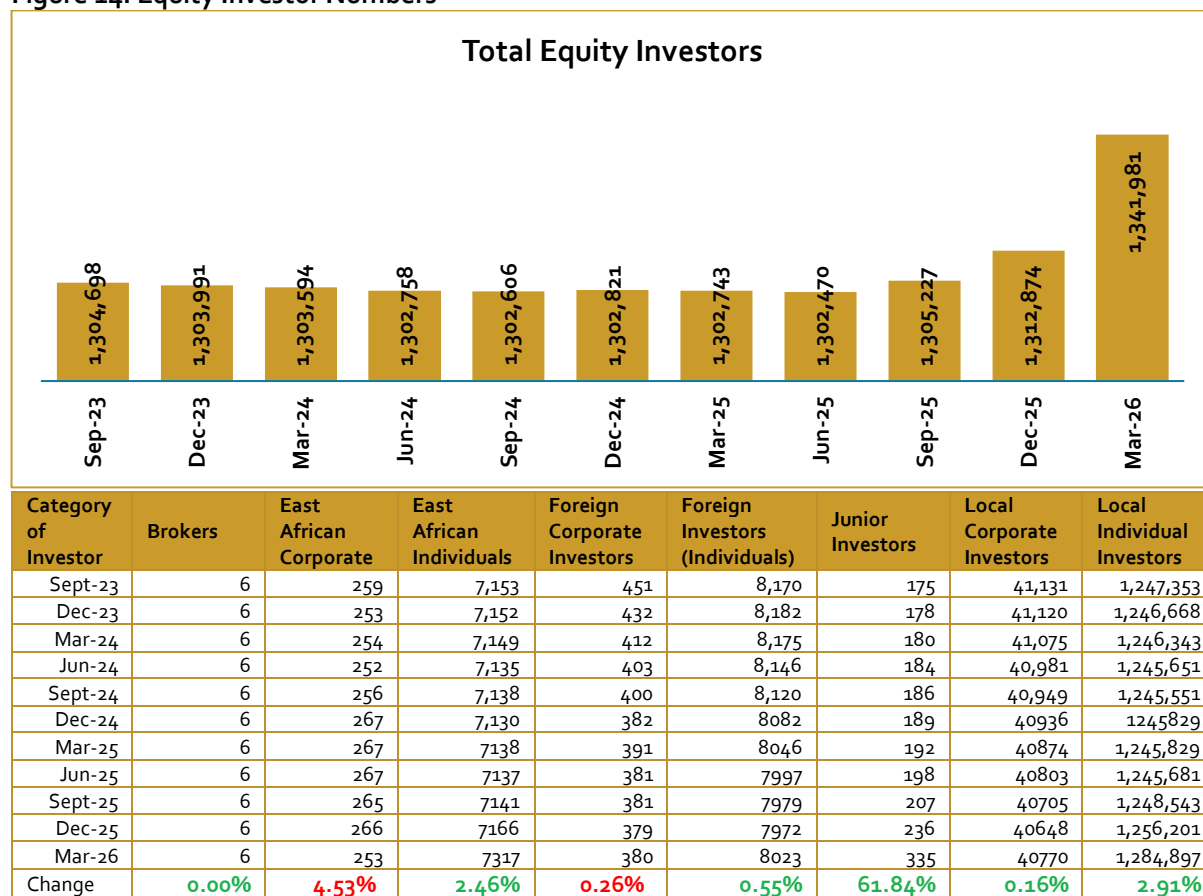
Comparatively, the previous period ending September 2025, was characterized by persistent net outflows, including a significant KShs.4.97 billion outflow in September 2025, largely due to heavy foreign sales.

### Equity Investor Numbers

By the end of March 2026, the total number of equity investors stood at 1,341,981, representing a 2.82 per cent increase compared to 1,305,227 in September 2025. This growth was largely driven by a significant rise in junior investors, which increased by 61.84 per cent, from 207 in September 2025 to 335 in March 2026, highlighting growing participation among younger investors in the equities market. Local individual investors, the largest category, also recorded notable growth of 2.91 percent, rising to 1,284,897 by March 2026, continuing to anchor overall market expansion. Similarly, East African individuals increased by 2.46 percent to 7,317, indicating steady regional retail participation. In contrast, East African corporate investors declined by 4.53 percent, from 265 to 253, while foreign corporate investors recorded a marginal decline of 0.26 percent, from 381 to 380. However, foreign individual investors showed a modest increase of 0.55 percent, rising from 7,929 to 8,023, suggesting relatively stable foreign retail interest despite broader market uncertainties. Local corporate investors remained largely unchanged, posting a slight increase of 0.16 percent to 40,770.



Figure 14: Equity Investor Numbers



Red- Decrease; Green: Increase; Data Source: CDSC

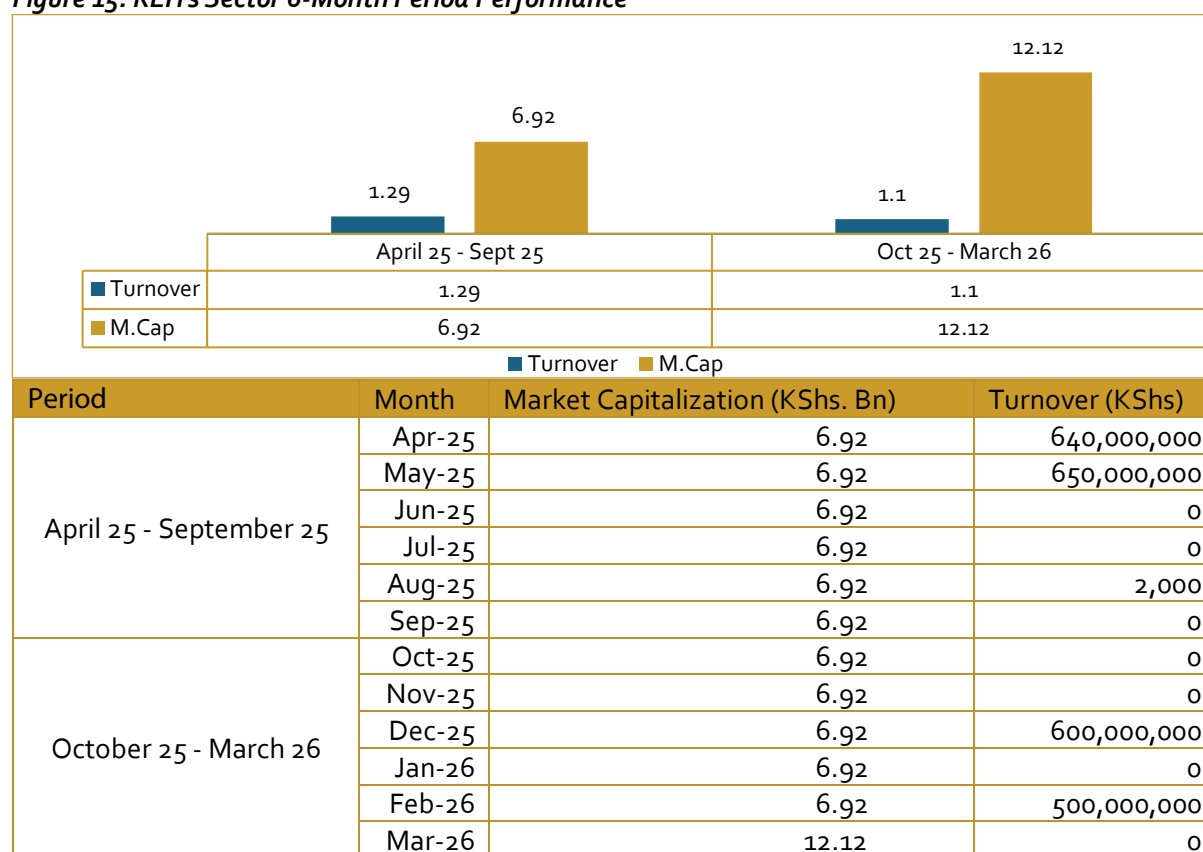
## REAL ESTATE INVESTMENT TRUSTS (REITS)

The market capitalization of the REITs segment increased significantly to KShs. 12.12 billion, marking a notable expansion compared to the period ending September 2025. This sharp growth was primarily driven by the listing of the ALP Industrial REIT in March 2026, which introduced new value into the segment and boosted overall market depth.

In comparison, during the period September 2025, REITs market capitalization was KShs. 6.92 billion throughout, indicating limited activity in terms of new issuances. The segment showed minimal dynamism, with no major listings to drive valuation changes.

The contrast between the two periods highlights a clear shift in market momentum, suggesting improving investor appetite for REIT instruments and strengthening of the real estate capital markets segment.

**Figure 15: REITs Sector 6-Month Period Performance**



Source: NSE

Turnover in the REITs market totalled approximately KShs.1.1 billion, with trading activity heavily concentrated in a few months. The highest activity was recorded in December 2025 totalling KShs.600 million and February 2026 totalling KShs.500 million. Apart from these months, trading remained largely muted, indicating low liquidity of the REITs market, which

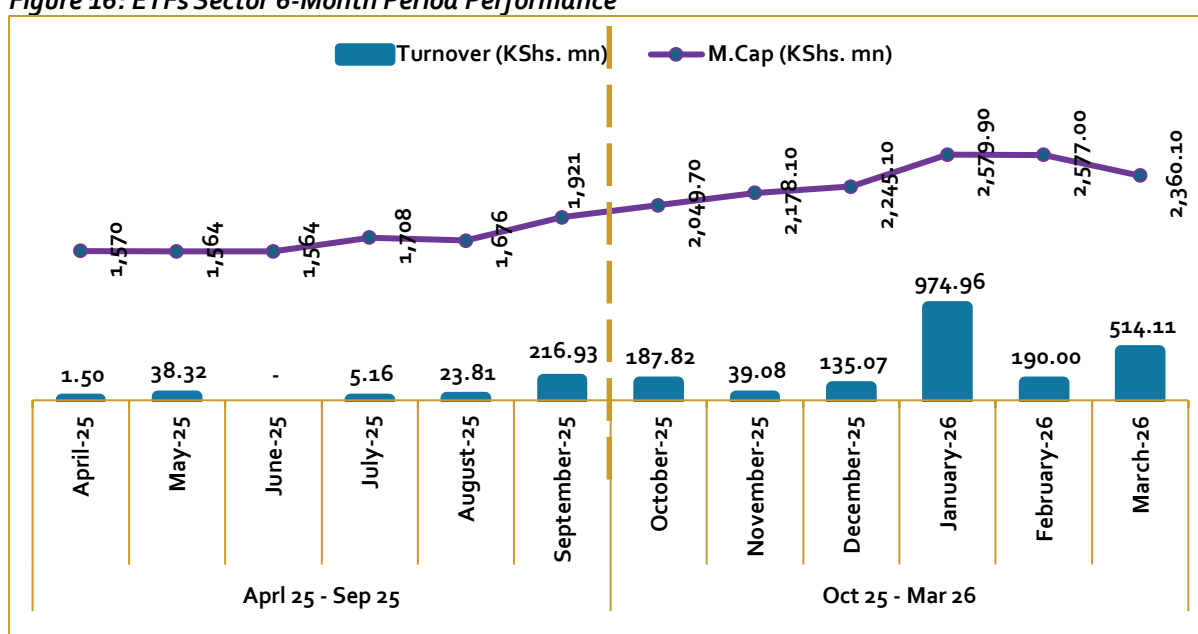
remains characterized by fewer activity, largely due to the fixed-price nature of the I-REIT and its appeal primarily to long-term institutional investors.

Compared to the previous period ending September 2025, which recorded KShs 1.29 billion in turnover, the period ending March 2026 saw slightly lower total activity, though it was more concentrated within just two months.

## EXCHANGE TRADED FUNDS (ETFs)

The Exchange Traded Funds (ETFs) market demonstrated notable growth between October 2025 and March 2026 supported by increased trading activity.

**Figure 16: ETFs Sector 6-Month Period Performance**



Source: NSE

Market capitalization rose significantly from KShs.1,921 million in September 2025 to KShs.2,360.10 million by March 2026, reflecting a strong upward trend. This growth was accompanied by a surge in turnover, which amounted to 2.041 billion for the six-month period, compared to KShs.287.72 million in the previous period (April 2025 to September 2025). The sharp increase was largely driven by exceptional trading in January 2026, which recorded turnover of KShs.974.96 million and March 2026 which recorded a total turnover of KShs.514.11, indicating robust investor appetite for the new ETF products.

Monthly activity during the review period was uneven, with January 2026, recording KShs.974.96 million and March 2026 recording KShs.514.11 million. In general, the ETFs market exhibited strong performance, underpinned by the growing investor interest in



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diversified, globally linked investment products. The sharp rise in both market capitalization and turnover underscores the increasing role of ETFs in broadening investment options on the NSE.

## BONDS MARKET

### Treasury Bonds Issuance

During the review period (October 2025 - March 2026), the government sustained its reliance on fixed income securities through re openings, buybacks, switches, and tap sales, attracting considerable investor interest. The total amount issued stood at KShs.405 billion for the period ending March 2026, slightly lower than the KShs.460 billion issued in the preceding half year ending September 2025, reflecting a moderated borrowing stance.

Investor appetite remained strong during the period under review, with bids amounting to KShs.866.49 billion against the issued amount of KShs.405 billion, translating to a subscription rate of 213.95 percent. Of this, KShs.525.73 billion was accepted, representing 129.81 percent of the amount Issued. The oversubscription underscores continued confidence in government securities, even amid tighter liquidity conditions.

The period was marked by notable activity in February 2026, when FXD3/2019/015 attracted bids worth KShs.133.79 billion, with an acceptance of KShs.54.79 billion. Similarly, March 2026 saw strong demand across multiple reopenings and switches, with FXD1/2019/020 and FXD1/2021/025 together drawing bids totalling KShs.117.44 billion.

Other highlights included November 2025, which recorded broad participation across several reopenings, FXD3/2019/015 and FXD1/2022/025, with combined bids surpassing KShs.115.85 billion. In contrast, December 2025 saw relatively muted activity, with SDB1/2011/030 attracting only KShs.4.59 billion in bids, reflecting investor preference for longer dated or higher yielding instruments.

Table 6 : Treasury bond Issuance (April 2025 to March 2026)

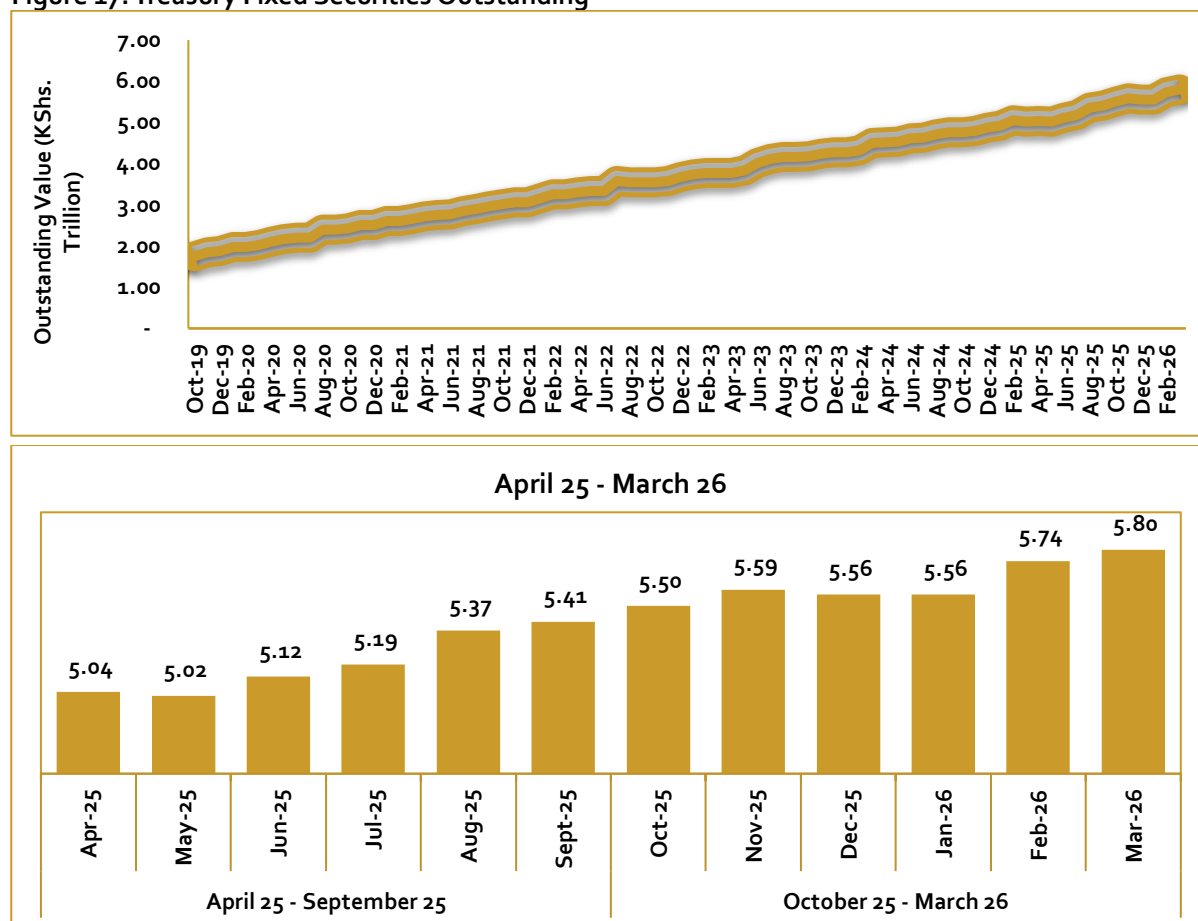
| Date         | BOND          | Amt Issued (KShs Bn) | Amt Received (KShs Bn) | Amt Accepted (KShs Bn) | % AA/AI        | % AR/AI       | Issue     |
|--------------|---------------|----------------------|------------------------|------------------------|----------------|---------------|-----------|
| Apr-25       | FXD1/2020/015 | 70.00                | 20.90                  | 20.88                  | 29.83          | 29.85         | Re-opened |
| Apr-25       | FXD1/2022/015 |                      | 18.15                  | 17.98                  | 25.69          | 25.93         | Re-opened |
| Apr-25       | FXD1/2022/025 |                      | 32.68                  | 32.54                  | 46.48          | 46.69         | Re-opened |
| Apr-25       | FXD1/2020/015 | 10.00                | 13.24                  | 12.59                  | 125.93         | 132.40        | Tap Sale  |
| May-25       | FXD1/2022/015 | 50.00                | 26.41                  | 25.28                  | 50.56          | 52.83         | Re-opened |
| May-25       | FXD1/2022/025 |                      | 30.68                  | 25.10                  | 50.21          | 61.36         | Re-opened |
| May-25       | FXD1/2012/020 | 30.00                | 54.39                  | 43.52                  | 145.07         | 181.29        | Re-opened |
| Jun-25       | FXD1/2020/015 | 50.00                | 84.73                  | 57.87                  | 115.75         | 169.47        | Re-opened |
| Jun-25       | SDB1/2011/030 |                      | 16.62                  | 13.77                  | 27.53          | 33.25         | Re-opened |
| Jul-25       | FXD1/2018/020 | 50.00                | 33.08                  | 30.57                  | 61.14          | 66.16         | Re-opened |
| Jul-25       | FXD1/2018/025 |                      | 43.83                  | 36.08                  | 72.16          | 87.66         | Re-opened |
| Aug-25       | IFB1/2018/015 | 90.00                | 215.94                 | 50.66                  | 56.29          | 239.93        | Re-opened |
| Aug-25       | IFB1/2022/019 |                      | 107.49                 | 44.36                  | 49.29          | 119.43        | Re-opened |
| Aug-25       | IFB1/2018/015 | 50.00                | 130.34                 | 127.98                 | 255.96         | 260.68        | Tap Sale  |
| Aug-25       | IFB1/2022/019 |                      | 77.11                  | 51.79                  | 103.58         | 154.22        | Tap Sale  |
| Sept-25      | FXD1/2018/020 | 40.00                | 33.38                  | 23.51                  | 58.78          | 83.45         | Re-opened |
| Sept-25      | FXD1/2022/025 |                      | 63.91                  | 37.93                  | 94.83          | 159.78        | Re-opened |
| Sept-25      | SDB1/2011/030 | 20.00                | 8.07                   | 2.40                   | 11.99          | 40.35         | Re-opened |
| <b>Total</b> |               | <b>460.00</b>        | <b>1,010.96</b>        | <b>654.81</b>          | <b>142.35</b>  | <b>219.77</b> |           |
| Oct-25       | FXD1/2018/015 | 50.00                | 44.99                  | 31.57                  | 63.14          | 89.98         | Re-opened |
| Oct-25       | FXD1/2021/020 |                      | 73.90                  | 53.70                  | 107.40         | 147.80        | Re-opened |
| Nov-25       | FXD1/2012/020 | 40.00                | 35.32                  | 19.48                  | 48.69          | 88.31         | Re-opened |
| Nov-25       | FXD1/2022/015 |                      | 57.58                  | 33.35                  | 83.37          | 143.96        | Re-opened |
| Nov-25       | FXD1/2023/003 | 30.00                | 34.30                  | 20.08                  | 66.93          | 114.33        | BuyBack   |
| Nov-25       | FXD3/2019/015 | 40.00                | 33.71                  | 20.19                  | 67.30          | 112.37        | Re-opened |
| Nov-25       | FXD1/2022/025 |                      | 82.14                  | 34.57                  | 86.43          | 205.35        | Re-opened |
| Dec-25       | SDB1/2011/030 | 40.00                | 4.59                   | 3.90                   | 9.75           | 11.47         | Re-opened |
| Dec-25       | FXD1/2021/025 |                      | 48.54                  | 43.21                  | 108.02         | 121.36        | Re-opened |
| Jan-26       | FXD1/2019/020 | 60.00                | 23.36                  | 20.24                  | 33.73          | 38.93         | Re-opened |
| Jan-26       | FXD1/2022/025 |                      | 48.18                  | 40.34                  | 67.23          | 80.30         | Re-opened |
| Jan-26       | FXD1/2022/015 | 20.00                | 26.49                  | 25.17                  | 125.87         | 132.46        | Switch    |
| Feb-26       | FXD3/2019/015 | 50.00                | 133.79                 | 54.79                  | 109.57         | 267.59        | Re-opened |
| Feb-26       | FXD1/2018/025 |                      | 79.94                  | 45.75                  | 91.50          | 159.89        | Re-opened |
| Mar-26       | FXD1/2019/020 | 60.00                | 50.50                  | 44.85                  | 74.75          | 84.16         | Re-opened |
| Mar-26       | FXD1/2021/025 |                      | 66.94                  | 16.14                  | 26.90          | 111.56        | Re-opened |
| Mar-26       | FXD3/2019/015 | 15.00                | 22.21                  | 18.40                  | 122.67         | 148.06        | Switch    |
| <b>Total</b> |               | <b>405.00</b>        | <b>866.49</b>          | <b>525.73</b>          | <b>1,29.81</b> | <b>213.95</b> |           |

Source: CBK

## Treasury Bonds Outstanding

The outstanding value of treasury bonds serves as a proxy for the bonds market capitalization. Historically, this value has shown a consistent upward trend, driven by continuous government borrowing through the issuance of treasury bonds to finance budget deficits and infrastructure projects. The outstanding value grew to KShs. 5.80 trillion at the end of March 2026, representing a 7.15 percent increase from KShs. 5.41 trillion recorded at the end of September 2025.

Figure 17: Treasury Fixed Securities Outstanding



Data Source: NSE

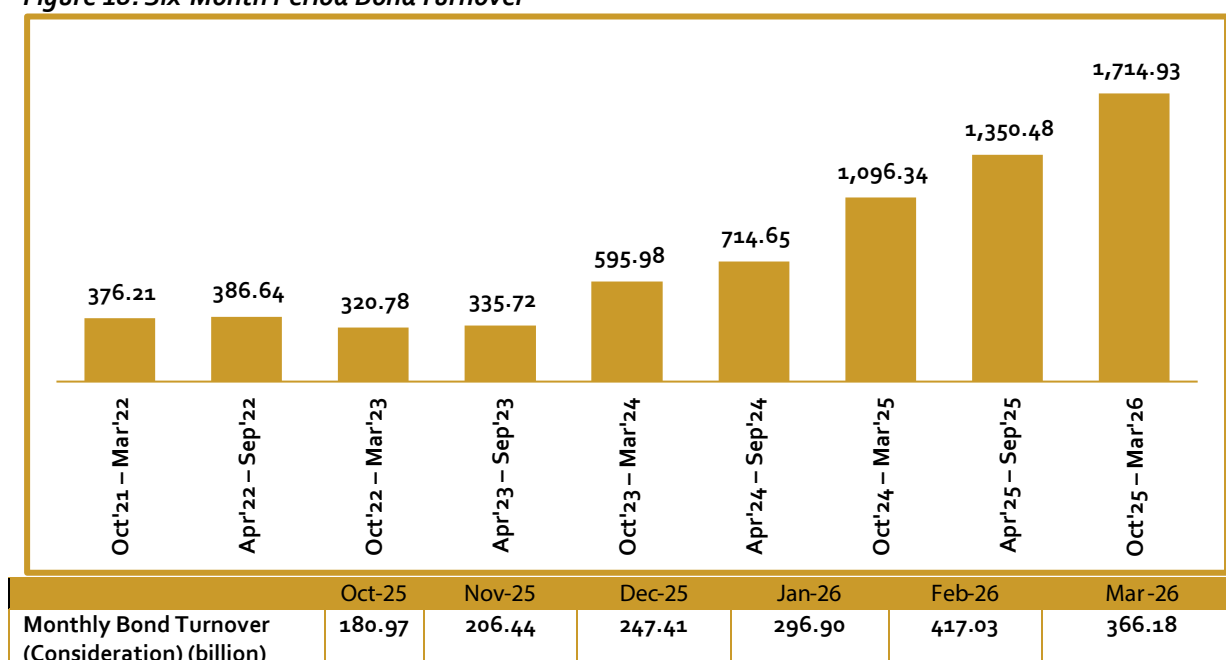
## Secondary Market

### Bond Turnover

The secondary bond market recorded significant growth in turnover, reaching KShs.1.71 trillion at the end of March 2026, compared to KShs.1.35 trillion in the previous period ending September 2025. This represents a 26.99 percent increase, highlighting sustained investor activity in government securities despite a gradual shift toward equities in recent months.

Monthly turnover ranged between KShs 180.97 billion and KShs.417.03 billion, with February posting the highest turnover at KShs.417.03 billion, followed closely by March at KShs.366.18 billion. In contrast, the previous period saw turnover slightly decline from KShs.255.91 billion in April 2025 to KShs.237.66 billion in September 2025, supported by strong demand for infrastructure bonds and long-tenor fixed bonds.

**Figure 18: Six-Month Period Bond Turnover**



Source: CMA

Bond market turnover has expanded sharply over the past four years, with a clear acceleration beginning in late 2023. Turnover averaged KShs.376.2 billion between October 2021 to March 2022, rising modestly to KShs.386.6 billion in April 2022 - September 2022 period before dipping to KShs.320.8 billion in October 2022 - March 2023. Activity then regained momentum, climbing to KShs.335.7 billion in April 2023 - Sep 2023 period.

A major structural shift appears from October 2023 - March 2024, when turnover jumped to KShs.596.0 billion, followed by a further rise to KShs.714.7 billion in April 2024 - September 2024. The market then crossed the trillion-shilling threshold, reaching KShs.1.096 trillion in October 2024 -March 2025, before surging to KShs.1.350 trillion in April 2025 - September 2025. The period, October 2025 - March 2026, shows turnover at KShs.1.714.93 trillion, the highest level recorded.

This sustained growth demonstrates the deepening liquidity and resilience of Kenya's fixed-income market. It reflects strong investor confidence in government securities as a stable store of value amid macroeconomic uncertainty, even as equities experienced episodic speculative rallies. The consistent upward trajectory also points to improved market infrastructure, enhanced price discovery, and increased participation by institutional investors seeking predictable, risk-adjusted returns.

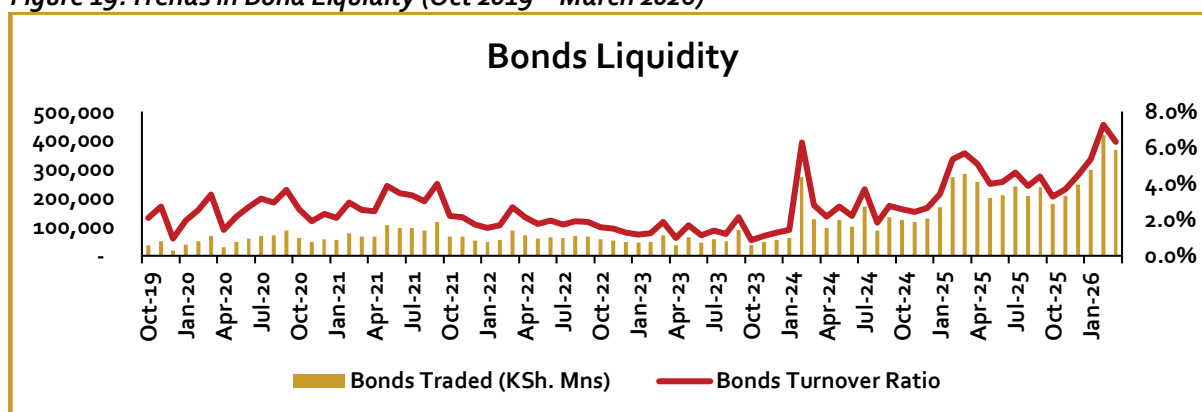


## Bond Turnover Ratio

Activity in the secondary bond market softened. The bond turnover ratio surged to 6.3 percent in March 2026, from 4.4 percent in September 2025, reflecting increased trading activity. This can be attributed to the reduction in the Central Bank Rate (CBR), which boosted demand for bonds, alongside increased participation by institutional investors.

Monthly turnover ranged between KShs.180 billion and KShs.366 billion between October 2025 and March 2026, with February posting the highest turnover at KShs.417.03 billion. In contrast, the previous period ending September 2025 saw a decline in turnover ratios, from 5.1 percent in April 2025 to 4.4 percent in September 2025, attributed to slowed activity in the bond market and investors shift to equity market.

**Figure 19: Trends in Bond Liquidity (Oct 2019 – March 2026)**

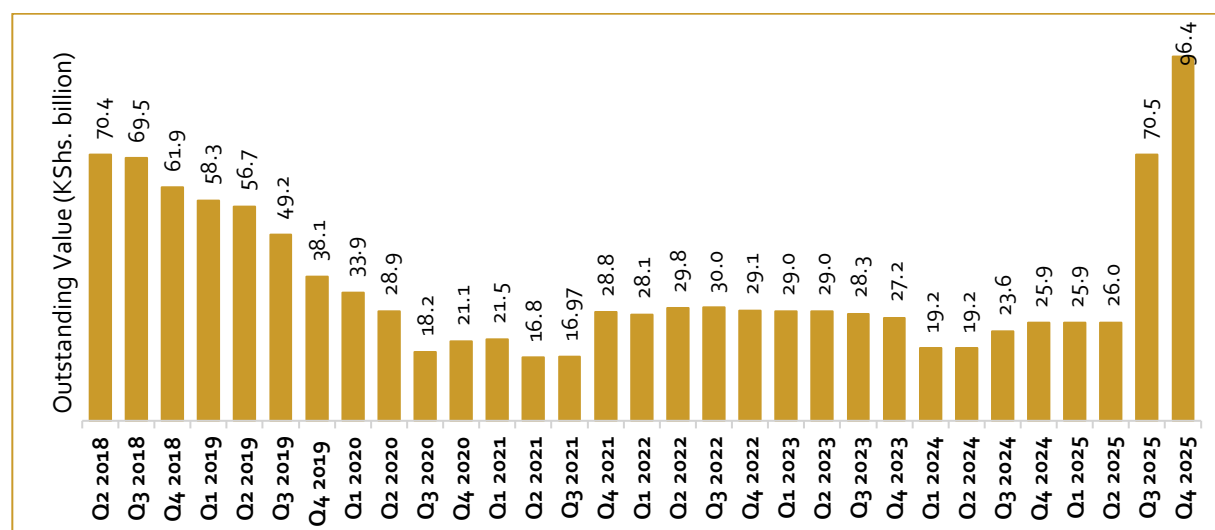


Source: CMA

## Corporate Bonds

The total outstanding amount of bond issues stood at KShs.96.4 billion as at the end of December 2025 from eight (8) active bond issuers, namely Batian Income Properties, EABL MTN, Real People MTN, Family Bank MTN, Kenya Mortgage Refinance Company MTN, Safaricom MTN, Linzi Sukuk and Linzi Asset Backed Security (ABS). The total value of outstanding bond issues, excluding the Imperial and Chase Bank, stood at KShs.96.4 billion. Linzi ABS had the highest outstanding amount at Kshs.44.8 billion. Notably, Fund Managers and nominee accounts held the largest proportion of the debt issuances at Kshs.51.1 billion, representing 86 per cent of the total, followed by the investment companies and banks at 11 per cent and 1.5 per cent respectively.

**Figure 20: Trend in Outstanding Amounts of Corporate Bonds**



**Source: CMA**

### **Corporate Bond Investor Numbers**

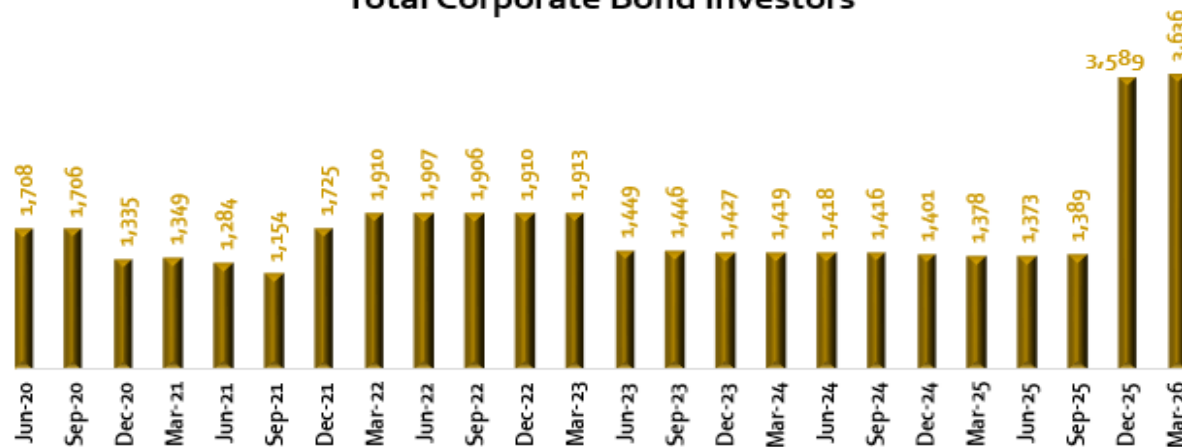
The number of corporate bond investors at the Nairobi Securities Exchange (NSE) recorded a significant increase, rising to 3,636 in March 2026 from 1,389 at the end of September 2025. This marginal growth reflects a relatively stable but subdued level of investor participation in the corporate bond segment. The market continued to be dominated by local individual investors, whose numbers surged from 759 in September 2025 to 3,010 in March 2026. Similarly, local corporate investors plummeted from 574 in September 2025 to 577 in March 2026. This can be attributable to a modest resurgence in interest from institutional and retail domestic investors in fixed income instruments, possibly due to shifting risk appetite and improved returns relative to other asset classes.

The sharp increase in investor numbers can be largely attributed to improved retail investor participation, possibly driven by declining interest rates following a reduction in the Central Bank Rate (CBR), which enhanced the relative attractiveness of fixed-income securities. In addition, increased investor awareness and digitization of trading platforms have facilitated greater access to the corporate bond market for individual investors. The decline in local corporate investors reflects portfolio reallocation toward alternative investments.

Table 7: Corporate bond investor numbers

| Category of Investor | East African Corporate | East African Individuals | Foreign Corporate | Foreign Investors (Individuals) | Local Corporate | Local Individuals | Total Corporate Bond Investors |
|----------------------|------------------------|--------------------------|-------------------|---------------------------------|-----------------|-------------------|--------------------------------|
| Jun-20               | 1                      | 6                        | 2                 | 30                              | 1,066           | 603               | 1,708                          |
| Sep-20               | 1                      | 6                        | 2                 | 30                              | 1,064           | 603               | 1,706                          |
| Dec-20               | 1                      | 1                        | 1                 | 22                              | 762             | 548               | 1,335                          |
| Mar-21               | 1                      | 1                        | 2                 | 22                              | 773             | 550               | 1,349                          |
| Jun-21               | 1                      | 1                        | 4                 | 23                              | 757             | 498               | 1,284                          |
| Sep-21               | 1                      | 1                        | 5                 | 23                              | 539             | 585               | 1,154                          |
| Dec-21               | 1                      | 1                        | 5                 | 25                              | 926             | 767               | 1,725                          |
| Mar-22               | 1                      | 1                        | 8                 | 25                              | 1,056           | 819               | 1,910                          |
| Jun-22               | 1                      | 1                        | 8                 | 26                              | 1,050           | 821               | 1,907                          |
| Sep-22               | 1                      | 1                        | 8                 | 26                              | 1,049           | 821               | 1,906                          |
| Dec-22               | 1                      | 1                        | 8                 | 26                              | 1,052           | 822               | 1,910                          |
| Mar-23               | 1                      | 1                        | 8                 | 26                              | 1,053           | 824               | 1,913                          |
| Jun-23               | 1                      | 1                        | 7                 | 24                              | 636             | 780               | 1,449                          |
| Sep-23               | 1                      | 1                        | 7                 | 24                              | 635             | 778               | 1,446                          |
| Dec-23               | 1                      | 1                        | 5                 | 23                              | 627             | 770               | 1,427                          |
| Mar-24               | 1                      | 1                        | 5                 | 23                              | 618             | 771               | 1,419                          |
| Jun-24               | 1                      | 1                        | 5                 | 23                              | 616             | 772               | 1,418                          |
| Sep-24               | 1                      | 1                        | 5                 | 23                              | 613             | 773               | 1,416                          |
| Dec-24               | -                      | 1                        | 4                 | 23                              | 601             | 772               | 1,401                          |
| Mar-25               | -                      | 1                        | 3                 | 23                              | 594             | 757               | 1,378                          |
| Jun-25               | -                      | 1                        | 3                 | 22                              | 591             | 756               | 1,373                          |
| Sep-25               | -                      | 1                        | 3                 | 23                              | 603             | 759               | 1,389                          |
| Dec-25               | -                      | 7                        | 3                 | 39                              | 574             | 2,966             | 3,589                          |
| Mar-26               | -                      | 7                        | 3                 | 39                              | 577             | 3010              | 3,636                          |

Total Corporate Bond Investors



Data source: CDSC

In contrast, foreign investor participation remained relatively flat. The number of foreign individual investors remained the same at 39, while foreign corporate investors remained flat at 3 between March 2025 and March 2026. Similarly, East African regional investors remained the same at 7 over the same period and no East African corporate investors reported.

Overall, the increase in total investors indicate continued local interest in the corporate bond market, even amid limited new issuance activity. However, the consistently low participation from foreign and regional investors demonstrates the



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ongoing need for broader market development, including greater product diversity, improved market liquidity, and enhanced investor outreach to deepen engagement across all investor categories.

## **DERIVATIVES MARKET**

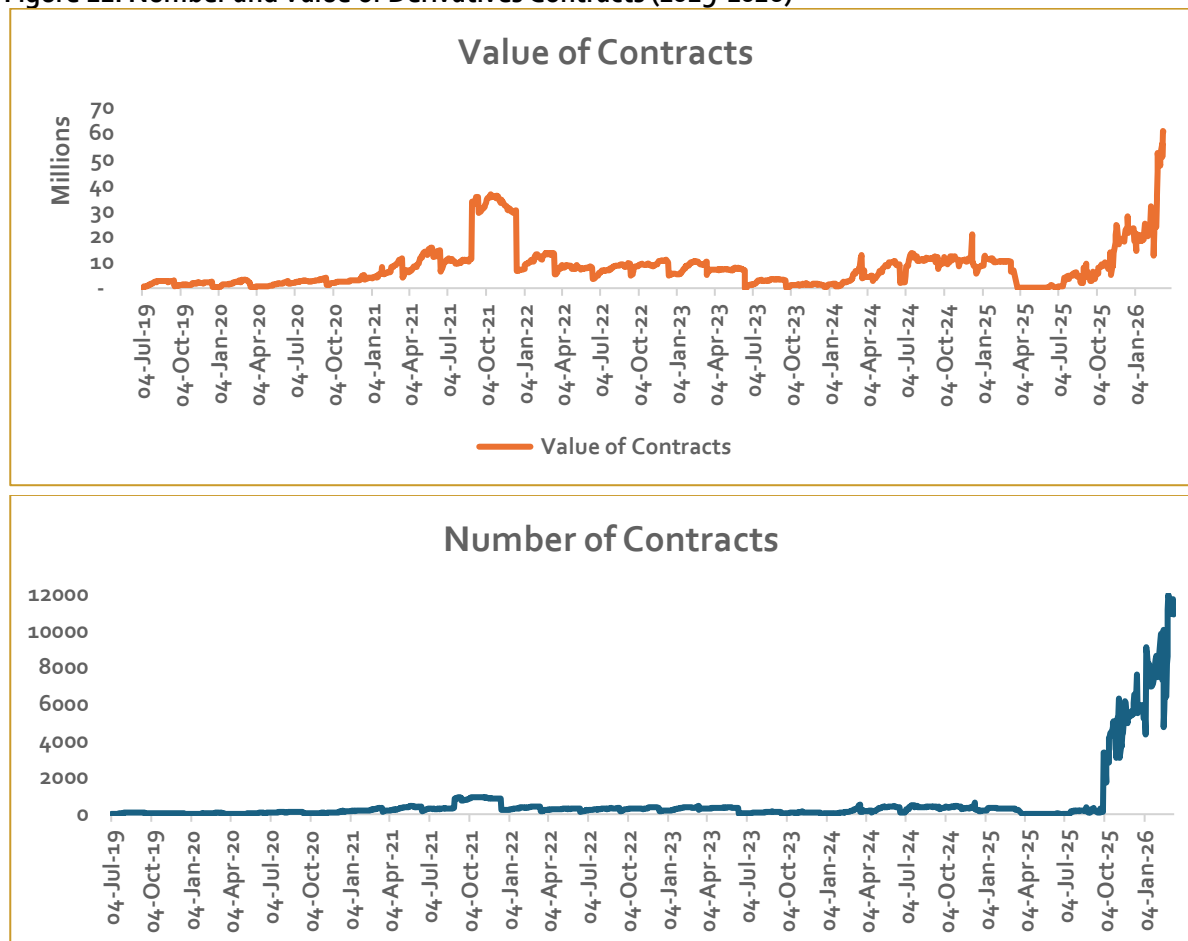
Kenyan derivatives market recorded notable developments aimed at enhancing market participation, accessibility, and liquidity. A key milestone was the approval of Sterling Investment Bank (SIB) as a market maker in the NSE derivatives segment by the NSE. This approval has improved market depth and efficiency by ensuring the continuous availability of bid and offer quotes, thereby supporting tighter spreads and improved price discovery. Additionally, the Nairobi Securities Exchange (NSE) implemented a reduction in the trading lot sizes for both equity and index futures, a move designed to lower the entry barrier for retail investors and promote broader market participation. Complementing this, the NSE also revised margin requirements downward, making it more affordable for investors to initiate and maintain derivative positions. These combined measures reflect deliberate efforts to stimulate activity in the derivatives market, which has historically been underutilized, and to align the market structure with global best practices while supporting domestic investor engagement and product uptake.

Since the launch of the derivatives market in July 2019, trading activity remained relatively modest through 2024, with gradual increases showing occasional spikes. However, performance accelerated significantly during between October 2025 and March 2026. During this period, a total of 227,406 contracts were traded, with a combined turnover of approximately KShs.783.2 million. This marks a substantial increase compared to the preceding ending September 2025, which recorded significantly lower activity, with volumes remaining below 5,000 contracts per month and turnover largely under KShs.90 million.

The sharp rise in activity between October 2025 and March 2026 represents a clear departure from historical trends observed between 2019 and 2024, when monthly volumes typically remained below 2,500 contracts and turnover was relatively subdued. The surge, particularly between October 2025 and February 2026, when volumes peaked at over 80,500 contracts, indicates a significant deepening of the market. This growth reflects

increased participation and liquidity, positioning the derivatives segment as an increasingly important component of Kenya's capital markets.

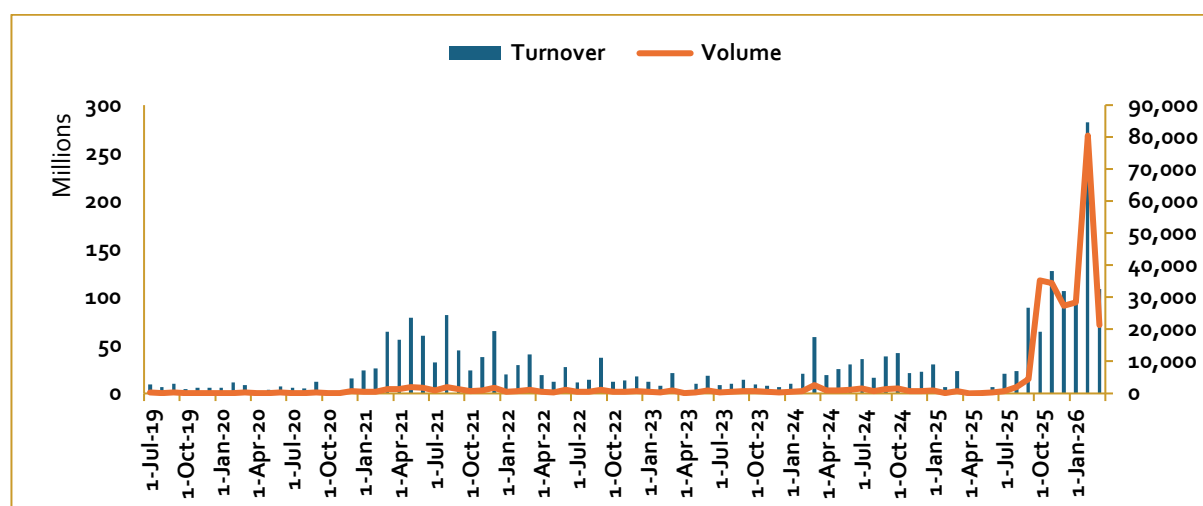
**Figure 21: Number and Value of Derivatives Contracts (2019-2026)**



Source: NSE

In terms of volume and turnover, the derivatives market recorded its highest monthly performance since inception in February 2026, posting a turnover of KShs. 281.77 million and a volume of 4,550 contracts. This strong monthly performance significantly boosted the overall market activity, during which the market registered a total turnover of KShs. 783.21 million and a cumulative volume of 227,406 contracts.

**Figure 22: Derivatives Volume and Turnover**



Data source: NSE

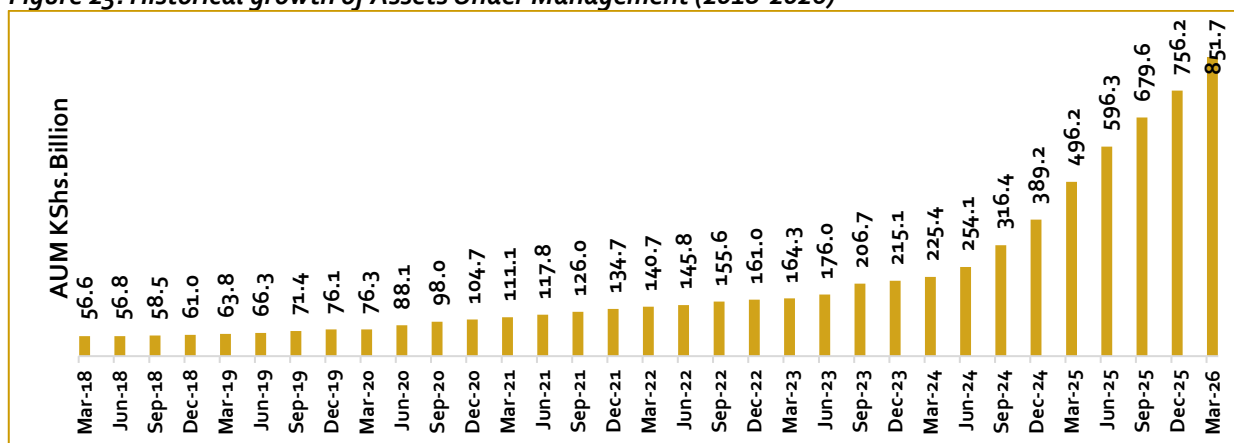
In comparison, the period ending September 2025 recorded lower turnover of KShs.141.92 million and volume of 7,638 contracts. This sharp increase in both turnover and traded volumes recorded as at March 2026 demonstrates a substantial expansion in market participation and liquidity, representing a significant shift from previously subdued trading levels.

## COLLECTIVE INVESTMENT SCHEMES

### Assets under Management

The total assets under management (AUM) by Collective Investment Schemes (CIS) grew to KShs. 851.7 billion as of March 2026, marking a 12.63 per cent increase from KShs. 756.2 billion reported at the end of December 2025. The increase is attributed to overall growth reported by existing CIS funds as well as additional funds registered by existing umbrella schemes and commenced reporting in 2025. The increase can also be attributed to intensified marketing efforts by the fund managers. From March 2018, when total AUM stood at KShs. 56.6 billion, the sector has grown by an impressive 1403.67 per cent, demonstrating a sustained investor interest and confidence in collective investment vehicles.

Figure 23: Historical growth of Assets Under Management (2018-2026)



Source: CMA

### Asset Under Management by Fund

The most dominant funds among the approved CIS funds are the Money Market, Equity, Fixed Income, Balanced, and Special funds, as shown in the table below. Notably, whereas Money Market Funds continue to be the most popular investment channel, Special Funds have gained popularity among investors. Money Market Funds dominate the CIS market at Kshs.442.20 billion, representing 51.92 per cent of the total AUM. Special Funds come second at Kshs.203.57 billion, representing 23.90 per cent, closely followed by Fixed Income Fund at Kshs.198.99 billion representing 23.36 per cent. Equity and Balanced funds trail at 0.56 per cent and 0.26 per cent, respectively.

Table 8: Funds Performance

| Fund              | Dec-25                 | Mar-26                 | Proportion As at March 26 |
|-------------------|------------------------|------------------------|---------------------------|
| Money Market Fund | 423,664,227,355        | 442,199,966,997        | 51.92%                    |
| Special Fund      | 162,418,870,196        | 203,565,448,012        | 23.90%                    |
| Fixed Income Fund | 164,392,093,137        | 198,991,286,618        | 23.36%                    |
| Equity Fund       | 3,537,534,202          | 4,751,495,471          | 0.56%                     |
| Balanced Fund     | 2,186,038,315          | 2,200,313,187          | 0.26%                     |
| <b>Total</b>      | <b>756,198,763,205</b> | <b>851,708,510,285</b> | <b>100.00%</b>            |

Source: CMA

### Asset Classes

The government securities continued to lead, accounting for 44 per cent of total assets under management (AUM), followed by fixed deposits, which comprised 24 percent of the total AUM. On the other hand, Listed Securities, Alternative Investments, and Other Collective Investment recorded the smallest proportion of 0.39 percent and 0.34 per cent, respectively.



**Table 9: Distribution of Total Assets under Management**

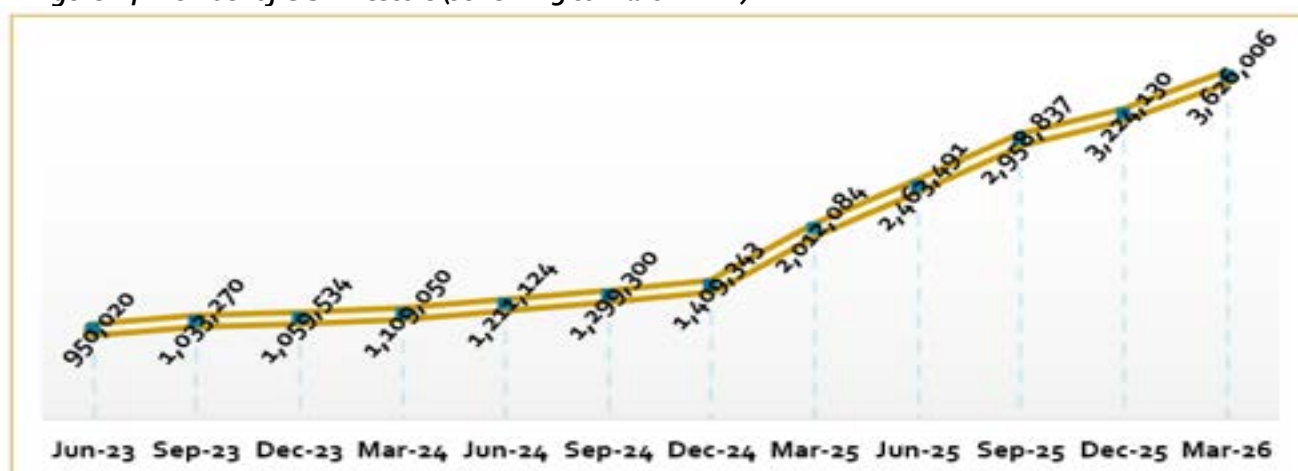
| Asset                               | Dec-25                 | Mar-26                 | Proportion As at March 2026 |
|-------------------------------------|------------------------|------------------------|-----------------------------|
| Securities Issued by GoK            | 323,612,122,718        | 374,593,461,269        | 43.98%                      |
| Fixed Deposits                      | 213,083,065,039        | 200,204,645,703        | 23.51%                      |
| Cash & Demand Deposits              | 88,466,726,442         | 120,217,712,388        | 14.11%                      |
| Unlisted Securities                 | 26,914,339,133         | 74,623,323,923         | 8.76%                       |
| Listed Securities                   | 10,714,296,949         | 59,204,697,507         | 6.95%                       |
| Off-shore investments               | 79,167,358,687         | 16,597,362,538         | 1.95%                       |
| Other Collective Investment Schemes | 7,381,012,823          | 3,362,087,547          | 0.39%                       |
| Alternative Investments             | 6,859,843,414          | 2,905,219,412          | 0.34%                       |
| <b>TOTAL</b>                        | <b>756,198,763,205</b> | <b>851,708,510,285</b> |                             |

Source: CMA

### Number of CIS Investors

As of March 2026, the number of investors in Collective Investment Schemes (CIS) stood at 3,626,006, reflecting continued growth in investor participation. This marks an increase from 2,958,837 in September 2025 and a significant rise from 2,012,084 in March 2025. The trend demonstrates a sustained upward trajectory, with the investor base expanding by 22.55 per cent between September 2025 and March 2026. This growth has been driven by increasing public awareness around saving and investing especially post covid era, enhanced marketing efforts by fund managers, and the onboarding of new funds under umbrella schemes, which have broadened access to CIS products across the market.

**Figure 24: Number of CIS Investors (June 2023 to March 2026)**



Source: CMA



## KENYAN COFFEE SECTOR PERFORMANCE

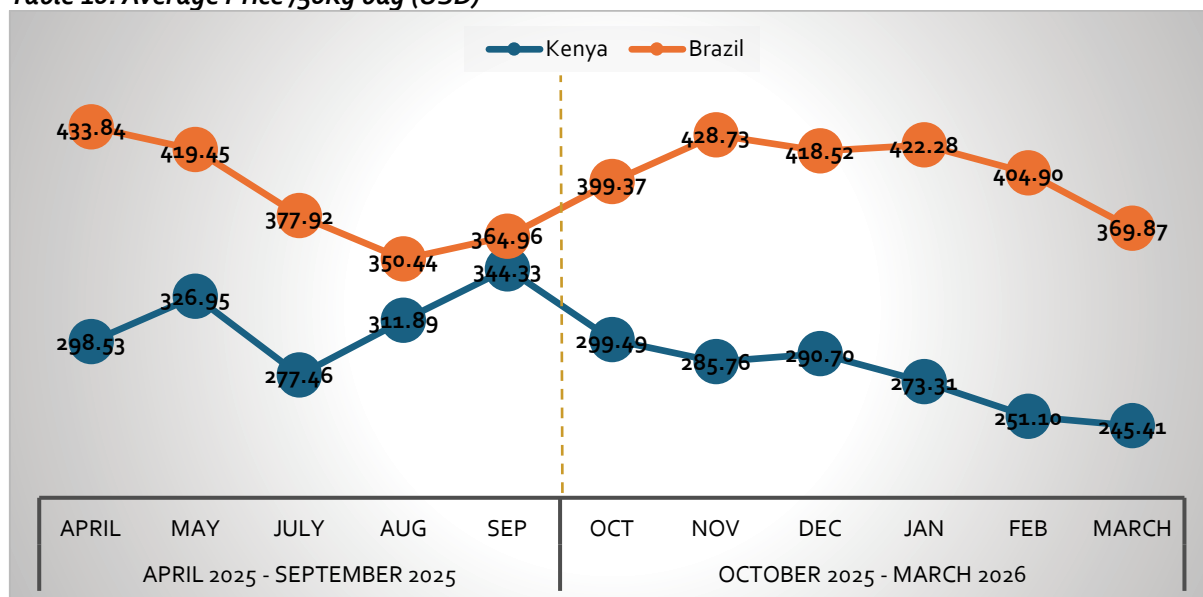
The performance of Kenya's coffee sector continues to reflect underlying dynamics in production, market structure, and global demand conditions. Activity at the Nairobi Coffee Exchange serves as the primary mechanism for price discovery, with auction outcomes providing insight into supply levels, quality of coffee, and buyer demand in both domestic and export markets. The sector operates within a structured regulatory framework anchored in the coffee Act No. 8 of 2026, Coffee Act (Cap 333), the Crops Act, 2013, and the Crops (Coffee) (General) Regulations, 2019, alongside oversight by the Capital Markets Authority (CMA) under the Capital Markets (Coffee Exchange) Regulations, 2020, which collectively enhance transparency, governance, and efficiency in coffee marketing.

### Average Coffee Auction Prices

Brazil coffee prices declined by 1.35 per cent for the period ending March 2026 compared to September 2025, while Kenya recorded a significantly sharper contraction of 28.73 per cent, reflecting a marked divergence in price dynamics across the two markets. In both cases, the observed price movements are largely attributable to seasonal production factors, particularly the transition from the fly crop season to the main crop season. The fly crop period is typically associated with lower output and tighter supply conditions, which tend to support relatively higher prices, whereas the main crop season is characterized by increased deliveries to the auction market, exerting downward pressure on prices.

This seasonal supply effect is evident in the price contractions across key grades, including AA (-27.7%) and AB (-22.0%), as well as sharper declines among lower grades such as MH, ML, and T. Despite these seasonal price adjustments, underlying market fundamentals remain supportive. Premium grades such as AA and AB continue to command relatively higher prices due to sustained international demand for high-quality Kenyan Arabica. Additionally, ongoing improvements in coffee quality and a gradual increase in the share of higher-grade output continue to underpin the sector.

**Table 10: Average Price /50Kg bag (USD)**



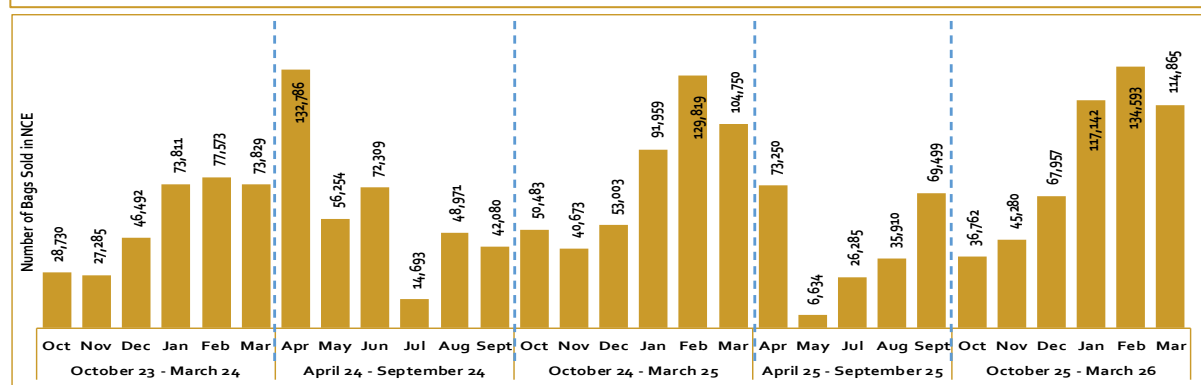
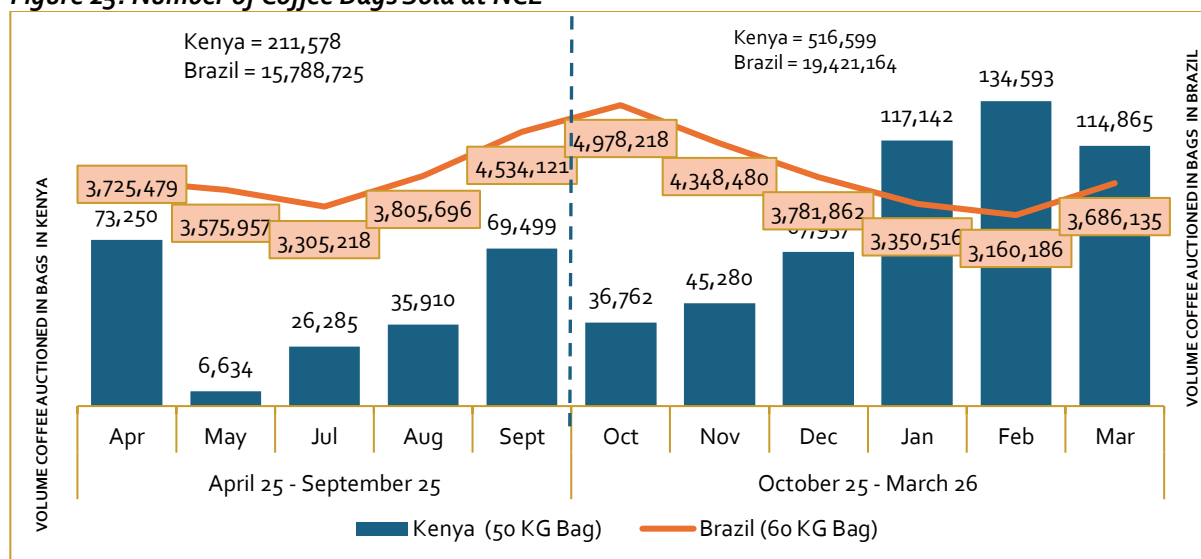
| Grade | April 2025 - September 2025 |        |        |        |        | October 2025 - March 2026 |        |        |        |        | Change |                  |
|-------|-----------------------------|--------|--------|--------|--------|---------------------------|--------|--------|--------|--------|--------|------------------|
|       | April                       | May    | July   | Aug    | Sep    | Oct                       | Nov    | Dec    | Jan    | Feb    | March  | March 26/Sept 25 |
| AA    | 392.90                      | 426.46 | 346.62 | 405.39 | 460.13 | 443.81                    | 429.15 | 416.00 | 413.95 | 344.94 | 332.68 | -27.70%          |
| AB    | 381.88                      | 435.07 | 334.59 | 374.96 | 413.62 | 405.55                    | 406.18 | 396.58 | 389.88 | 329.64 | 322.56 | -22.01%          |
| C     | 361.06                      | 399.31 | 318.46 | 359.25 | 389.92 | 374.39                    | 376.92 | 364.36 | 352.90 | 295.20 | 296.69 | -23.91%          |
| E     | 368.23                      | 395.77 | 297.80 | 303.00 | 377.40 | 362.88                    | 374.46 | 379.85 | 360.00 | 311.70 | 309.21 | -18.07%          |
| HE    | 290.68                      | 284.09 | 268.67 | 305.00 | 306.84 | 247.95                    | 226.65 | 279.36 | 280.05 | 237.88 | 250.50 | -18.36%          |
| MH    | 282.08                      | 312.93 | 276.64 | 212.69 | 338.06 | 322.62                    | 308.56 | 289.03 | 279.70 | 246.58 | 237.73 | -29.68%          |
| ML    | 220.81                      | 244.13 | 192.92 | 325.36 | 238.82 | 218.20                    | 175.25 | 172.49 | 178.21 | 155.88 | 150.52 | -36.97%          |
| NH    | 304.65                      | 350.20 | 264.80 | 246.40 | 382.78 | 332.67                    | 330.42 | 310.93 | 298.29 | 322.81 | 276.29 | -27.82%          |
| NL    | 237.35                      | 261.43 | 232.00 | 367.93 | 329.25 | 254.73                    | 208.38 | 218.25 | 190.75 | 163.36 | 190.67 | -42.09%          |
| PB    | 379.35                      | 412.24 | 329.30 | 214.40 | 408.13 | 395.42                    | 394.61 | 393.70 | 384.47 | 326.11 | 319.62 | -21.69%          |
| RH    |                             |        |        |        |        | 222.00                    | 220.00 |        | 164.00 | 190.00 |        |                  |
| RL    |                             |        |        |        |        | 203.00                    |        |        |        | 174.00 |        |                  |
| SB    | 171.20                      | 224.91 | 204.25 | 321.55 | 248.83 | 198.14                    | 162.14 | 162.44 | 183.00 | 155.50 | 142.05 | -42.91%          |
| T     | 265.23                      | 280.14 | 265.06 | 349.93 | 345.26 | 282.50                    | 238.78 | 238.09 | 245.82 | 209.15 | 230.78 | -33.16%          |
| TT    | 351.61                      | 383.33 | 303.33 | 303.67 | 377.68 | 356.45                    | 358.89 | 343.88 | 339.55 | 275.50 | 291.13 | -22.92%          |
| UG    | 298.21                      | 328.50 | 272.33 | 340.62 | 328.38 | 269.67                    | 254.25 | 277.50 | 184.00 | 450.00 | 243.44 | -25.87%          |
| UG1   | 331.45                      | 343.88 | 290.21 |        | 368.40 | 352.91                    | 340.85 | 318.97 | 310.02 | 262.28 | 265.41 | -27.96%          |
| UG2   | 230.93                      | 242.30 | 242.36 | 290.51 | 301.64 | 236.43                    | 196.71 | 206.44 | 205.15 | 181.04 | 171.03 | -43.30%          |
| UG3   | 207.39                      | 233.50 |        | 269.50 | 238.44 | 211.00                    | 141.50 | 174.00 | 159.75 | 139.29 | 141.60 | -40.62%          |

Source: CMA

### Total Number of Bags Sold in NCE

Coffee auction volumes in both Kenya and Brazil increased during October 2025-March 2026 compared to April-September 2025, indicating a broad-based expansion in market supply across the two markets. Kenya recorded a significantly stronger increase, with volumes rising from 211,578 bags to 516,599 bags (+144.17%), compared to Brazil's moderate growth from 15.79 million to 19.42 million bags (+23.01%).

**Figure 25: Number of Coffee Bags Sold at NCE**



|               | October 23 - March 24 | April 24 - September 24 | October 24 - March 25 | April 25 - September 25 | October 25 - March 26 |
|---------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
|               | 327,720 Bags          | 367,093 Bags            | 470,687 Bags          | 211,578 Bags            | 516,599 Bags          |
| <b>Growth</b> |                       | 112.01%                 | 128.22%               | 44.95%                  | 244.16%               |

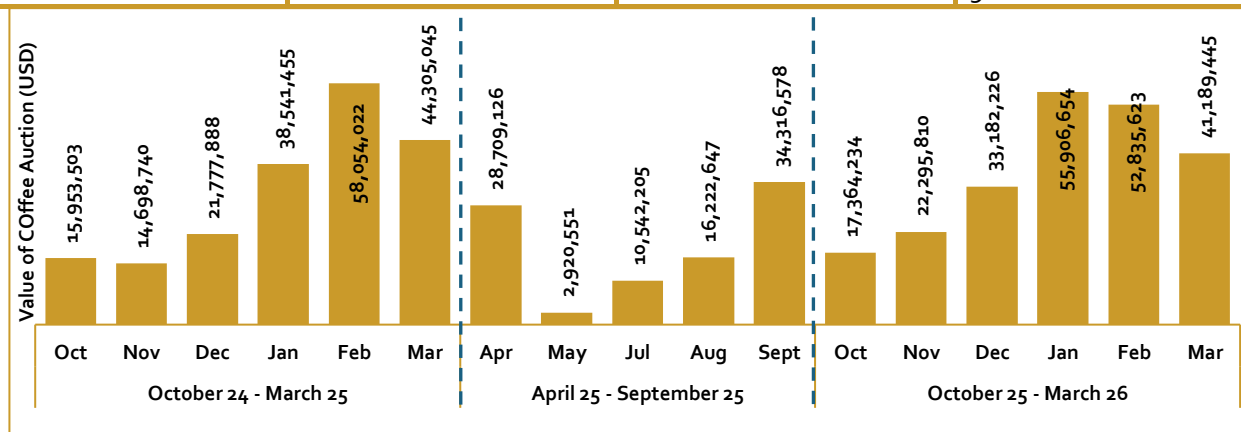
Source: CMA

### Value of Coffee Auction

The period ending March 2026, which represents the main crop season, shows a surge in the value of coffee sold through the Nairobi Coffee Exchange, reaching USD 222.77 million, more than doubling the USD 92.71 million recorded in the previous period ending September 2025. This represents 240.29 per cent increase, indicating significantly stronger performance of the coffee market during the main-crop months. This implies that the 2025/2026 main crop not only maintained strong supply but likely benefited from higher market prices, improved global demand, or more efficient market operations that allowed a greater proportion of coffee to reach and clear through the auction.

Table 11: Value of Coffee Auction in USD

| Grade | October 24 - March 25 | April 25 - September 25 | October 25 - March 26 |
|-------|-----------------------|-------------------------|-----------------------|
| AA    | 56,846,737.62         | 9,740,749.52            | 65,252,351.66         |
| AB    | 79,368,861.00         | 29,440,335.58           | 92,841,622.94         |
| C     | 18,990,149.02         | 19,963,495.98           | 22,924,151.50         |
| E     | 751,084.66            | 285,354.52              | 1,431,853.30          |
| HE    | 713,015.58            | 468,754.22              | 881,411.36            |
| MH    | 9,031,481.20          | 10,676,061.18           | 11,034,989.76         |
| ML    | 1,580,957.82          | 2,376,531.58            | 1,832,075.84          |
| NH    | 304,207.58            | 338,022.44              | 358,868.70            |
| NL    | 43,418.62             | 104,560.68              | 107,420.78            |
| PB    | 11,013,832.14         | 4,925,473.04            | 12,454,805.76         |
| SB    | 165,955.98            | 369,934.10              | 208,263.38            |
| T     | 2,851,652.42          | 4,238,186.42            | 3,176,873.54          |
| TT    | 3,340,255.96          | 2,558,388.96            | 3,629,884.24          |
| UG    | 79,047.84             | 208,555.88              | 62,649.98             |
| UG1   | 6,370,271.86          | 4,600,125.46            | 4,943,289.04          |
| UG2   | 1,853,823.80          | 2,355,119.96            | 1,551,818.72          |
| UG3   | 20,259.32             | 61,457.54               | 47,756.54             |
| RH    | 5,018.28              | -                       | 32,983.38             |
| RL    | 622.82                | -                       | 922.20                |



|        | October 24 - March 25 | April 25 - September 25 | October 25 - March 26 |
|--------|-----------------------|-------------------------|-----------------------|
|        | 193,330,653.52        | 92,711,107.06           | 222,773,992.62        |
| Growth |                       | 47.95%                  | 240.29%               |

Source: CMA

## CMA REGULATORY SANDBOX

The Capital Markets Authority Regulatory Sandbox is a tailored regulatory environment that allows for the live testing of innovative capital markets related products, solutions and services with the potential to deepen and develop the capital markets prior to launching into the mass market. The live testing is conducted under a less onerous regulatory regime and is expected to attract fintech companies and existing capital markets intermediaries



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seeking to add value through the application of technology to financial services among other innovations. The platform is meant to aid CMA's understanding of emerging trends on financial technologies and provides an evidence-based tool for fostering innovation and regulation while at the same time allowing the Authority to remain vigilant to investor protection, financial stability, and integrity risks. The sandbox platform is governed by the Regulatory Sandbox Policy Guidance Note (PGN), 2019 which provides a framework for its establishment. It further provides the eligibility, application, safeguard, and testing requirements for firms interested in live testing of innovative products, solutions, or service with the Authority's Regulatory Sandbox.

## **RECENT EMERGING ISSUES RELATED TO CAPITAL MARKETS**

Recently, the Kenyan capital markets have been characterized by significant regulatory reforms, technological innovation, and structural changes. These developments reflect the ongoing efforts by the Capital Markets Authority (CMA) and the Government of Kenya to deepen the market, enhance investor protection, and expand access to capital market products. Key emerging issues during the period include regulatory reforms, digital asset regulation, increasing retail investor participation, market diversification, and the digital transformation of regulatory supervision.

### **1) Regulation of Digital Assets and Virtual Asset Service Providers**

One of the most significant developments was the enactment of the [Virtual Assets Service Providers Act, 2025 \(Act. No. 20 of 2025\)](#), which introduced a legal framework for regulating digital assets such as cryptocurrencies. The new law seeks to address the previously unregulated crypto market by introducing licensing requirements for exchanges, custodial wallet providers, and other digital asset intermediaries. The regulatory framework places oversight of crypto exchanges and trading platforms under the Capital Markets Authority while other aspects such as payment infrastructure are overseen by the Central Bank of Kenya. This development marks a major shift in Kenya's financial regulatory landscape, as it integrates digital assets into the formal financial system. The framework is expected to improve investor protection, curb illicit financial activities, and encourage institutional investment in digital assets. However, it also introduces new regulatory challenges for CMA, including monitoring digital asset platforms, cybersecurity risks, and cross-border regulatory coordination.

## **2) Licensing Reforms and Market Intermediary Regulation**

The introduction of the [Capital Markets \(Licensing Requirements\) \(General\) Regulations 2025](#) marked another key development during the period under review. The regulations overhaul the licensing regime for capital markets intermediaries. The reforms aim to strengthen governance standards, enhance transparency, and improve risk management practices within market institutions. For CMA, these regulatory changes represent a shift toward a more robust supervisory framework designed to enhance market integrity and investor confidence.

## **3) Expansion of Collective Investment Schemes (CIS)**

CMA approved several new collective investment schemes and sub-funds aimed at expanding investment opportunities for retail and institutional investors. These approvals are intended to deepen Kenya's capital markets and promote diversified investment vehicles that enable investors to access professionally managed portfolios. The growth of CIS products reflects a broader shift toward managed investment solutions as investors seek alternatives to direct equity investments. This trend is expected to increase household participation in capital markets while promoting financial inclusion and long-term savings.

## **4) Digitalization of Regulatory Reporting and Supervision**

The Authority launched a digital financial reporting system in early 2026 designed to streamline the submission of financial statements and risk-based capital adequacy reports by market intermediaries. The system enhances regulatory oversight by enabling real-time data submissions and automated compliance monitoring. This initiative reflects the Authority's broader digital transformation agenda, which seeks to improve efficiency in regulatory supervision and strengthen the monitoring of market risks. The adoption of digital regulatory systems also aligns with global best practices in financial market regulation.

## **5) Increasing Retail Investor Participation through Fintech Platforms**

The integration of capital market services into digital financial platforms has emerged as another significant development. In February 2026, a mobile-based stock trading service was introduced through the M-Pesa ecosystem, ZIDI Trader, allowing millions of mobile money users to buy shares directly on the Nairobi Securities Exchange without opening traditional brokerage accounts. This innovation has the potential to significantly expand retail investor participation in the capital markets. However, it also raises regulatory



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considerations related to investor education, market conduct supervision, and the protection of inexperienced investors entering the market.

#### **6) Government Privatization and Public Offerings**

The Government of Kenya advanced its efforts to mobilize domestic capital through privatization and public offerings of state-owned enterprises. A notable development was the renewed push to list strategic state assets on the Nairobi Securities Exchange, including progress toward the proposed listing of the Kenya Pipeline Company. The initiative forms part of a broader policy agenda aimed at strengthening the role of capital markets in financing national development while widening investment opportunities for both institutional and retail investors.

In addition, the government initiated the divestiture of a portion of its shareholding in Safaricom PLC through the capital markets. The transaction was undertaken as part of the government's strategy to unlock value from mature state investments while increasing the free float of shares in the market. The divestiture is expected to improve liquidity and investor participation in one of the most actively traded counters at the exchange.

These developments reflect a continued policy shift toward leveraging the capital markets as a key platform for mobilizing domestic savings and reducing reliance on external borrowing. The privatization initiatives are also expected to deepen the equity market, improve price discovery, and enhance market capitalization at the NSE.

#### **7) Enactment of the Coffee Act, 2026**

The President of Kenya signed into law the Coffee Act, 2026 (Act No. 8 of 2026). The Act formally shifts regulatory authority away from the Agriculture and Food Authority (AFA). It replaces the framework under the Crops Act, 2013 and the Crops (Coffee) (General) Regulations, 2019. The Act establishes the Coffee Board of Kenya as the principal regulatory authority responsible for regulation and licensing, while also creating the Coffee Research and Training Institute to drive research, innovation, and capacity building within the sector. A major reform under the Act is the introduction of a three-tier licensing regime involving the Coffee Board, county governments, and the Capital Markets Authority (CMA), which is mandated to regulate coffee exchanges and brokerage activities. The reforms aim to impose greater structure across the coffee value chain by centralising regulatory oversight



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while distributing operational responsibilities across multiple institutions. Under the new framework, the Coffee Board will license a broad range of participants, including warehouse operators, buyers, cupping laboratories, and importers, while also coordinating industry financing strategies and promotional campaigns to expand the global competitiveness of Kenyan coffee.

#### **8) CMA and Afri Fund Capital MoU on Capital Markets Products Uptake**

The Capital Markets Authority signed a Memorandum of Understanding (MoU) with Afri Fund Capital aimed at promoting the uptake of capital market products to finance infrastructure and development projects, including initiatives within the Lamu Port-South Sudan-Ethiopia Transport Corridor (LAPSSET). The partnership seeks to mobilize private capital for bankable projects across infrastructure, logistics, power generation, industrial development, and Special Economic Zone (SEZ) linked opportunities aligned with national and regional development priorities. Under the MoU, the CMA and Afri Fund Capital identified priority areas including the development of infrastructure-related capital market instruments, green and ESG-labelled products, collective investment schemes, and other innovative financial products aimed at deepening Kenya's capital markets. The collaboration also focuses on supporting early-stage product structuring with emphasis on investor protection, governance, disclosure standards, eligibility requirements, and product suitability. The initiative enhances market participation and inclusivity through innovative long-term financing solutions.

#### **ISLAMIC FINANCE PRODUCTS**

Kenya's Capital Markets continued to experience progress toward the development and adoption of Islamic finance products. The Capital Markets Authority has been promoting the introduction of Shariah-compliant financial instruments to broaden the range of investment products available to investors and attract participation from investors seeking ethical and faith-based financial solutions.

Efforts during the period focused on strengthening the regulatory and operational frameworks required to support the issuance of Shariah-compliant capital market instruments, including Sukuk and Islamic collective investment schemes. These initiatives are expected to enhance financial inclusion by providing alternative investment vehicles aligned with Islamic finance principles.





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The development of Islamic finance products also reflects Kenya's broader strategy of positioning itself as a regional hub for Islamic finance within East Africa. Once fully operationalized, these products are expected to attract both domestic and international investors, particularly from jurisdictions with strong demand for Shariah-compliant investments.

#### **CAPITAL MARKET PRODUCTS WITH GAZETTED REGULATIONS BUT YET TO BE ISSUED**

In 2017, the Capital Markets Authority approved a Policy Guidance Note (PGN) for the listing and trading of Global Depositary Receipts and Global Depositary Notes. The capital markets sector is yet to issue Global Depositary Receipts and Global Depositary Notes in the Kenyan Capital Markets.

The Capital Markets Authority was amended in 2020 to give the CMA powers to license, approve and regulate private equity and venture capital companies that have access to public funds. The goal of the amendment was to safeguard funds that private equity (PE) and venture capital (VC) firms access from public institutions such as pension schemes, who invest in the PE or VC funds as limited partners. To date, the CMA is yet to licence private equities and venture capital (VC) firms accessing funds from public institutions.

## Appendices

### Appendix 1: Market Capitalization & All Share Indices of Selected EAC States

|           | Uganda            |                                | Tanzania          |                                | Rwanda            |                                |
|-----------|-------------------|--------------------------------|-------------------|--------------------------------|-------------------|--------------------------------|
| Date      | All Share Indices | Market Capitalization (UGX bn) | All Share Indices | Market Capitalization (TZS bn) | All Share Indices | Market Capitalization (RWF bn) |
| 24-Mar-23 | 1092.95           | 20,812.80                      | 1886.22           | 16,281.46                      | 142.65            | 3,640.54                       |
| 31-Mar-23 | 1148.25           | 20,157.83                      | 1888.79           | 16,318.69                      | 142.8             | 3,644.33                       |
| 6-Apr-23  | 1138.73           | 19,941.50                      | 1892.16           | 16,359.61                      | 142.83            | 3,645.25                       |
| 14-Apr-23 | 1128.98           | 19,908.90                      | 1872.84           | 16,373.88                      | 143.03            | 3,650.39                       |
| 20-Apr-23 | 1,119.92          | 19,811.76                      | 1,866.61          | 16,516.65                      | 142.98            | 3,658.66                       |
| 28-Apr-23 | 1,116.41          | 19,801.89                      | 1,867.18          | 16,493.48                      | 143.31            | 3,657.36                       |
| 5-May-23  | 1,093.95          | 19,597.53                      | 1,826.34          | 16,415.00                      | 143.42            | 3,660.23                       |
| 12-May-23 | 1,053.26          | 19,113.45                      | 1,779.26          | 16,380.97                      | 143.69            | 3,667.10                       |
| 19-May-23 | 1,041.46          | 17,911.34                      | 1,816.97          | 16,437.55                      | 143.69            | 3,667.10                       |
| 26-May-23 | 1,019.46          | 17,531.42                      | 1,819.11          | 16,438.50                      | 143.41            | 3,659.90                       |
| 2-Jun-23  | 1,047.16          | 18,008.64                      | 1,841.91          | 16,403.53                      | 143.85            | 3,671.15                       |
| 9-Jun-23  | 1,048.58          | 18,035.03                      | 1,839.75          | 16,338.91                      | 144.24            | 3,676.66                       |
| 16-Jun-23 | 1,032.83          | 17,741.08                      | 1,834.31          | 15,329.19                      | 143.65            | 3,666.11                       |
| 23-Jun-23 | 1,007.08          | 17,337.40                      | 1,808.38          | 15,360.76                      | 143.6             | 3,664.76                       |
| 30-Jun-23 | 1,017.68          | 17,493.64                      | 1,800.04          | 15,286.42                      | 143.65            | 3,666.11                       |
| 7-Jul-23  | 1,022.32          | 17,583.45                      | 1,809.88          | 15,311.10                      | 143.65            | 3,666.11                       |
| 14-Jul-23 | 1,038.53          | 17,735.30                      | 1,835.88          | 15,329.71                      | 143.44            | 3,666.11                       |
| 21-Jul-23 | 1,050.45          | 18,065.83                      | 1,813.34          | 15,313.26                      | 143.45            | 3,660.97                       |
| 28-Jul-23 | 1,020.61          | 17,556.11                      | 1,797.14          | 15,314.66                      | 143.45            | 3,660.97                       |
| 4-Aug-23  | 984.77            | 16,937.49                      | 1,800.22          | 15,359.52                      | 143.55            | 3,663.41                       |
| 11-Aug-23 | 1,010.23          | 17,363.22                      | 1,788.18          | 15,389.98                      | 143.58            | 3,667.10                       |
| 18-Aug-23 | 981.43            | 16,863.29                      | 1,766.86          | 15,407.38                      | 143.69            | 3,669.88                       |
| 25-Aug-23 | 959.69            | 16,519.51                      | 1,760.87          | 15,470.04                      | 143.69            | 3,669.88                       |
| 1-Sep-23  | 960.21            | 16,525.71                      | 1,773.92          | 15,557.80                      | 143.55            | 3,666.17                       |
| 8-Sep-23  | 953.72            | 16,408.19                      | 1,788.18          | 15,757.21                      | 143.76            | 3,671.74                       |
| 15-Sep-23 | 944.39            | 16,224.08                      | 1,787.61          | 15,757.12                      | 143.69            | 3,669.88                       |
| 22-Sep-23 | 947.26            | 16,288.33                      | 1,778.38          | 15,712.85                      | 143.69            | 3,669.88                       |
| 29-Sep-23 | 934.59            | 16,060.40                      | 1,782.75          | 15,785.18                      | 143.69            | 3,669.88                       |
| 6-Oct-23  | 928.74            | 15,958.53                      | 1,767.61          | 15,832.37                      | 143.69            | 3,669.88                       |
| 13-Oct-23 | 918.11            | 15,950.00                      | 1,782.50          | 14,864.05                      | 143.69            | 3,669.88                       |
| 19-Oct-23 | 943.69            | 16,224.35                      | 1,779.44          | 15,853.43                      | 143.76            | 3,669.88                       |
| 27-Oct-23 | 930.07            | 15,976.24                      | 1,780.10          | 15,904.78                      | 143.87            | 3,670.71                       |
| 3-Nov-23  | 913.09            | 15,695.93                      | 1,755.97          | 15,929.28                      | 143.78            | 3,672.29                       |
| 10-Nov-23 | 897.93            | 15,866.58                      | 1,737.97          | 15,896.61                      | 143.83            | 3,673.49                       |
| 17-Nov-23 | 900.90            | 15,918.59                      | 1,755.37          | 15,894.14                      | 143.83            | 3,673.49                       |
| 24-Nov-23 | 908.82            | 16,091.85                      | 1,751.28          | 15,896.48                      | 143.78            | 3,669.88                       |
| 1-Dec-23  | 896.81            | 15,933.68                      | 1,737.92          | 15,814.28                      | 143.78            | 3,672.29                       |
| 8-Dec-23  | 891.04            | 15,812.77                      | 1,741.08          | 15,865.96                      | 143.78            | 3,672.29                       |

|           | Uganda            |                                | Tanzania          |                                | Rwanda            |                                |
|-----------|-------------------|--------------------------------|-------------------|--------------------------------|-------------------|--------------------------------|
| Date      | All Share Indices | Market Capitalization (UGX bn) | All Share Indices | Market Capitalization (TZS bn) | All Share Indices | Market Capitalization (RWF bn) |
| 15-Dec-23 | 883.61            | 15,682.24                      | 1,736.89          | 15,862.41                      | 143.7             | 3,670.23                       |
| 22-Dec-23 | 873.04            | 15,524.31                      | 1,754.20          | 14,641.21                      | 143.7             | 3,670.23                       |
| 29-Dec-23 | 872.50            | 15,528.56                      | 1,750.63          | 14,626.26                      | 143.7             | 3,670.23                       |
| 5-Jan-24  | 887.51            | 15,843.47                      | 1,770.55          | 14,762.89                      | 143.55            | 3,666.24                       |
| 12-Jan-24 | 883.19            | 15,766.11                      | 1,757.26          | 14,684.62                      | 143.66            | 3,669.03                       |
| 19-Jan-24 | 870.26            | 15,555.43                      | 1,742.92          | 14,598.96                      | 143.66            | 3,669.03                       |
| 26-Jan-24 | 871.21            | 15,529.54                      | 1,703.16          | 14,349.00                      | 144.21            | 3,669.03                       |
| 2-Feb-24  | 865.05            | 15,440.29                      | 1,739.63          | 14,575.57                      | 144.21            | 3,683.09                       |
| 9-Feb-24  | 876.19            | 15,714.32                      | 1,764.65          | 14,831.41                      | 144.47            | 3,689.79                       |
| 16-Feb-24 | 892.11            | 16,068.07                      | 1,767.18          | 14,749.63                      | 144.47            | 3,689.79                       |
| 23-Feb-24 | 913.97            | 16,547.33                      | 1,765.96          | 14,738.50                      | 144.47            | 3,689.79                       |
| 1-Mar-24  | 918.74            | 16,743.93                      | 1,770.20          | 14,774.89                      | 144.47            | 3,689.79                       |
| 8-Mar-24  | 928.64            | 16,941.52                      | 1,767.05          | 14,748.59                      | 144.47            | 3,689.79                       |
| 15-Mar-24 | 961.41            | 17,700.84                      | 1,770.77          | 14,779.63                      | 144.47            | 3,689.79                       |
| 22-Mar-24 | 1,016.18          | 18,939.69                      | 1,776.94          | 14,831.04                      | 144.47            | 3,689.79                       |
| 28-Mar-24 | 1,071.92          | 16,923.72                      | 1,790.24          | 14,942.03                      | 144.47            | 3,689.79                       |
| 5-Apr-24  | 1,059.65          | 20,053.56                      | 1,787.37          | 14,918.03                      | 144.47            | 3,689.79                       |
| 12-Apr-24 | 1,053.27          | 19,895.05                      | 1,783.40          | 14,884.87                      | 144.71            | 3,695.96                       |
| 19-Apr-24 | 1,040.05          | 19,568.30                      | 1,776.25          | 14,825.18                      | 144.71            | 3,695.96                       |
| 26-Apr-24 | 1,031.23          | 19,469.69                      | 1,784.71          | 14,895.85                      | 144.91            | 3,701.10                       |
| 3-May-24  | 1,037.37          | 19,557.29                      | 1,784.50          | 14,895.34                      | 144.91            | 3,701.10                       |
| 9-May-24  | 1,042.64          | 19,754.65                      | 1,784.55          | 14,894.44                      | 144.91            | 3,701.10                       |
| 17-May-24 | 1,051.71          | 19,975.82                      | 1,780.80          | 14,863.21                      | 144.91            | 3,701.10                       |
| 24-May-24 | 1,079.31          | 20,586.55                      | 2,050.99          | 14,987.72                      | 144.91            | 3,701.10                       |
| 31-May-24 | 1,086.52          | 20,775.26                      | 2,066.32          | 15,041.86                      | 144.91            | 3,701.10                       |
| 7-Jun-24  | 1,070.69          | 20,489.63                      | 2,042.78          | 14,870.54                      | 145.11            | 3,706.25                       |
| 14-Jun-24 | 1,061.83          | 20,270.08                      | 2,032.54          | 14,876.28                      | 145.30            | 3,710.89                       |
| 21-Jun-24 | 1,054.06          | 20,100.80                      | 2,027.67          | 14,924.50                      | 145.50            | 3,716.03                       |
| 28-Jun-24 | 1,028.93          | 19,696.20                      | 2,012.56          | 14,953.62                      | 145.50            | 3,716.03                       |
| 5-Jul-24  | 1,020.61          | 19,507.86                      | 2,033.31          | 15,076.94                      | 145.50            | 3,716.03                       |
| 12-Jul-24 | 1,047.68          | 20,085.27                      | 2,073.85          | 15,159.15                      | 145.50            | 3,716.03                       |
| 19-Jul-24 | 1,043.28          | 22,676.93                      | 2,085.38          | 15,270.45                      | 145.58            | 3,717.24                       |
| 26-Jul-24 | 1,021.33          | 22,267.74                      | 2,053.45          | 17,142.47                      | 145.61            | 3,718.81                       |
| 2-Aug-24  | 1,021.27          | 22,267.87                      | 2,070.83          | 17,313.50                      | 145.61            | 3,718.81                       |
| 9-Aug-24  | 1,009.05          | 22,001.21                      | 2,061.04          | 17,231.75                      | 145.53            | 3,716.75                       |
| 16-Aug-24 | 1,021.39          | 22,270.08                      | 2,080.96          | 17,364.66                      | 145.53            | 3,716.75                       |
| 23-Aug-24 | 1,027.98          | 22,362.80                      | 2,080.57          | 17,365.03                      | 145.53            | 3,716.75                       |
| 30-Aug-24 | 1,035.55          | 22,579.03                      | 2,099.71          | 17,524.81                      | 145.47            | 3,715.40                       |
| 6-Sep-24  | 1,058.42          | 23,078.08                      | 2,118.14          | 17,678.68                      | 145.47            | 3,715.40                       |
| 4-Oct-24  | 1,103.13          | 24,053.16                      | 2,138.47          | 17,848.38                      | 145.93            | 3,727.04                       |
| 11-Oct-24 | 1,121.38          | 24,297.56                      | 2,143.71          | 17,892.19                      | 145.93            | 3,727.04                       |

|           | Uganda            |                                | Tanzania          |                                | Rwanda            |                                |
|-----------|-------------------|--------------------------------|-------------------|--------------------------------|-------------------|--------------------------------|
| Date      | All Share Indices | Market Capitalization (UGX bn) | All Share Indices | Market Capitalization (TZS bn) | All Share Indices | Market Capitalization (RWF bn) |
| 18-Oct-24 | 1,150.25          | 25,080.42                      | 2,170.39          | 18,111.75                      | 145.93            | 3,727.04                       |
| 25-Oct-24 | 1,177.86          | 25,687.83                      | 2,186.29          | 18,247.51                      | 145.93            | 3,727.04                       |
| 31-Oct-24 | 1,157.01          | 25,227.22                      | 2,210.51          | 18,448.95                      | 146.08            | 3,727.04                       |
| 8-Nov-24  | 1,171.83          | 25,550.32                      | 2,221.13          | 18,538.32                      | 145.88            | 3,727.04                       |
| 15-Nov-24 | 1,189.16          | 25,928.04                      | 2,200.15          | 18,363.41                      | 145.88            | 3,727.04                       |
| 22-Nov-24 | 1,166.21          | 25,427.78                      | 2,187.62          | 18,258.60                      | 146.48            | 3,727.04                       |
| 29-Nov-24 | 1,140.26          | 24,862.09                      | 2,166.89          | 18,085.50                      | 146.66            | 3,727.04                       |
| 6-Dec-24  | 1,132.91          | 24,701.68                      | 2,149.75          | 17,890.20                      | 146.76            | 3,727.04                       |
| 13-Dec-24 | 1,149.97          | 25,073.76                      | 2,101.68          | 17,541.26                      | 148.28            | 3,935.16                       |
| 20-Dec-24 | 1,159.11          | 25,273.11                      | 2,120.80          | 17,700.86                      | 148.60            | 3,938.24                       |
| 27-Dec-24 | 1,164.97          | 25,401.09                      | 2,106.58          | 17,582.14                      | 148.84            | 3,945.81                       |
| 3-Jan-25  | 1,216.29          | 26,527.49                      | 2,149.67          | 17,951.18                      | 148.84            | 3,886.50                       |
| 10-Jan-25 | 1,257.44          | 27,417.26                      | 2,167.20          | 18,097.51                      | 149.24            | 3,956.10                       |
| 17-Jan-25 | 1,283.59          | 27,982.98                      | 2,172.73          | 18,143.69                      | 149.28            | 3,963.64                       |
| 24-Jan-25 | 1,299.32          | 28,308.98                      | 2,236.75          | 18,673.43                      | 149.48            | 3,968.88                       |
| 31-Jan-25 | 1,304.64          | 28,445.64                      | 2,218.96          | 18,529.72                      | 149.42            | 3,967.53                       |
| 7-Feb-25  | 1,287.28          | 28,080.78                      | 2,272.01          | 18,972.76                      | 149.27            | 3,968.04                       |
| 14-Feb-25 | 1,305.94          | 28,472.88                      | 2,264.18          | 18,904.01                      | 149.46            | 3,969.77                       |
| 21-Feb-25 | 1,303.20          | 28,413.41                      | 2,280.31          | 19,043.24                      | 148.89            | 3,955.35                       |
| 28-Feb-25 | 1,330.77          | 29,014.13                      | 2,293.61          | 19,154.38                      | 148.89            | 3,955.35                       |
| 7-Mar-25  | 1,333.00          | 29,062.85                      | 2,319.08          | 19,367.03                      | 148.89            | 3,955.63                       |
| 14-Mar-25 | 1,328.11          | 28,956.73                      | 2,302.31          | 19,227.00                      | 149.13            | 3,963.11                       |
| 21-Mar-25 | 1,303.40          | 28,451.77                      | 2,301.03          | 19,217.09                      | 148.94            | 3,953.78                       |
| 28-Mar-25 | 1,299.56          | 28,334.32                      | 2,299.95          | 19,207.39                      | 148.83            | 3,950.21                       |
| 4-Apr-25  | 1,304.43          | 28,463.70                      | 2,317.32          | 19,352.45                      | 148.83            | 3,950.21                       |
| 11-Apr-25 | 1,262.37          | 27,522.49                      | 2,282.58          | 19,062.31                      | 148.96            | 3,957.13                       |
| 17-Apr-25 | 1,262.37          | 27,522.49                      | 2,282.58          | 19,062.31                      | 148.96            | 3,957.13                       |
| 25-Apr-25 | 1,262.37          | 27,522.49                      | 2,282.58          | 19,062.31                      | 148.96            | 3,957.13                       |
| 2-May-25  | 1,263.12          | 27,538.79                      | 2,294.79          | 19,164.24                      | 149.36            | 3,966.92                       |
| 9-May-25  | 1,267.14          | 27,619.89                      | 2,311.78          | 19,306.13                      | 149.36            | 3,966.92                       |
| 16-May-25 | 1,295.97          | 28,254.90                      | 2,372.18          | 19,811.30                      | 150.27            | 3,967.92                       |
| 23-May-25 | 1,311.44          | 28,592.46                      | 2,360.69          | 19,714.70                      | 150.27            | 3,967.92                       |
| 30-May-25 | 1,262.49          | 27,508.69                      | 2,359.91          | 19,711.86                      | 150.85            | 3,982.22                       |
| 5-Jun-25  | 1,258.62          | 27,441.09                      | 2,350.29          | 19,609.09                      | 150.85            | 3,982.22                       |
| 13-Jun-25 | 1,267.11          | 27,629.79                      | 2,305.06          | 19,231.68                      | 150.71            | 3,977.68                       |
| 20-Jun-25 | 1,282.76          | 27,967.06                      | 2,316.53          | 19,327.39                      | 150.53            | 3,974.12                       |
| 27-Jun-25 | 1,280.98          | 27,941.22                      | 2,325.65          | 19,403.38                      | 150.43            | 3,985.32                       |
| 4-Jul-25  | 1,304.15          | 28,434.31                      | 2,377.86          | 19,838.98                      | 150.43            | 3,985.32                       |
| 11-Jul-25 | 1,332.14          | 29,043.66                      | 2,434.95          | 20,872.09                      | 150.43            | 3,996.51                       |
| 18-Jul-25 | 1,331.86          | 29,037.57                      | 2,434.70          | 20,869.88                      | 150.43            | 3,996.51                       |
| 25-Jul-25 | 1,328.39          | 28,962.10                      | 2,415.88          | 20,708.43                      | 150.43            | 3,996.51                       |

|           | Uganda            |                                | Tanzania          |                                | Rwanda            |                                |
|-----------|-------------------|--------------------------------|-------------------|--------------------------------|-------------------|--------------------------------|
| Date      | All Share Indices | Market Capitalization (UGX bn) | All Share Indices | Market Capitalization (TZS bn) | All Share Indices | Market Capitalization (RWF bn) |
| 1-Aug-25  | 1,338.54          | 29,183.40                      | 2,449.58          | 20,997.39                      | 150.39            | 3,995.48                       |
| 8-Aug-25  | 1,349.70          | 29,426.81                      | 2,536.39          | 21,741.55                      | 150.43            | 3,995.81                       |
| 15-Aug-25 | 1,370.80          | 29,887.07                      | 2,630.66          | 22,549.65                      | 170.29            | 4,548.52                       |
| 22-Aug-25 | 1,415.41          | 30,859.86                      | 2,586.66          | 22,172.55                      | 178.88            | 4,772.23                       |
| 29-Aug-25 | 1,441.47          | 31,428.09                      | 2,582.05          | 22,133.02                      | 178.88            | 4,772.23                       |
| 5-Sep-25  | 1,437.60          | 31,343.67                      | 2,572.96          | 22,055.10                      | 178.88            | 4,772.23                       |
| 12-Sep-25 | 1,441.64          | 31,431.76                      | 2,540.56          | 21,777.49                      | 178.91            | 4,772.93                       |
| 19-Sep-25 | 1,435.96          | 31,307.27                      | 2,501.50          | 21,442.69                      | 179.31            | 4,783.22                       |
| 26-Sep-25 | 1,460.36          | 31,839.39                      | 2,498.63          | 21,418.13                      | 179.31            | 4,783.22                       |
| 3-Oct-25  | 1,466.26          | 31,967.84                      | 2,481.23          | 21,268.95                      | 179.20            | 4,780.51                       |
| 9-Oct-25  | 1,458.66          | 31,802.31                      | 2,511.01          | 21,523.86                      | 179.30            | 4,775.62                       |
| 16-Oct-25 | 1,465.87          | 31,959.52                      | 2,498.25          | 21,414.84                      | 178.96            | 4,766.81                       |
| 24-Oct-25 | 1,479.76          | 32,262.68                      | 2,498.60          | 21,417.84                      | 179.16            | 4,771.78                       |
| 31-Oct-25 | 1,486.10          | 32,401.00                      | 2,515.97          | 21,566.78                      | 179.09            | 4,769.64                       |
| 7-Nov-25  | 1,560.37          | 34,020.58                      | 2,512.27          | 21,534.99                      | 179.09            | 4,778.27                       |
| 14-Nov-25 | 1,577.41          | 34,391.91                      | 2,545.41          | 21,819.11                      | 179.16            | 4,780.13                       |
| 21-Nov-25 | 1,584.07          | 34,535.80                      | 2,568.54          | 22,017.36                      | 179.20            | 4,781.06                       |
| 28-Nov-25 | 1,543.83          | 33,656.40                      | 2,571.28          | 22,339.28                      | 179.20            | 4,781.06                       |
| 5-Dec-25  | 1,518.52          | 33,101.85                      | 2,574.98          | 22,371.32                      | 180.62            | 4,819.59                       |
| 11-Dec-25 | 1,511.24          | 32,939.24                      | 2,586.43          | 22,470.72                      | 180.95            | 4,827.82                       |
| 19-Dec-25 | 1,558.43          | 33,971.65                      | 2,665.92          | 23,161.28                      | 181.75            | 4,848.29                       |
| 24-Dec-25 | 1,623.34          | 35,389.28                      | 2,695.02          | 23,414.11                      | 182.26            | 4,861.17                       |
| 2-Jan-26  | 1,631.80          | 35,574.47                      | 2,761.93          | 23,990.32                      | 182.26            | 4,861.17                       |
| 9-Jan-26  | 1,652.06          | 36,012.94                      | 2,894.33          | 25,145.71                      | 182.29            | 4,862.10                       |
| 16-Jan-26 | 1,647.56          | 35,915.37                      | 2,995.18          | 26,021.84                      | 182.40            | 4,864.96                       |
| 23-Jan-26 | 1,622.39          | 35,366.02                      | 3,229.86          | 28,060.68                      | 183.71            | 4,898.29                       |
| 30-Jan-26 | 1,700.26          | 37,063.75                      | 3,259.49          | 28,318.15                      | 183.76            | 4,899.44                       |
| 6-Feb-26  | 1,779.38          | 38,788.79                      | 3,495.91          | 29,355.80                      | 183.97            | 4,905.85                       |
| 13-Feb-26 | 1,832.61          | 39,949.44                      | 3,756.82          | 32,638.92                      | 184.07            | 4,908.33                       |
| 20-Feb-26 | 1,911.82          | 41,674.42                      | 3,884.55          | 33,694.58                      | 187.15            | 4,988.53                       |
| 27-Feb-26 | 1,937.13          | 42,219.93                      | 3,986.77          | 34,636.52                      | 186.91            | 4,980.96                       |
| 6-Mar-26  | 1,960.25          | 42,725.21                      | 3,815.04          | 27,144.65                      | 187.95            | 5,009.11                       |
| 13-Mar-26 | 4,004.24          | 34,788.42                      | 188.33            | 5,018.74                       | 4,004.24          | 34,788.42                      |
| 20-Mar-26 | 3,948.75          | 34,306.35                      | 188.84            | 5,031.77                       | 3,948.75          | 34,306.35                      |
| 27-Mar-26 | 3,897.12          | 33,857.77                      | 189.25            | 5,042.06                       | 3,897.12          | 33,857.77                      |

Source: WFE



## Appendix 2: Market Capitalization (KShs. Billion) (Sep 2019 - March 2026)

| Date   | Equities Market Capitalization | Bonds Market Capitalization |
|--------|--------------------------------|-----------------------------|
| Sep-19 | 2,189.98                       | 1,793.62                    |
| Oct-19 | 2,435.09                       | 1,793.62                    |
| Nov-19 | 2,410.33                       | 1,888.87                    |
| Dec-19 | 2,539.98                       | 1,917.37                    |
| Jan-20 | 2,473.87                       | 2,016.58                    |
| Feb-20 | 2,267.61                       | 2,021.77                    |
| Mar-20 | 2,016.06                       | 2,062.36                    |
| Apr-20 | 2,135.01                       | 2,136.87                    |
| May-20 | 2,095.92                       | 2,201.99                    |
| Jun-20 | 2,104.33                       | 2,220.68                    |
| Jul-20 | 2,036.04                       | 2,220.68                    |
| Aug-20 | 2,144.43                       | 2,420.44                    |
| Sep-20 | 2,147.74                       | 2,413.44                    |
| Oct-20 | 2,150.06                       | 2,444.23                    |
| Nov-20 | 2,229.49                       | 2,527.61                    |
| Dec-20 | 2,336.70                       | 2,519.91                    |
| Jan-21 | 2,390.29                       | 2,628.66                    |
| Feb-21 | 2,541.16                       | 2,632.04                    |
| Mar-21 | 2,437.04                       | 2,680.34                    |
| Apr-21 | 2,599.05                       | 2,740.72                    |
| May-21 | 2,646.71                       | 2,772.66                    |
| Jun-21 | 2,702.22                       | 2,790.36                    |
| Jul-21 | 2,766.28                       | 2,866.56                    |
| Aug-21 | 2,841.40                       | 2,906.10                    |
| Sep-21 | 2,778.65                       | 2,977.94                    |
| Oct-21 | 2,777.07                       | 3,019.96                    |
| Nov-21 | 2,552.93                       | 3,079.24                    |
| Dec-21 | 2,592.92                       | 3,088.60                    |
| Jan-22 | 2,543.44                       | 3,179.39                    |
| Feb-22 | 2,495.89                       | 3,278.03                    |
| Mar-22 | 2,425.53                       | 3,275.77                    |
| Apr-22 | 2,340.77                       | 3,336.55                    |
| May-22 | 2,320.34                       | 3,365.22                    |
| Jun-22 | 1,939.21                       | 3,371.04                    |
| Jul-22 | 2,198.26                       | 3,601.39                    |
| Aug-22 | 2,142.12                       | 3,571.08                    |
| Sep-22 | 2,000.82                       | 3,571.08                    |
| Oct-22 | 2,006.85                       | 3,564.04                    |
| Nov-22 | 1,970.63                       | 3,606.65                    |
| Dec-22 | 1,986.08                       | 3,697.80                    |
| Jan-23 | 1,961.63                       | 3,765.30                    |
| Feb-23 | 1,962.73                       | 3,794.25                    |
| Mar-23 | 1,756.26                       | 3,792.25                    |
| Apr-23 | 1,676.09                       | 3,802.49                    |
| May-23 | 1,614.55                       | 3,860.58                    |
| Jun-23 | 1,666.29                       | 4,034.73                    |
| Jul-23 | 1,642.71                       | 4,135.30                    |
| Aug-23 | 1,544.94                       | 4,177.91                    |

| Date   | Equities Market Capitalization | Bonds Market Capitalization |
|--------|--------------------------------|-----------------------------|
| Sep-23 | 1,487.67                       | 4,187.81                    |
| Oct-23 | 1,383.61                       | 4,197.49                    |
| Nov-23 | 1,436.27                       | 4,264.54                    |
| Dec-23 | 1,439.02                       | 4,291.54                    |
| Jan-24 | 1,440.14                       | 4,292.46                    |
| Feb-24 | 1,445.06                       | 4,339.77                    |
| Mar-24 | 1,766.95                       | 4,524.87                    |
| Apr-24 | 1,664.54                       | 4,543.88                    |
| May-24 | 1,765.15                       | 4,550.44                    |
| Jun-24 | 1,710.64                       | 4,635.36                    |
| Jul-24 | 1,651.83                       | 4,645.61                    |
| Aug-24 | 1,619.78                       | 4,733.39                    |
| Sep-24 | 1,676.24                       | 4,784.70                    |
| Oct-24 | 1,840.97                       | 4,781.71                    |
| Nov-24 | 1,745.88                       | 4,816.65                    |
| Dec-24 | 1,939.74                       | 4,896.73                    |
| Jan-25 | 1,983.70                       | 4,945.21                    |
| Feb-25 | 2,076.83                       | 5,076.02                    |
| Mar-25 | 2,056.07                       | 5,033.49                    |
| Apr-25 | 1,981.79                       | 5,053.55                    |
| May-25 | 2,111.21                       | 5,034.50                    |
| Jun-25 | 2,417.06                       | 5,135.46                    |
| Jul-25 | 2,524.22                       | 5,246.41                    |
| Aug-25 | 2,719.26                       | 5,426.56                    |
| Sep-25 | 2,784.47                       | 5,474.34                    |
| Oct-25 | 2,966.46                       | 5,559.61                    |
| Nov-25 | 2,857.36                       | 5,652.90                    |
| Dec-25 | 2,944.54                       | 5,647.70                    |
| Jan-26 | 3,083.07                       | 5,647.70                    |
| Feb-26 | 3,410.07                       | 5,826.42                    |
| Mar-26 | 3,230.73                       | 5,887.41                    |

Source: NSE

### Appendix 3: Corporate Actions (October 25 – March 26)

| Companies                          | Announcement Date | Corporate Action | Amount/Ratio | Book Closure | Payment Date |
|------------------------------------|-------------------|------------------|--------------|--------------|--------------|
| KENYA POWER & LIGHTING CO PLC      | 07-Oct-25         | Final Dividend   | 0.8          | 02-Dec-25    | 30-Jan-26    |
| CARBACID INVESTMENTS               | 31-Oct-25         | Final Dividend   | 2            | 26-Nov-25    | 18-Dec-25    |
| KENGEN                             | 31-Oct-25         | Final Dividend   | 0.9          | 27-Nov-25    | 12-Feb-26    |
| CO-OPERATIVE BANK OF KENYA         | 13-Nov-25         | Interim Dividend | 1            | 26-Nov-25    | 04-Dec-26    |
| I&M GROUP                          | 20-Nov-25         | Interim Dividend | 1.5          | 15-Dec-25    | 14-Jan-26    |
| BK GROUP                           | 21-Nov-25         | Interim Dividend | 11.2         | 08-Dec-25    | 12-Jan-26    |
| EAST AFRICAN BREWERIES PLC         | 29-Jan-26         | Interim Dividend | 4            | 20-Feb-26    | 30-Apr-26    |
| KENYA POWER & LIGHTING CO PLC      | 03-Feb-26         | Interim Dividend | 0.3          | 23-Feb-26    | 27-Mar-26    |
| SAFARICOM                          | 05-Feb-26         | Interim Dividend | 0.85         | 25-Feb-26    | 31-Mar-26    |
| BRITISH AMERICAN TOBACCO KENYA PLC | 27-Feb-26         | Final Dividend   | 60           | 08-May-26    | 12-Jun-26    |
| ABSA BANK KENYA                    | 04-Mar-26         | Final Dividend   | 1.85         | 30-Apr-26    | 19-May-26    |

Source: NSE





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## **LICENSING SUFFICIENCY AND MARKET SUSTAINABILITY: A Survey Report on Assessment on the Viability of using Moratorium as A Regulatory Tool within the Kenyan Capital Markets**

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## **Introduction**

The Authority, mandated under the Capital Markets Act, Cap 485A, is responsible for licensing, developing and regulating a wide range of market participants comprising of licensed entities and approved institutions. Licensed entities such as stockbrokers, derivatives brokers, coffee brokers, dealers, investment advisers, fund managers, investment banks, central depositories, non-dealing online forex money managers, online forex brokers, and authorised securities dealers. Approved institutions comprise of securities, commodities and derivatives exchanges, credit rating agencies, and central depository and settlement corporation.

## **Background**

In recent years, the number of licensed entities in Kenya's capital markets has expanded significantly across most licensing categories. The most notable growth has been recorded in Collective Investment Schemes and Fund Management segments, which can be attributed to the exponential growth in Assets Under Management that has resulted in attracting interest amongst potential applicants for this license category. Other license categories that have attracted new license applications include, coffee brokerage, non-dealing online foreign exchange brokerage, and investment advisory services. Consequently, some stakeholders have raised concern of this rapid growth in applications for these licensed categories, some stakeholders have raised concerns regarding potential overcrowding and the long-term sustainability of the market if this situation persists. In response to these concerns, the Authority undertook a research study to assess the viability of using a moratorium as a regulatory licensing tool within the Kenyan capital markets.

## **Objective of the Study**

The study sought to assess the viability of using moratoria as a regulatory tool within Kenyan capital markets.

## **Trend Analysis of Licensed Market Intermediaries**

The Kenyan capital markets have experienced significant growth across various licensed categories from 2013 to 2025 (Annex 1). Generally, the total licenses across categories have increased significantly, driven by regulatory reforms, rising investor demand, and diversification into new financial products. However, several entities demonstrated a relatively significant growth over others.

### **Investment Banks**

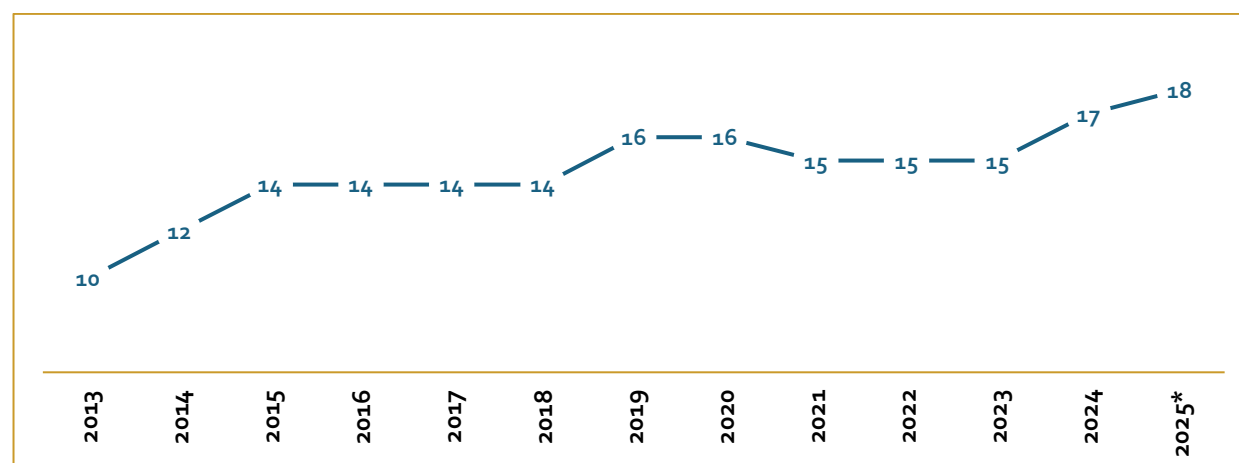
An Investment Bank is a non-deposit taking institution licensed by the Authority to advise on offers of securities to the public or a section of the public, takeovers, mergers, acquisitions, corporate restructuring involving companies, listed or quoted on a securities exchange, privatisation of companies listed or to be listed on a securities exchange or underwriting of securities issued or to be issued to the public and to engage in the business of a stockbroker or dealer.<sup>3</sup>

The functions of an investment bank include offering advisory services on public offerings of securities; corporate restructuring; takeovers; mergers and acquisitions; privatization; corporate finance; options; the issuance of equity, debt securities, and loan syndication. Additionally, an investment bank may engage in the business of a stockbroker, promote or arrange the underwriting or issuance of securities, operate as a dealer, act as a fund manager for collective investment schemes, and provide both investment advisory services and contractual portfolio management.

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<sup>3</sup> [Capital Markets Act 2023](#)

**Figure 26: The number of licensed Investment Banks, 2013 - 2025**



Source: CMA, \* as of November 2025

The number of licensed Investment Banks have grown from 10 in 2013 to 18 in 2025.

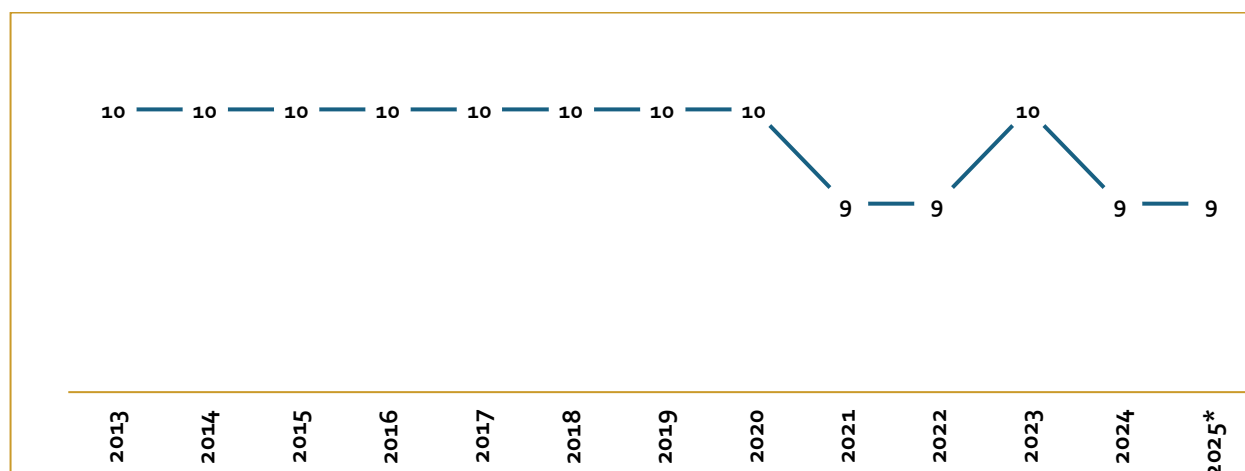
## Stockbroker

A stockbroker is a licensed market intermediary authorized by the Authority to buy and sell securities on behalf of clients at a securities exchange in return for a commission. A stockbroker may conduct business through a stockbroking agent provided the stockbroking agent has been contracted in writing to render such services. A stockbroking agent means a person, not being a salaried employee of a stockbroker, who, in consideration of a commission, solicits or procures stockbroking business on behalf of a stockbroker.

The primary functions of a stockbroker include executing trades on behalf of clients, managing and safeguarding client accounts, maintaining detailed and accurate transaction and client records, providing factual and reliable investment information, ensuring fair, ethical, and professional conduct in all dealings, reporting regularly to regulatory authorities as required, and protecting investor interests through proper handling, verification, and execution of client instructions.<sup>4</sup>

<sup>4</sup> [Capital Markets \(Licensing Requirements\) \(General\) Regulations, 2002](#)

**Figure 27: The number of licensed Stockbrokers 2013-2025**



Source: CMA, \* as of November 2025

The number of licensed stockbrokers stood at 10 in 2013 and at the end of 2025, there were 9 licensed stockbrokers.

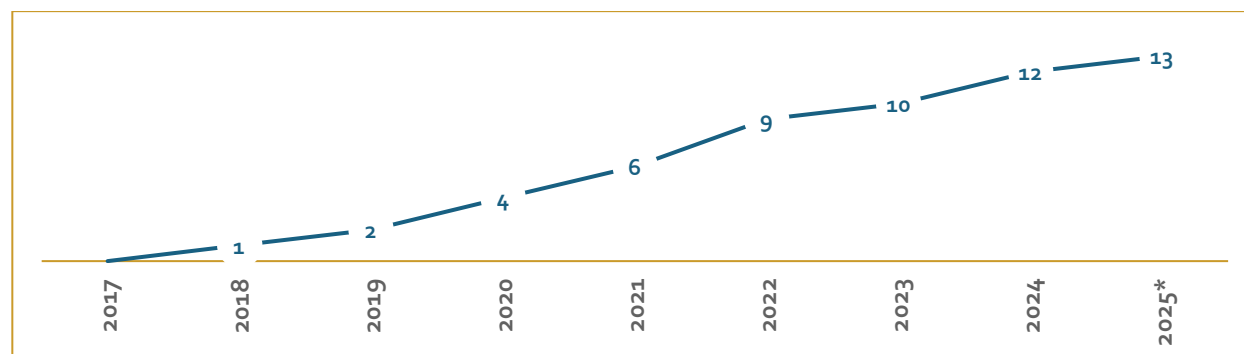
### **Non-Dealing Online Foreign Exchange Brokers**

A Non-Dealing Online forex Broker is an entity licensed by the Authority that acts as a link between the foreign exchange market and a client in return for a commission or mark-up in spreads and does not engage in market making activities under the Capital Markets (Online Foreign Exchange Trading Regulations, 2017).<sup>5</sup>

A non-dealing online forex broker does not trade on its own account but instead routes client orders to external liquidity providers or the interbank market. Further, online forex broker may open client accounts, provide a trading platform, offer market information, monitor trader positions, and issue end-of-day reports.

<sup>5</sup> [Capital Markets \(Licensing Requirements\) \(General\) Regulations, 2025](#)

**Figure 28: The number of Non-Dealing Online Forex Brokers 2017-2025**



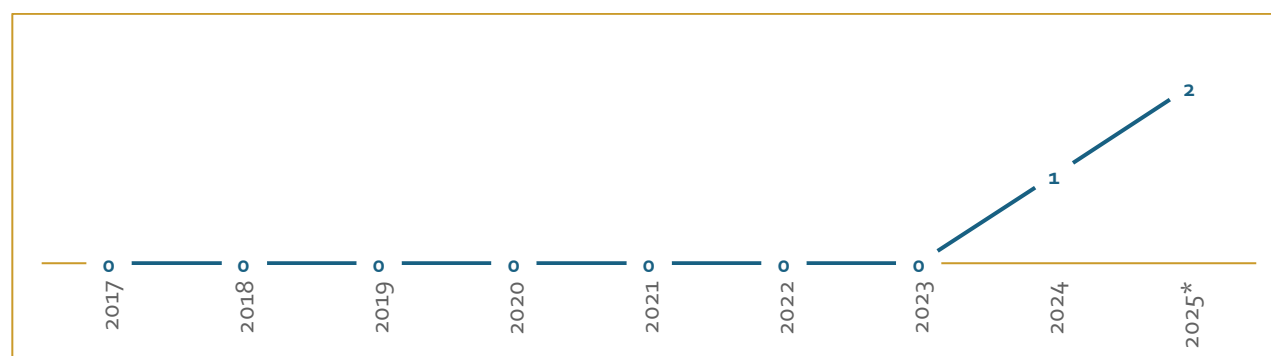
Source: CMA, \* as of November 2025

As of 2025, the number of licensed Non-Dealing Online Forex Brokers was 13, from 1 licensee in 2018, a growth of 12.

### Dealing Online Foreign Exchange Brokers

A Dealing Online Foreign Exchange Broker is an entity licensed by the Authority to engage in online foreign exchange trading as a principal and market maker under the Capital Markets (Online Foreign Exchange Trading Regulations, 2017). It can create its own prices, take proprietary positions, and act as the counterparty to clients' trades, thereby assuming direct market risk. The broker provides the trading platform, executes trades, monitors client positions, manages margin and leverage, and ensures fair and orderly trading.

**Figure 29: The Number of Dealing Online Forex Brokers 2017-2025**



Source: CMA.

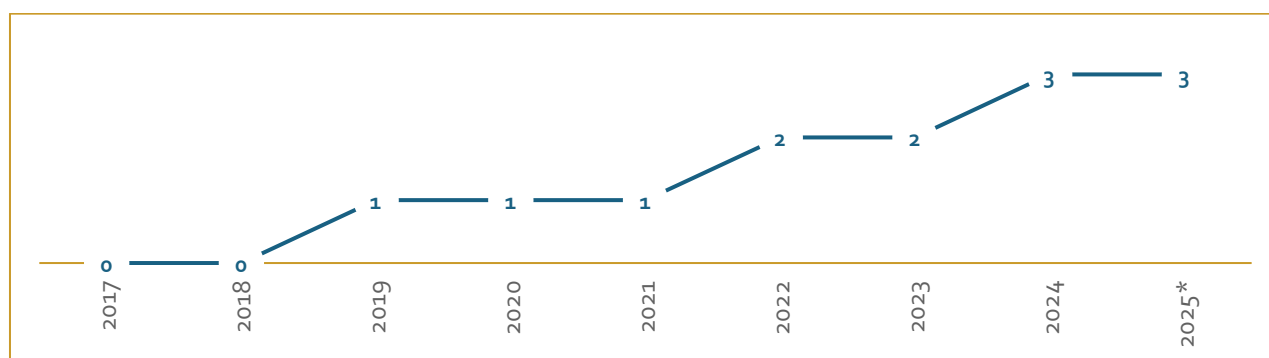
The Capital Markets Authority has licensed 2 dealing online foreign exchange broker between 2023 and 2025.

## Online Foreign Exchange Money Manager

An Online Foreign Exchange Money Manager is an entity licensed by the Authority to engage in the business of managing the online foreign exchange portfolio of an individual or institutional investor in return for a fee based on a percentage of assets under management. A forex money manager has trading rights access to the funds deposited by the client directly to the client's online trading account through the online foreign exchange broker. In addition, A money manager shall enter into an agreement, in writing, with an online foreign exchange broker that shall clearly set out the scope of activities that the money manager may undertake.

A money manager is expected to choose and manage investments prudently on behalf of clients, develop an appropriate investment strategy aligned with their financial goals, take positions in the market to achieve those goals, conduct financial analysis to inform decision-making, and continuously monitor the client's foreign exchange portfolio investments to ensure proper performance and risk management.

**Figure 30: The number of Online Foreign Exchange Money Manager 2017-2025**



Source: CMA

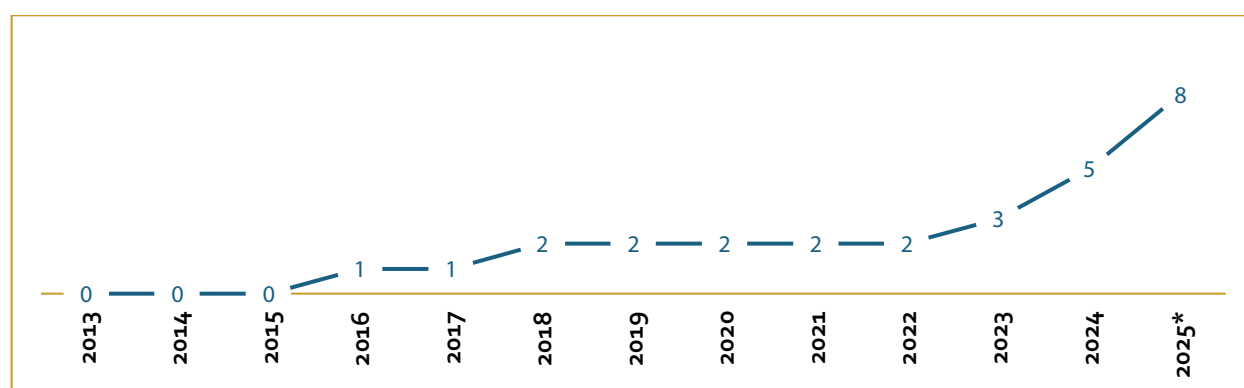
The number of licensed Online Foreign Exchange Money Manager has grown from 1 in 2018 reaching 3 in 2025

## Authorized Securities Dealer

An Authorized Securities Dealer is a person authorized to deal in securities and operate in a specific market segment as may be prescribed by the Authority. Specifically, it is restricted to dealing in fixed income securities whether listed on an

approved exchange or not. In addition, an Authorized securities dealer is eligible to apply to be admitted as a trading participant with a securities exchange provided it meets the eligibility requirements of the admitting securities exchange. An Authorized Securities Dealer is entitled to trade on behalf of others as well as on their own account in such segment and required to implement necessary operational, trading and settlement procedures and systems necessary to minimize settlement and counter party risk and manage conflicts of interest.

**Figure 31: The number of Authorized Securities Dealers 2013-2025**



Source: CMA, \*as of November 2025

The number of licensed Authorized Securities Dealers grew from 1 licensee in 2016 to 8 in 2025, growing by 6 between 2022 and 2025.

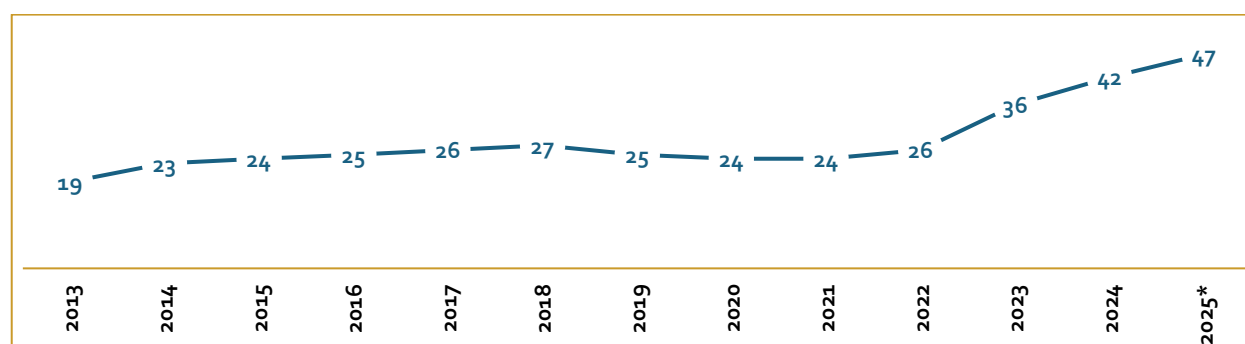
## Fund Managers

A Fund Manager is a company licensed by the Authority to manage a collective investment scheme, registered venture capital company or an investment adviser who manages a portfolio of securities in excess of an amount prescribed by the Authority from time to time.

The primary activities of a fund manager include managing discretionary and non-discretionary investment portfolios, collective investment schemes, and venture capital funds where applicable. Regarding management of discretionary funds, the fund manager is required to appoint an approved custodian to hold client assets in trust and ensure segregation and safekeeping of those assets. A fund manager that manages discretionary funds shall appoint a custodian for the assets of the Fund.



**Figure 32: The number of Fund Managers 2013-2025**



Source: CMA, \* as of November 2025

The number of fund managers grew from 19 in 2013 to 47 in 2025, representing a growth of 28 licensees. However, out of the growth of 28, the category recorded a growth of 21 licensed fund managers between 2022 and 2025.

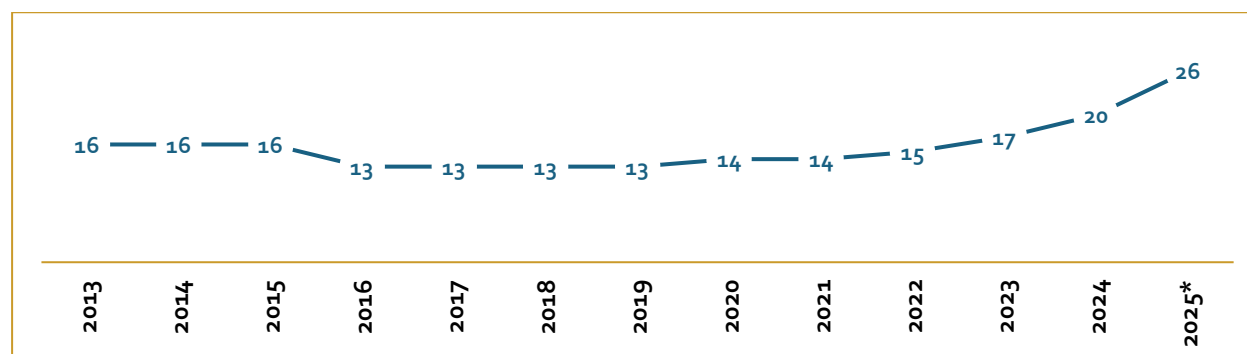
### **Investment Advisers**

An investment adviser is any person, other than a bona fide officer, director, trustee, advisory board member, or employee of a company, who for remuneration advises others on securities, issues or distributes analyses or reports on securities, deals with long term financing through equity and debt, or acts as an adviser or underwriter in a public issue of securities.

In this role, an investment adviser provides guidance to clients on securities, prepares, and circulates analytical or research reports, and supports clients in matters involving long term financing. They may also advise or serve as underwriters in public offerings, helping issuers structure, price, and distribute securities. The overall function of an investment adviser is to enable clients to make informed financial and investment decisions based on professional analysis and expertise. Where an investment adviser provides services through a digital platform offering automated or algorithm-driven investment advice, the adviser is required to maintain a principal bank account in Kenya, hold adequate capital and resources, and ensure secure and reliable systems for platform operations. The adviser must also have documented processes and procedures, a risk management framework for operational and technology risks, client onboarding procedures, and a data protection policy that safeguards data integrity, ensures

confidentiality and security, retains records for at least seven years, and upholds client privacy.

**Figure 33: The number of Investment Advisers 2013 – 2025**



Source: CMA

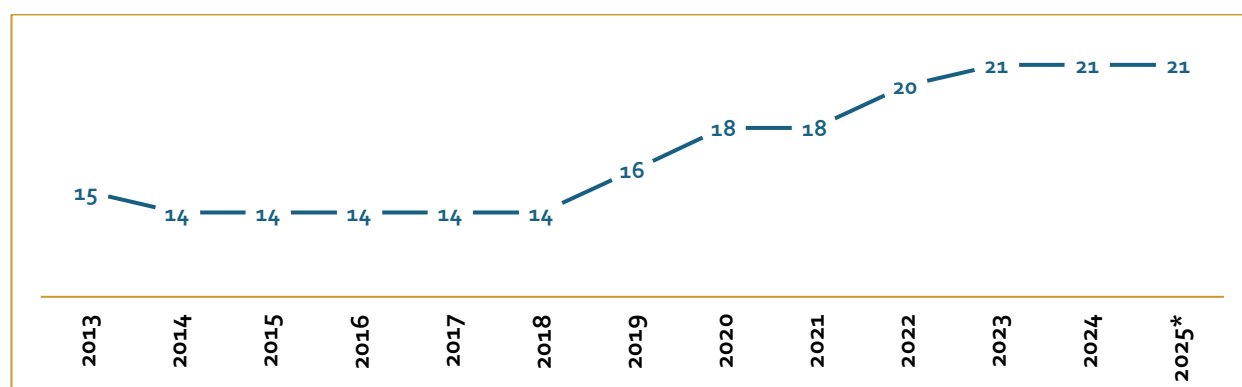
The number of licensed Investment Advisers category recorded a mixed growth between 2013 and 2025, with the number rising from 16 in 2013 to a total of 26 in 2025.

### **Authorized Depositories (Custodians)**

An Authorized Depository (Custodian) is a bank licensed under the Banking Act or a financial institution approved by the Authority to hold in custody funds, securities, financial instruments or documents of title to assets registered in the name of local investors, East African investors or foreign investors or of an investment portfolio.

A Custodians play a central role in the functioning of the capital markets by performing a wide range of duties essential for investor protection and the integrity of investment portfolios. Their responsibilities include taking into custody and maintaining control of all client assets, keeping cash, securities, and title documents safe, and opening and maintaining separate accounts for each client. They also handle the transfer, exchange, and delivery of securities upon receiving proper instructions from the fund manager and are responsible for transmitting all issuer-related communications to the fund manager or designated persons. Additional functions include exercising subscription or purchase rights on behalf of clients when instructed, ensuring electronic records of client entitlements are properly segregated, and maintaining the same level of care over client assets as they would over their own.

**Figure 34: The number of Authorized Depositories/Custodians 2013-2025**



**Source: CMA, \* as of November 2025**

The number of licensed Authorized Depositories stood at 21 in 2025 from 15 in 2013.

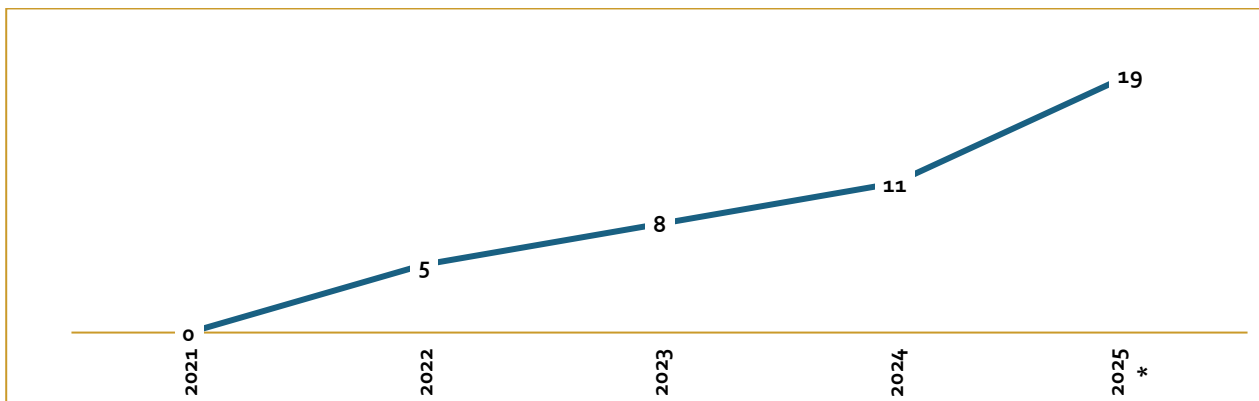
### Coffee Brokers

A coffee broker is a person cleared by the Nairobi Coffee exchange and licensed by the Authority, who may be appointed by a coffee grower or an association of coffee growers in accordance with the, Capital Markets Act (Cap.485A), to sell their coffee on their behalf through the Exchange.<sup>6</sup>

A coffee broker acts on behalf of coffee growers or their associations to facilitate the sale of clean coffee through a licensed coffee exchange. Their functions include preparing sales catalogues, arranging the offering of coffee lots for auction, ensuring representative samples are delivered to the exchange, and coordinating with millers, warehouses and the exchange to verify coffee warrants and sale details. They are responsible for invoicing buyers after successful bids, ensuring that payments are processed through the direct settlement system, and remitting proceeds and sample-related returns to growers. Coffee brokers must also comply with the rules of the exchange, maintain accurate records, furnish returns to the Coffee Directorate, and support dispute resolution processes relating to quality, sampling, or trade transactions.<sup>6</sup>

<sup>6</sup> [Coffee Act No. 8 of 2026](#)

Figure 35: The number of Coffee Brokers 2021-2025



Source: CMA, \* as of November 2025

The number of Coffee Brokers has grown from 5 in 2022, reaching 19 in 2025. The growth is partly attributed to the reforms that have been taking place in the Coffee Sector.

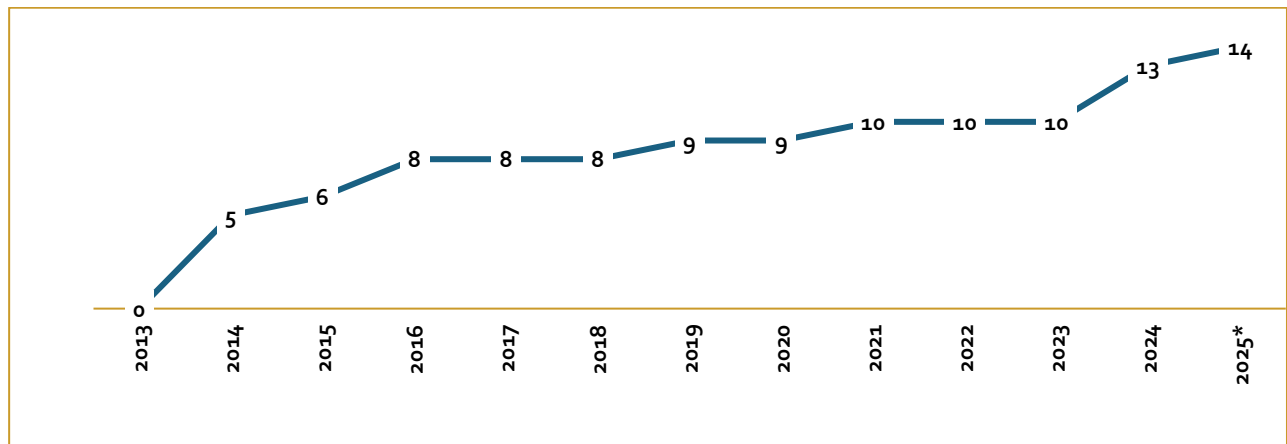
### Real Estate Investment Trust (REIT) Managers

A REIT Manager is a company incorporated in Kenya and licensed by the Authority to provide real estate management services in respect of a real estate investment trust.<sup>7</sup>

A REIT Manager is licensed to carry out REIT management activities, which include acquiring, managing, maintaining, and disposing of the assets of the scheme, and ensuring that the assets are invested in accordance with the scheme documents.<sup>7</sup> The growth in the number of REIT Managers from 2013 to 2025 is shown in the figure below.

<sup>7</sup> [Capital Markets \(Real Estate Investment Trusts Collective Investment Schemes\) Regulations 2013](#)

**Figure 36: The number of REIT Managers 2013-2025**



Source: CMA, as of November 2025

The number of licensed REIT Managers rose from 5 in 2013 to 12 in 2025. Between 2023 and 2025, the category recorded a growth of 4 licensees, rising from 10 to 14.

### **Real Estate Investment Trust (REIT) Trustees**

A REIT Trustee is a person appointed under the trust deed as a trustee of the real estate investment trust and any investee trust and includes any successor but shall not include, except where expressly stated, a secondary disposition trustee. A trustee must be independent of the promoter, the REIT manager and any property manager, valuer or project manager certifier of the real estate investment trust scheme. <sup>7</sup>

A REIT trustee safeguards all REIT assets on behalf of investors, ensures they are properly protected and separated from its own assets, and supervises the REIT manager to ensure full compliance with the trust deed, the Act, and the Regulations.<sup>7</sup> In addition, a REIT Trustee must obtain a professional indemnity insurance as prescribed by the Authority.

Figure 37: Trend in the number of licensed REIT Trustees



Source: CMA, \* as of November 2025

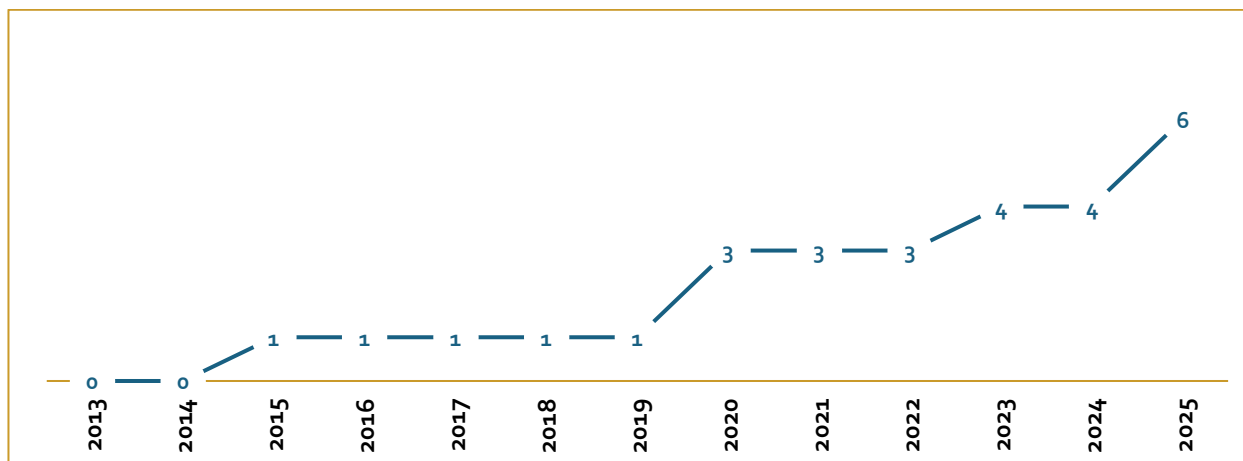
The number of licensed REIT Trustees stood at 4 in 2025, from 2 in 2014.

### Authorized Real Estate Investment Trust (REIT)

An Authorized REIT is a real estate investment trust scheme that has been formally approved by the Authority under Regulation 18 of the REIT Regulations. Specifically, a REIT scheme is defined as an arrangement created for collective investment in real estate, where investors pool funds to earn income or profits as beneficiaries of a trust divided into units. Investors contribute money or money's worth to gain rights to the pooled investment, do not have day-to-day control over management of the real estate assets, and the assets are managed by a licensed REIT manager. The term also includes any similar arrangements prescribed by the Authority but excludes exempted REITs.<sup>7</sup>

For a REIT to be considered "authorized", the promoter and trustee must apply to CMA, submit a trust deed, prospectus or offering memorandum, valuation reports, structural engineer's reports, expert consents, and other required documents. CMA then reviews compliance and may issue an authorization certificate if satisfied. Once authorized, the REIT must operate strictly according to the Act and the Regulations.<sup>7</sup>

Figure 38: The number of Authorized REITs from 2013-2025



Source: CMA, \* as of November 2025

The number of licensed Authorized REITs has been in upward trend between 2013 and 2025, rising from 0 in 2013 to 6 in 2025.

## Jurisdiction Review

This section reviews selected jurisdictions across MSCI market classifications to assess how regulators manage licensing, market entry, and market saturation of licensees. It examines whether licensing moratoria have been applied, the rationale behind them, and alternative measures used to maintain market stability, governance, and investor protection. However, the study reviewed 14 jurisdictions across MSCI market classifications.

### Kenya

The Central Bank of Kenya (CBK) imposed a decade-long moratorium on new commercial bank licenses in November 2015 following collapses of banks like Dubai, Imperial, and Chase, which exposed governance and risk management weaknesses. The license halting enabled regulatory reforms such as raising minimum core capital from KSh.1 billion to KSh.10 billion, to be achieved through a phased rollout, through the Business Laws (Amendment) Act 2024, and restored sector stability. The moratorium was lifted on July 1, 2025, allowing new entrants while reinforcing investor protection and overall banking sector stability.

On 21 May 2025, the Government of Kenya, through the Ministry of Co-operatives and MSMEs Development, imposed a three-month moratorium on the registration of new Savings and Credit Co-operative Societies (SACCOs). The suspension was introduced to allow a Committee of Experts to review the Sacco Societies Act, 2008, and recommend legislative, governance, and regulatory reforms aimed at strengthening oversight, accountability, and sustainability within the SACCO sector. The move followed governance and financial management concerns in the sector, including the multi-billion-shilling fraud uncovered at KUSCCO. Following the review, the government resumed registration of new SACCOs in 2026. Among the issues considered by the Committee of Experts were the establishment of a SACCO Deposit Guarantee Fund, enhanced professional and governance standards for SACCO leadership, and other measures intended to strengthen depositor protection and institutional sustainability.

### Other Jurisdictions

The jurisdiction review was conducted across 14 MSCI market classifications. The developed markets such as Australia, the United States, the United Kingdom, and



Singapore do not rely on licensing moratoria as licensing regulatory tool, instead the markets use alternative measures such as strong prudential standards, capital requirements, tiered licensing frameworks, and continuous data-driven monitoring of indicators including but not limited, the number of licensed firms, assets under management, trading volumes, entry and exit trends, and market-share concentration.

Emerging markets apply more targeted or sector-specific pauses when rapid growth raises solvency or supervisory concerns, as seen in Egypt and India, while still relying heavily on quantitative monitoring and capital adequacy reviews. Frontier and standalone markets, including Zambia and Nigeria, moratoria have been used as regulatory tools in sectors outside the capital markets, whereas Ghana applied a moratorium within the capital markets as a corrective regulatory measure.

**Table 12: Summary of Licensing Moratoria in Selected Jurisdictions**

| Market Type         | Jurisdictions                                | Use of Moratoria                                                     | Preferred Approach                                                   |
|---------------------|----------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------|
| Developed           | Australia, US, UK, Singapore                 | None in capital markets                                              | Strong prudential standards, tiered licensing, continuous monitoring |
| Emerging            | India, Egypt, South Africa, Malaysia, Brazil | Targeted/sector-specific in limited cases                            | Capital adequacy reviews, quantitative monitoring, enforcement       |
| Frontier/Standalone | Ghana, Nigeria, Zambia, Pakistan             | Ghana applied capital markets moratorium; others in adjacent sectors | Corrective use following governance failures or fraud                |

### Key Indicators identified for Monitoring licensing sufficiency

Based on insights from the jurisdiction review, the following table presents the key indicators identified for each license category. These indicators are intended to serve as triggers so that the Authority could implement targeted supervisory or prudential requirement measures.

**Table 13: Key Indicators by License Category**

| Licensed Category             | Key Indicators                                                                                                                                                                            |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Authorized Securities Dealers | <ul style="list-style-type: none"> <li>• Number of licensed dealers</li> <li>• Annual trading volume per dealer</li> <li>• Market-share concentration</li> <li>• Dormancy rate</li> </ul> |

| Licensed Category                           | Key Indicators                                                                                                                                                                                                                        |
|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                             | <ul style="list-style-type: none"> <li>• Client accounts per dealer</li> </ul>                                                                                                                                                        |
| Fund Managers                               | <ul style="list-style-type: none"> <li>• Number of licensed fund managers</li> <li>• Total Assets Under Management (AUM)</li> <li>• Average AUM per manager</li> <li>• Market-share concentration</li> <li>• Dormancy rate</li> </ul> |
| Stockbrokers                                | <ul style="list-style-type: none"> <li>• Number of licensed stockbrokers</li> <li>• Equity turnover per broker</li> <li>• Number of active CDS accounts</li> <li>• Entry vs exit trends</li> <li>• Dormancy rate</li> </ul>           |
| Investment Advisers                         | <ul style="list-style-type: none"> <li>• Number of licensed advisers</li> <li>• Client-to-adviser ratio</li> <li>• Advisory revenue/activity levels</li> <li>• Dormancy rate</li> <li>• Complaints-to-activity ratio</li> </ul>       |
| REIT Managers                               | <ul style="list-style-type: none"> <li>• Number of licensed REIT managers</li> <li>• Total REIT AUM</li> <li>• Number of REIT mandates per manager</li> <li>• Market-share distribution</li> <li>• Dormancy rate</li> </ul>           |
| REIT Trustees                               | <ul style="list-style-type: none"> <li>• Number of approved trustees</li> <li>• Number of REIT mandates per trustee</li> <li>• Market concentration of mandates</li> <li>• Dormancy rate</li> </ul>                                   |
| Authorized REITs                            | <ul style="list-style-type: none"> <li>• Number of approved/listed REITs</li> <li>• Total REIT market capitalization</li> <li>• Liquidity/turnover ratio</li> <li>• Capital raising activity</li> <li>• Dormancy rate</li> </ul>      |
| Collective Investment Schemes (CIS)         | <ul style="list-style-type: none"> <li>• Number of approved schemes</li> <li>• Total CIS AUM</li> <li>• Net inflow/outflow trends</li> <li>• Average fund size</li> <li>• Dormancy rate</li> </ul>                                    |
| Non-Dealing Online Foreign Exchange Brokers | <ul style="list-style-type: none"> <li>• Number of licensed firms</li> <li>• Client account volumes</li> <li>• Transaction volumes per firm</li> <li>• Market-share concentration</li> <li>• Dormancy rate</li> </ul>                 |
| Online Foreign Exchange Money Managers      | <ul style="list-style-type: none"> <li>• Number of licensed managers</li> <li>• Total FX AUM</li> <li>• Average client portfolio size</li> <li>• Volume of managed transactions</li> <li>• Dormancy rate</li> </ul>                   |
| Coffee Brokers                              | <ul style="list-style-type: none"> <li>• Number of licensed brokers</li> <li>• Auction volumes per broker</li> <li>• Market-share distribution</li> <li>• Entry/exit trends</li> <li>• Dormancy rate</li> </ul>                       |
| Dealing Online Foreign Exchange             | <ul style="list-style-type: none"> <li>• Number of licensed dealing brokers</li> </ul>                                                                                                                                                |

| Licensed Category                    | Key Indicators                                                                                                                                                                                                                     |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Brokers                              | <ul style="list-style-type: none"> <li>• Daily/monthly trading volumes</li> <li>• Client account base size</li> <li>• Capital-to-volume ratio</li> <li>• Dormancy rate</li> </ul>                                                  |
| Investment Banks                     | <ul style="list-style-type: none"> <li>• Number of licensed investment banks</li> <li>• Number/value of advisory mandates</li> <li>• Revenue concentration</li> <li>• Pipeline of transactions</li> <li>• Dormancy rate</li> </ul> |
| Authorized Depositories (Custodians) | <ul style="list-style-type: none"> <li>• Number of licensed depositories</li> <li>• Total securities held in custody</li> <li>• Settlement volumes</li> <li>• Issuer mandates per depository</li> <li>• Dormancy rate</li> </ul>   |

Source: CMA

## Field Survey

To complement the desktop review, the Authority conducted a stakeholder survey to gather views on licensing sufficiency and market sustainability within Kenya's capital markets.

This section outlines the design and methodology of the survey undertaken to assess stakeholder perspectives on licensing sufficiency and market sustainability. It further presents the analysis and key findings derived from the survey responses, which complement the desktop review and provide empirical insights to inform policy considerations.

### Design & Methodology

This section outlines the design and methodological approach adopted for the stakeholder outlining the scope and coverage of the survey, the sampling approach and target respondents, the data collection and analysis procedures, quality assurance measures, and the ethical standards observed throughout the process.

#### Scope and coverage

The survey was conducted on a national scale and covered the full capital markets ecosystem in Kenya. The scope included all firms licensed by the Authority, together with key stakeholders who play a direct role in the development, regulation, and effective functioning of the capital markets. This ensured comprehensive coverage of both market participants and institutional stakeholders.

#### sample and target respondents

The sampling frame for licensed institutions was derived from the Authority's register of licensed entities. A census approach was adopted by all licensed firms to ensure complete coverage. Purposive sampling was applied to identify key stakeholders outside the licensing framework. The target respondents to the questionnaire were Chief Executive Officers (CEOs) of the firms or other top management in the establishment.

The institutions included investment banks, Stockbrokers, Non-dealing Online Foreign Exchange Broker, Dealing Online Foreign Exchange Broker, Foreign Exchange Money



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Manager, Authorized Securities Dealer, Fund Manager, Investment Adviser, Authorized Depository, REIT Manager, REIT Trustee, and Coffee Broker. In addition, key stakeholders such as industry associations, institutional investors, and relevant public sector institutions were included.

### **Data collection and analysis**

The survey data collection was undertaken in 2025 using a structured self-administered paper and pen questionnaires (PAPI) developed in accordance with KNBS survey instrument design standards. The questionnaires consisted of both closed-ended and open-ended questions covering background information, licensing sufficiency and sustainability in capital markets. Clear instructions were provided to respondents to enhance accuracy and completeness of responses. Follow-ups were conducted to improve response rates and minimize non-response bias. Data processing involved coding, entry, and cleaning of survey responses. Quantitative data was analysed using descriptive statistical techniques, including frequencies, percentages, and cross-tabulations. In addition, qualitative data from open-ended questions were analysed using thematic analysis to provide contextual insights.

### **Data quality assurance**

To ensure data quality, the survey was conducted by the Authority in collaboration with the Kenya National Bureau of Statistics (KNBS) technical team. This collaboration was intended to enhance the objectivity, reliability, and methodological rigor of the survey. The KNBS provided technical support in the design and development of the survey questionnaire and led the administration of the survey during the data collection phase. Following the completion of field data collection, data entry, data cleaning, and data analysis were jointly undertaken to generate the findings presented in this report. In addition, the completed questionnaires were subjected to validation checks, including completeness, consistency, and logical checks. Data cleaning was conducted before analysis in line with KNBS data quality assurance frameworks.

## Ethical considerations

Data collection and processing adhered to ethical standards applicable to official statistics. Participation in the survey was voluntary, and respondents were assured of confidentiality as required by the Statistics Act, CAP 112 Laws of Kenya [Rev. 2022].

## Analysis & Findings

This section presents the analysis and key findings of the survey on stakeholders' views and perception regarding licensing sufficiency and market sustainability in the capital markets.

### Response Rate

The survey targeted a total of 170 respondents, as shown in the table below. Out of these, 131 completed questionnaires were received, representing a response rate of 77.06 per cent. This marks a significant improvement compared to a 51 per cent response rate from the previous survey conducted in 2022. The current response rate therefore reflects wider engagement from stakeholders.

**Figure 39: Survey Response Rate**

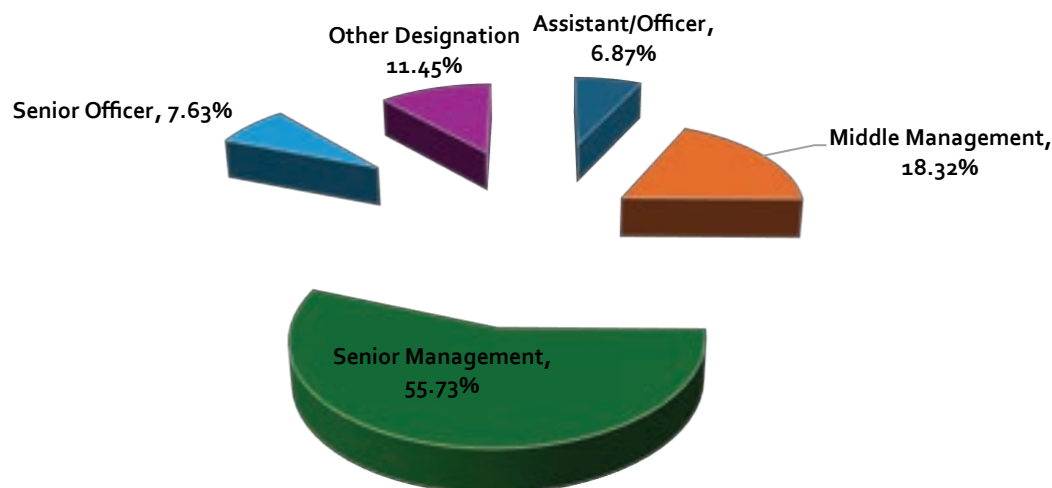
|                 |        |
|-----------------|--------|
| Targeted Sample | 170    |
| Responsive      | 131    |
| Non-Responsive  | 39     |
| Response Rate   | 77.06% |

### *Profile of Respondents*

#### Distribution of Respondents by Designation

The distribution of respondents by job title, as shown in the figure below, shows that Senior Management accounted for 55.73 percent of all responses, while Middle Management contributed 18.32 percent, indicating top management accounted for 74.05 percent. Senior Officers and Assistants or Officers represented 7.63 per cent and 6.87 per cent of the respondents, respectively, while respondents from Other Designation accounted for 11.45 percent. This demonstrates a strong representation from top management.

**Figure 40: Distribution of Respondents by Designation**

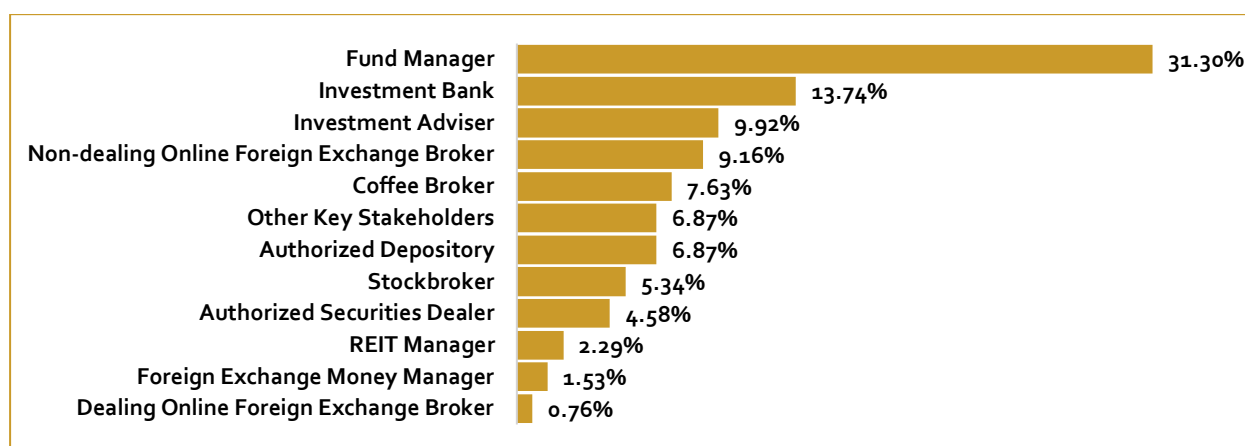


### Distribution of Respondents by Nature of Business

From the distribution of respondents by the nature of the business, the Fund Managers accounted for 31.30 per cent of the total respondents, Investment Banks and Investment Advisers, represented 13.74 per cent and 9.92 per cent, respectively. Other licensed entities accounted for 45.04 per cent.

**Table 14: Distribution of Respondents by Nature of Business**

| Licensed Entities/ Stakeholders            | Nature of Business      | Licensed Entities | Respondents | Percent        |
|--------------------------------------------|-------------------------|-------------------|-------------|----------------|
| Fund Manager                               | Fund Management         | 47                | 41          | 31.30%         |
| Investment Bank                            | Investment Banking      | 18                | 18          | 13.74%         |
| Investment Adviser                         | Investment Advisory     | 26                | 13          | 9.92%          |
| Non-dealing Online Foreign Exchange Broker | Online Forex Brokerage  | 13                | 12          | 9.16%          |
| Coffee Broker                              | Coffee Brokerage        | 19                | 10          | 7.63%          |
| Authorized Depository (Custodian)          | Custodial Services      | 21                | 9           | 6.87%          |
| Other Key Stakeholders                     | -                       | -                 | 9           | 6.87%          |
| Stockbroker                                | Securities Brokerage    | 9                 | 7           | 5.34%          |
| Authorized Securities Dealer               | Securities Dealing      | 8                 | 6           | 4.58%          |
| REIT Manager                               | REIT Management         | 14                | 3           | 2.29%          |
| Online Foreign Exchange Money Manager      | Online Forex Management | 3                 | 2           | 1.53%          |
| Dealing Online Foreign Exchange Broker     | Online Forex Dealing    | 1                 | 1           | 0.76%          |
| REIT Trustee                               | REIT Oversight          | 4                 | 0           | 0%             |
| <b>Total</b>                               |                         |                   | <b>131</b>  | <b>100.00%</b> |



### Respondents Perception of the number of Licensed entities

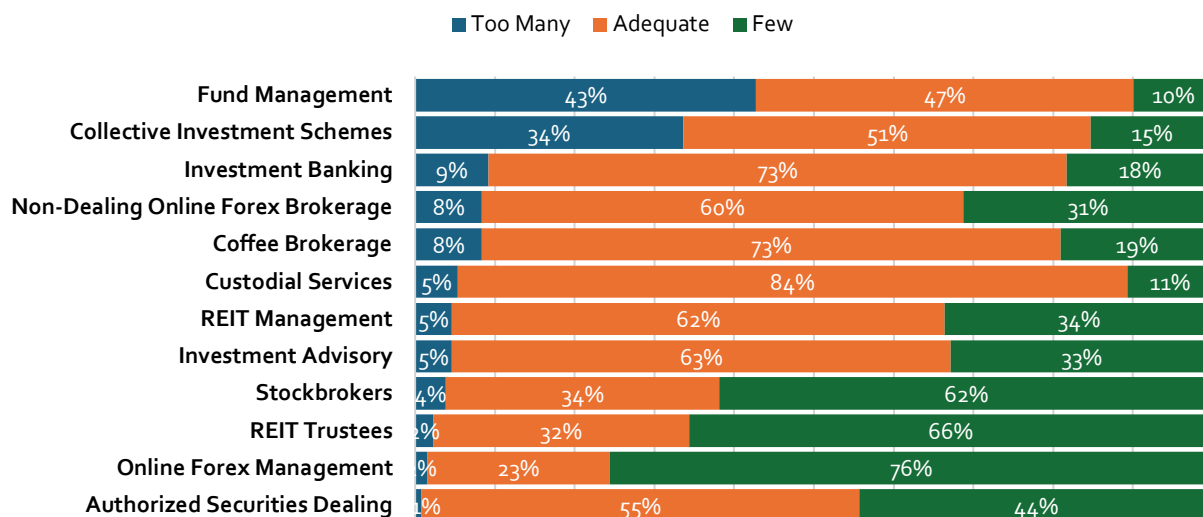
This section presents the survey findings on respondents' perceptions of the current number of licensed entities. For the purposes of the survey, **adequate** was defined as a market condition in which the number of participants is sufficient to support efficient operations, fair competition, and investor choice, while allowing normal market forces to determine entry and exit. Consequently, respondents who indicated that the number of licensed entities was **adequate or few** are collectively interpreted as not supporting the use of a moratorium as a regulatory tool, as they do not perceive the market to be oversaturated with participants.

### General Perceptions of the Number of Licensed Entities

The figure below presents the overall distribution of respondents' perceptions regarding the number of licensed entities across the various licensing categories. According to the survey results, across all categories, more than 50 per cent of respondents indicated that the number of licensed entities is adequate or few.



**Figure 41: Respondents Perception of the number of licensed entities (All responses)**



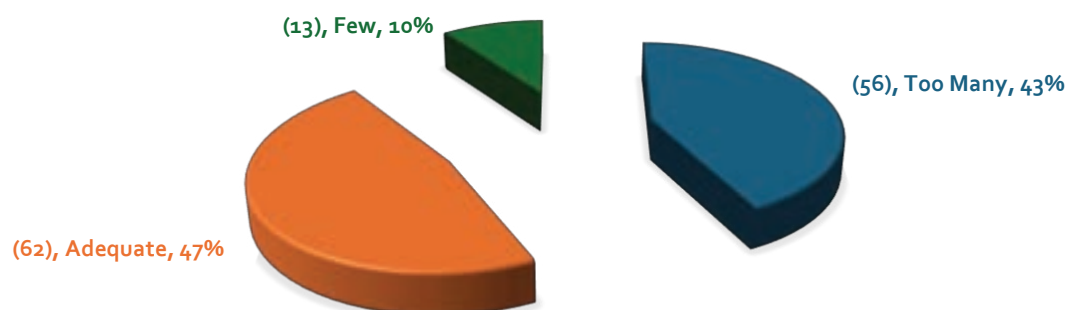
Further analysis of respondents' perceptions of number of licensed entities by the nature of business is detailed below:

### Analysis of Perceptions of Licensed Entities Across Licensing Categories

#### Fund Management

According to the survey results, 43 per cent of respondents indicated that the number of licensed fund managers is too many, 47 per cent indicated the number to be adequate. The remaining 10 per cent indicated that fund managers are few.

**Figure 42: Perception of the Number of Fund Managers**

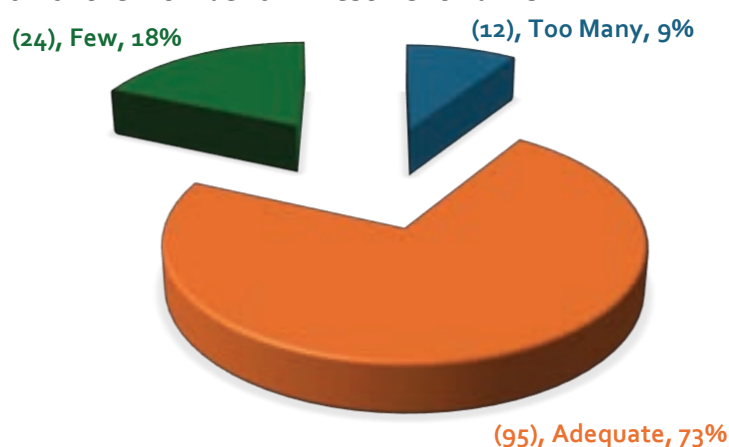


The combined share of respondents indicating that the number of fund managers is adequate or few accounted for 57 per cent compared to 43 per cent who indicated that the number is too many.

### Investment Banking

The results from the survey indicated that 9 per cent of the respondents indicated that the number of investment banks is too many, 18 per cent is few, and 72.5 per cent of respondents indicated that the number of licensed Investment Banks is adequate.

**Figure 43: Perception of the Number of Investment Banks**

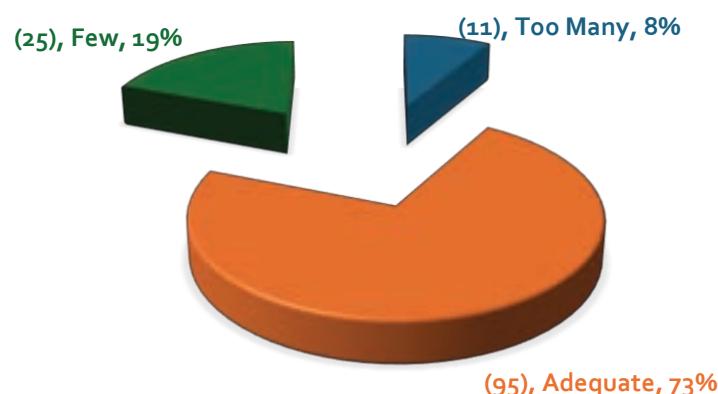


The combined share of the respondents indicating that the number of licensed investment Banks is adequate and few accounted for 91 per cent, while only 9 per cent indicated that the number is too many.

### Coffee Brokerage

The survey findings indicated that 8 per cent of respondents indicated that the number of licensed Coffee Brokers is too many, 73 per cent considered the number to be adequate, while 19 per cent indicated that Coffee Brokers are few.

**Figure 44: Perception of the Number of Coffee Brokers**

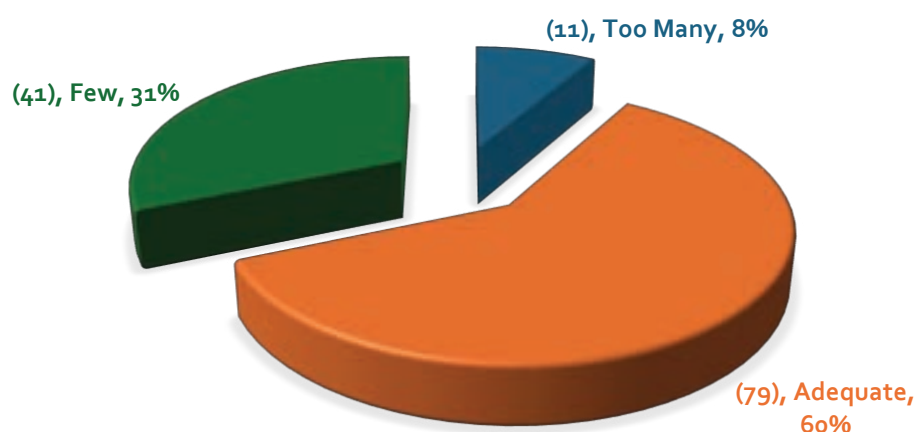


The number of respondents indicating that the number of Coffee Brokers is adequate and few accounted for 92 per cent and only 8 per cent indicated that the number is too many.

### Online Forex Brokerage

The survey results show that 8 per cent of respondents indicated that the number of licensed Non-Dealing Online Forex Brokers is too many, 60 per cent considered the number to be adequate, while 31 per cent indicated that non-dealing online forex brokers are few.

**Figure 45: Perception of the Number of Non -Dealing Online Forex Brokers**

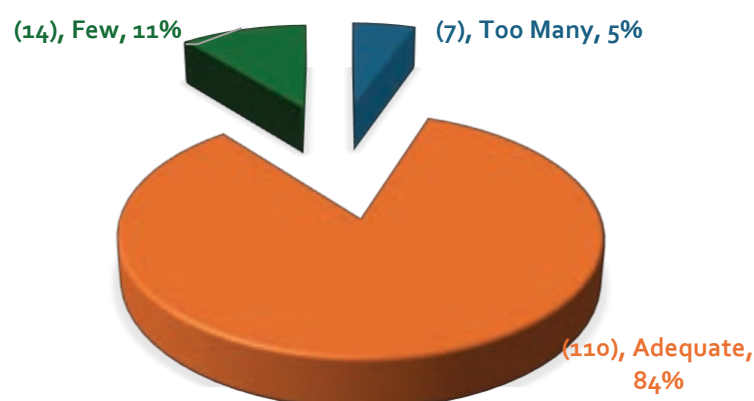


The combined share of respondents indicating that the number of non-dealing online forex brokers is adequate and few accounted for 91 per cent and only 8 per cent indicated that the number is too many.

### Custodial Services

The survey results show that 5 per cent of the surveyed respondents indicated that the number of licensed Custodial Services is too many, 84 per cent indicated the number to be adequate, while 11 per cent indicated that the licensed Custodial Services are few.

**Figure 46: Perception of the Number of the Licensed Custodial Services**

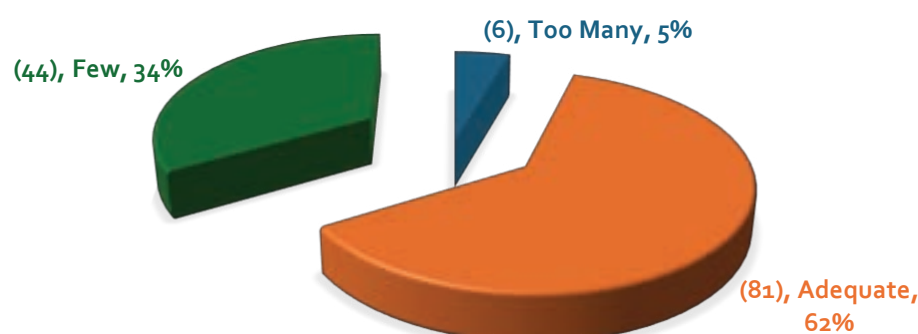


The combined share of respondents indicating that the number of licensed Custodial Services is adequate and few accounted for 95 per cent and only 5 per cent indicated that the number is too many.

### REIT Management

The survey results show that 5 per cent of respondents indicated that the number of REIT Managers is too many, 62 per cent considered the number to be adequate, while 34 per cent indicated that they are few.

**Figure 47: Perception of the Number of REIT Managers**

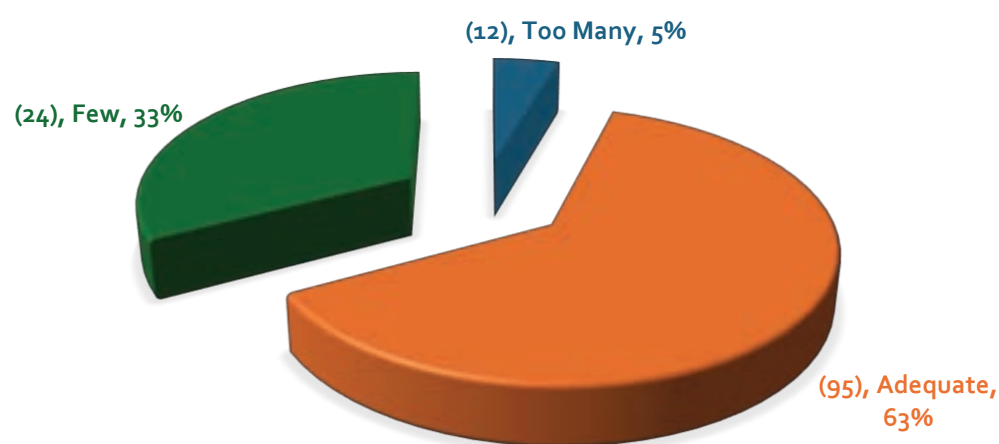


The combined share of respondents who indicated that the number of REIT Managers is adequate and too few stood at 95 per cent, while only 5 per cent indicate that they are too many.

### Investment Advisory

The survey results show that 5 per cent of respondents indicated that the number of licensed Investment advisers is too many, 63 per cent considered the number to be adequate, while 33 per cent indicated that non-dealing online forex brokers are few.

*Figure 48: Perception of the Number of Investment Advisers*

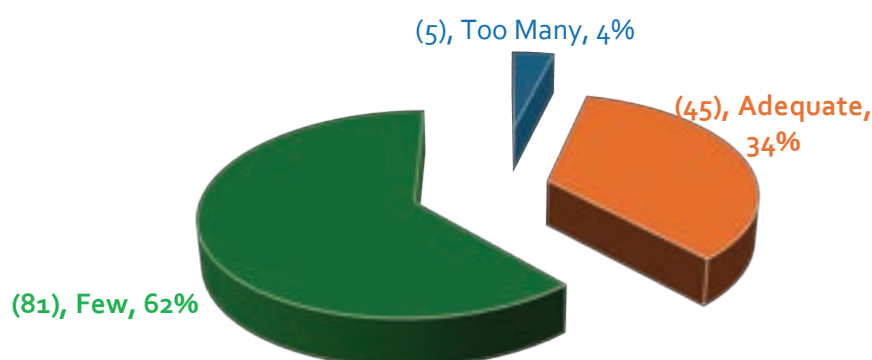


The combined share of respondents indicating that the number of investment advisers is adequate and few accounted for 95 per cent and only 5 per cent indicated that the number is too many.

### Securities Brokerage

The survey results show that 4 per cent of respondents indicated that the number of Securities Brokerage is too many, 34 per cent indicated that the number is adequate. The remaining 62 per cent indicated that they are few.

**Figure 49: Perception of the Number of Stockbrokers**

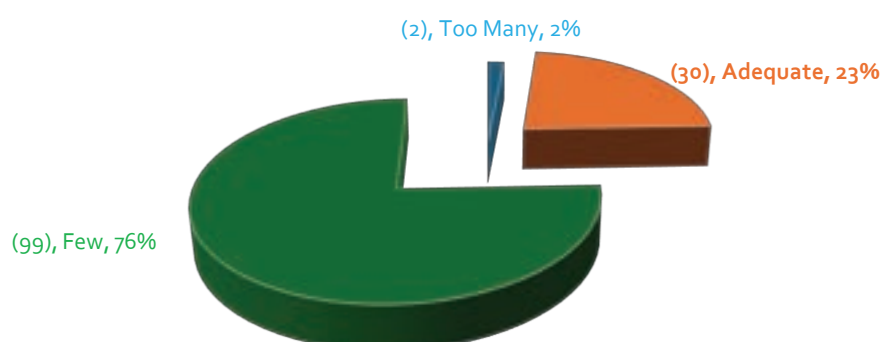


The combined share of respondents indicating that the number of the stockbrokers is adequate or few accounted for 96 per cent and only 4 per cent indicated that the number is too many.

### Online Forex Management

The survey result show that 2 per cent of respondents indicated that the number of licensed Online Foreign Exchange Money Manager is too many, 23 per cent considered the number to be adequate. The remaining 76 per cent indicated that Online Foreign Exchange Money Managers are few.

**Figure 50: Perception of the Number of Online Forex Money Manager**

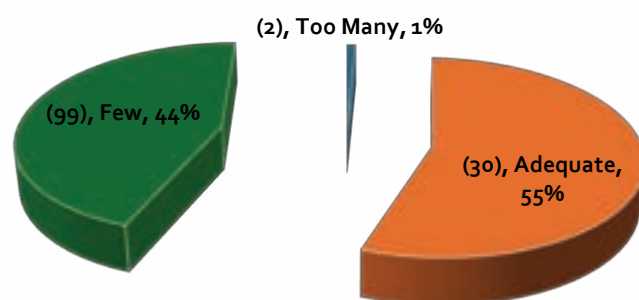


The combined share of respondents indicating that the number of Online Foreign Exchange Money Manager is adequate or few accounted for 98 per cent and only 2 per cent who indicated that the number is too many.

### Securities Dealing

The survey results show that 1 per cent of the total respondents indicated that the number of licensed Authorized Securities Dealers is too many, 55 per cent considered the number to be adequate, while 44 per cent indicated that Authorized Securities Dealers are few.

**Figure 51: Perception of the Number of Authorised Securities Dealers**

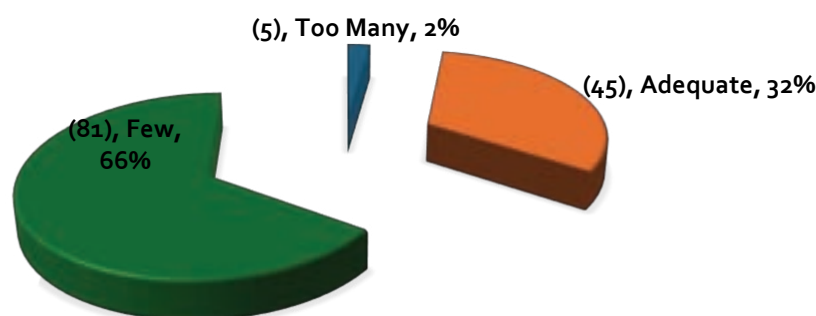


The combined share of respondents indicating that the number of Authorized Securities Dealers is adequate or few accounted for 99 per cent and only 1 per cent who indicated that the number is too many.

### REIT Oversight

The survey results show that 2 per cent of respondents indicated that the number of licensed REIT Trustee is too many, 32 per cent indicated that the number is adequate, while 66 per cent indicated that the number of REIT Trustee are few.

**Figure 52: Perception of the Number of REIT Trustee**

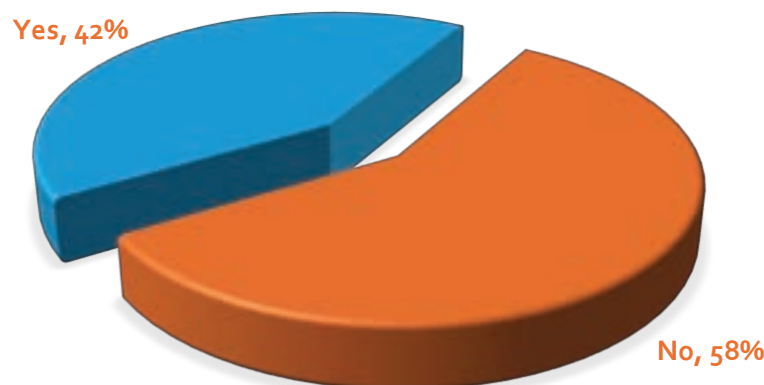


The combined share of respondents indicating that the number of REIT Trustee is adequate or few accounted for 98 per cent and only 2 per cent who indicated that the number is too many.

#### **Overall Respondents Perception on the use of Moratoria**

The findings of the survey shows that 58 per cent, do not support the use of a moratorium as use of licensing regulatory tool, 42 per cent are in favour of applying such a measure.

**Figure 53: Perception on Moratoria (Per cent)**



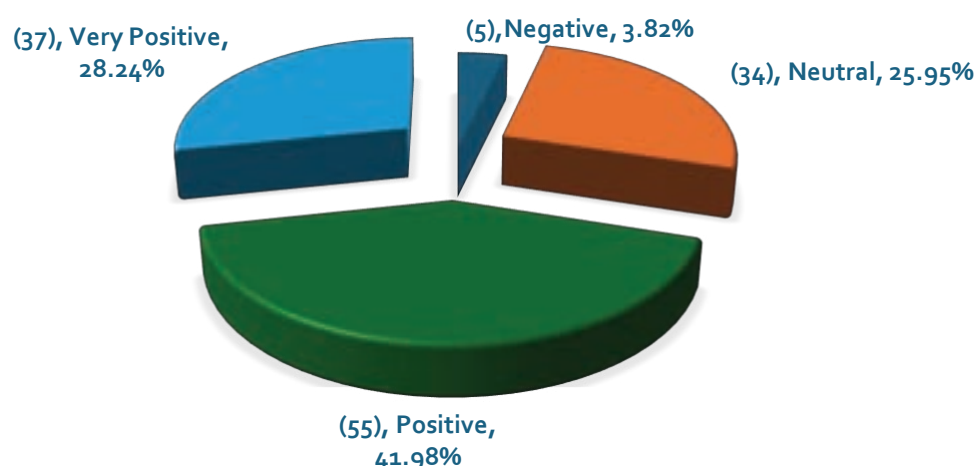
#### **Impact of the rising number of approved CIS funds**

Survey results indicate that respondents perceived the increase in the number of approved Collective Investment Scheme (CIS) funds positively. Overall, 70 per cent of respondents reported that the rising number of CIS funds had a positive/very positive



impact, with 42 per cent indicating a positive impact and 28 per cent indicating a very positive impact as shown in the figure below. About 26 per cent of respondents reported a neutral impact.

**Figure 54: Perceived impact on the rising number of approved CIS funds (Per cent)**



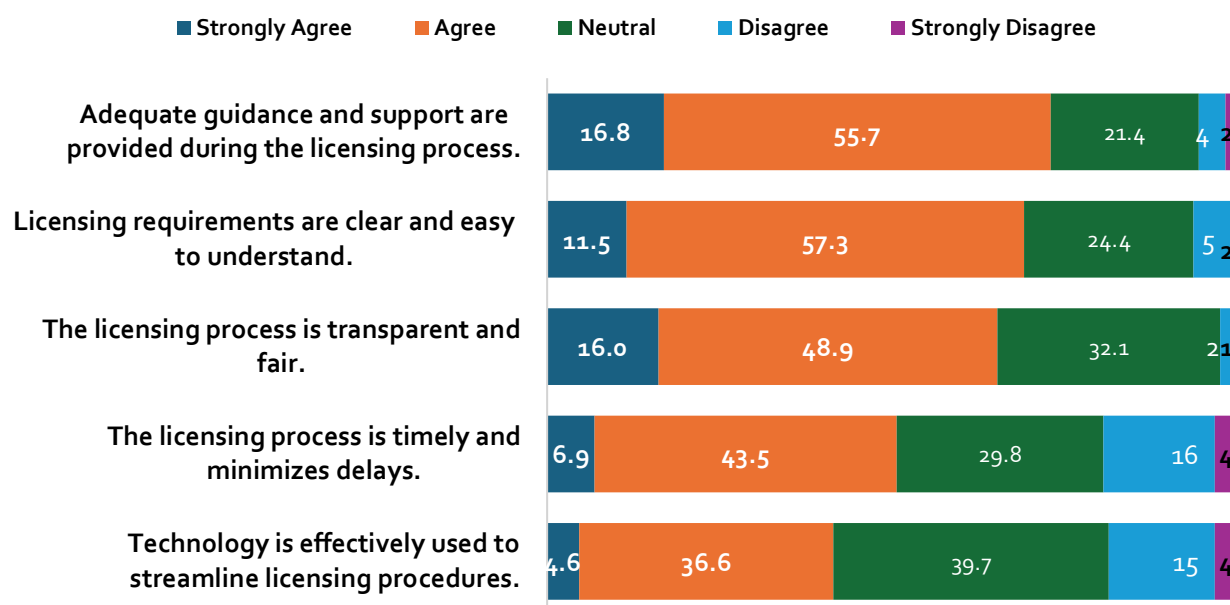
### Respondents' Views on the Authority Licensing Process

The survey findings presented in the figure below show that 72.5 percent of respondents indicated that adequate guidance and support are provided during the licensing process. Of these, 55.7 percent agreed and 16.8 percent strongly agreed.

Additionally, 68.8 percent of respondents stated that the Authority's licensing requirements are clear and easy to understand, with 57.3 percent strongly agreeing and 11.5 percent agreeing. The results further indicate that 64.9 percent of respondents consider the licensing process to be transparent and fair, comprising 48.9 percent who strongly agreed and 16 percent who agreed. Regarding timeliness, 50.4 percent of respondents strongly agreed that the licensing process is timely and minimises delays, while 6.9 percent agreed. Furthermore, 41.2 percent of respondents indicated that the Authority effectively uses technology to streamline licensing procedures.

However, about 20 percent of respondents expressed disagreement that the licensing process is timely and minimizes delays and further indicated that technology is not being used effectively to streamline licensing procedures.

**Figure 55: Respondents' Perceptions on the Licensing Process (Per cent)**

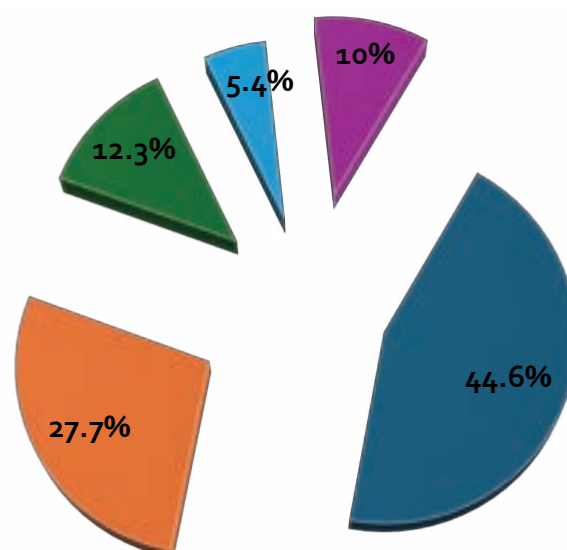


### Respondents' Views on How Often the Number of Licensed Entities Should Be Reviewed

The survey collected views on how frequently the Authority should review the number of licensed entities. As shown in the figure below, 44.6 percent of respondents recommended conducting reviews every 1–3 years, 27.7 percent suggested a 3–5-year interval, while 12.3 percent preferred a review cycle of 5–10 years.

**Figure 56: Respondents' Views on Frequency of License Review by Category**

■ Every 1-3 years ■ Every 3-5 years ■ Every 5-10 years ■ Less than once a year ■ No specific time limit



### Alternative Measures beside halting the issuance of new licenses

The respondents proposed several alternative measures across different regulatory and market development areas, including the following:

**Table 15: Alternative Measures**

| Alternative                     | Proposed Actions                                                                                                                                               |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Prudential Requirements         | Increase minimum capital requirements; introduce tiered/activity-based licensing; strengthen fit-and-proper criteria; capital buffers for high-risk categories |
| Supervision & Enforcement       | More frequent audits and inspections; stronger sanctions for non-compliant/dormant entities; early warning systems; increased market surveillance              |
| Regulatory Framework            | Revise licensing rules; transition to principles/outcomes-based regulation; regular market studies; benchmark against global standards                         |
| Market Consolidation            | Facilitate mergers and acquisitions; allow acquisition of existing licensees instead of new licensing; incentivise consolidation                               |
| Market Development & Innovation | Encourage new products; reactivate dormant CIS; regulatory sandboxes; geographic expansion beyond Nairobi                                                      |
| Investor                        | Improve fee and risk disclosure; enhance marketing controls; expand investor                                                                                   |

| Alternative               | Proposed Actions                                                                                                               |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| Protection                | protection frameworks                                                                                                          |
| Investor Education        | Expand financial literacy programmes; sensitisation workshops; structured community-based education                            |
| Capacity Building         | Technical assistance and training for existing licensees; improve governance, compliance, and risk management                  |
| Regulatory Infrastructure | Increase CMA staffing and digital systems; improve data transparency and market intelligence                                   |
| Structural Adequacy       | Delicense inactive firms; introduce annual licensing caps; strengthen beneficial ownership checks; address concentration risks |

## Summary of findings

Across 14 jurisdictions reviewed, only Ghana has applied a moratorium specifically in capital markets licensing, triggered by the need to review the licensing regime and address structural challenges in the fund management sector.

India and Nigeria have applied targeted licensing pauses in capital markets to address non-compliance by inactive intermediaries and emerging risks in digital-asset services respectively. Kenya, Malaysia, Egypt, Zambia, and Hong Kong have applied moratoria in banking, manufacturing, consumer finance, investment licensing, and banking sectors respectively, but not in capital markets.

Australia, the United States, the United Kingdom, Singapore, South Africa, Brazil, and Pakistan have not applied any form of licensing moratorium in capital markets, relying instead on enhanced capital requirements, tiered licensing, fit-and-proper assessments, risk-based supervision, and technology-driven surveillance to strengthen licensing frameworks and monitor market saturation.

Common indicators used to monitor licensing sufficiency across jurisdictions include, tracking numbers of licensed intermediaries by category; analysis of trading volumes, assets under management, and transaction activity; assessment of market share distribution and concentration levels; monitoring of entry, suspension, and exit trends; and observation of compliance breaches and complaint patterns as proxies for emerging risks.

From the analysis of the survey across all licence categories, over 50 per cent of respondents indicated that the number of licensed entities is either adequate or few compared to respondents that considered any category to be oversupplied.

For **Fund management**, more than half of the respondents indicated the number of fund managers is adequate or few. Notably, over 40 percent of respondents cited fund managers are too many.

For **Investment banking**, **Coffee brokerage**, and **online forex brokerage**, over 90 percent cited the number of licensed entities is adequate or few. Less than 10 percent of respondents indicated the number are too many.



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For **Custodial services, REIT management, and Investment advisory**, 95 per cent of respondents indicated the licenced entities are adequate or few. Only 5 per cent of respondents considered licenced entities in these categories to be too many.

Lastly, over 95 percent of respondent indicated **securities brokerage, Online forex management, REIT oversight, and Securities dealing** as adequate or few, while less than 5 percent considered licenced entities in these categories to be too many.

The findings from the survey show that over 50 percent of respondents do not support the use moratorium as a licensing regulatory tool in any of the licence category. The findings align with the 2022 survey findings, where majority of respondents were against the use of moratoria.

Consequently, respondents proposed the use of alternatives measures for strengthening the licensing regulatory framework besides the use of moratorium as a licensing regulatory tool. Among these include the use of prudential requirements such as strengthening capital requirements. Other alternative measures proposed include strengthening supervision, market conduct, coming up with policy reforms and managing structural risk such as market concentration or inactive licencees.

Notably, respondents indicated that the licensing process provided adequate guidance and support. They also indicate that the licensing requirements are clear and understandable, while majority considered the licensing process to be transparent and fair. In addition, the licensing process was considered timely and experiences minimal delays.

## Conclusion

Based on the jurisdiction review and survey findings across all licenced categories, the study finds that moratoria are rarely used in capital markets regulation globally. Only Ghana has applied a moratorium specifically within capital markets licensing, and this was undertaken in response to structural challenges requiring a review of the fund management licensing framework. In contrast, most mature and emerging markets rely on strengthened prudential standards, risk-based supervision, tiered licensing regimes, enhanced



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enforcement, and technology-driven monitoring tools to manage market entry and safeguard stability.

The evidence further indicates that the Kenyan capital markets do not exhibit widespread licensing saturation that would justify a moratorium. Across all licence categories, respondents indicated that the number of licensed entities is either adequate or few. Only limited concerns were raised in specific segments, and these did not constitute a broad-based market imbalance. Additionally, stakeholders expressed confidence in the licensing framework, noting that requirements are clear and understandable, processes are transparent and fair, and timelines are reasonable.

The study therefore concludes that the use of moratoria as a routine licensing regulatory tool is neither necessary nor proportionate under the prevailing market conditions in Kenya. Instead, the findings strongly support the adoption of regulatory strengthening measures as a more effective and sustainable approach. These include reinforcing prudential requirements such as capital thresholds, enhancing supervisory oversight and enforcement, strengthening market conduct regulation, updating policy and regulatory frameworks, addressing structural risks including inactive licencees and market concentration. Such measures provide targeted, flexible, and risk-sensitive mechanisms to address emerging concerns without disrupting market development.

Based on the jurisdiction review and survey findings, moratoria should be only used as a licensing regulatory tool under exceptional and clearly defined circumstances. These include instances of severe market saturation, systemic risk, widespread investor harm, major market misconduct, structural market failure, regulatory redesign, or extraordinary external shocks such as war or national calamity. In such cases, a moratorium should be applied as a temporary, proportionate, and transparent intervention of last resort, with a clearly defined scope and duration.

The overarching conclusion of this study is that Kenya's capital markets stand to benefit more from regulatory strengthening. Therefore, the Authority should prioritize the tightening of prudential requirements, enhanced supervision, structural market monitoring, and investor protection as the primary mechanisms for safeguarding market sustainability.



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Notably, moratoria should be defined and reserved as a contingency measure, applied only in exceptional circumstances where systemic risk cannot be mitigated through regulatory strengthening measures. By adopting this balanced and proportionate approach, the Kenyan capital markets can continue to ensure fair competition, foster innovation, bolster investor confidence, and promote long-term sustainable growth.

## **Recommendations**

Based on the research findings, the following recommendations are proposed to guide policy direction and regulatory action within the Kenyan capital markets.

### **Recommendation 1: Develop a Policy Framework on the use of Moratorium**

The Authority should develop clear internal guidelines outlining objective triggers, decision-making procedures, and safeguards for applying a moratorium as a last-resort licensing tool applicable only in exceptional circumstances involving systemic risk, severe market disruption, or structural failure. This ensures regulatory certainty while preserving market integrity and competition.

### **Recommendation 2: Adopt Indicators for Monitoring Licensing Sufficiency**

The Authority should adopt the proposed key indicators by licensing category to proactively detect potential triggers such as market saturation, concentration risks, inactivity, or declining operational viability. An evidence-based monitoring approach will support timely supervisory or prudential interventions, avoiding the need for blunt instruments such as blanket moratoria.

### **Recommendation 3: Continue Strengthening Regulatory and Prudential Tools**

Rather than moratoria, the primary focus should be on: (i) Further strengthening capital requirements and fit-and-proper assessments; (ii) enhancing supervision, enforcement, and market surveillance; (iii) modernising the regulatory framework toward outcomes-based regulation; (iv) promoting market consolidation where fragmentation threatens viability; and (v) improving investor protection and financial literacy.

## Annexture

### Annex 1: Number of licensed entities 2013-2025

|                                             | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025* |
|---------------------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|-------|
| Authorized Securities Dealers               | 0    | 0    | 0    | 1    | 1    | 2    | 2    | 2    | 2    | 2    | 3    | 5    | 8     |
| Fund Managers                               | 19   | 23   | 24   | 25   | 26   | 27   | 25   | 24   | 24   | 26   | 36   | 42   | 47    |
| Stockbrokers                                | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 9    | 9    | 10   | 9    | 9     |
| Investment Advisers                         | 16   | 16   | 16   | 13   | 13   | 13   | 13   | 14   | 14   | 15   | 17   | 20   | 26    |
| REIT Managers                               | 0    | 5    | 6    | 8    | 8    | 8    | 9    | 9    | 10   | 10   | 10   | 13   | 14    |
| REIT Trustees                               | 0    | 2    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 4    | 4     |
| Authorized REITS                            | 0    | 0    | 1    | 1    | 1    | 1    | 1    | 3    | 3    | 3    | 4    | 4    | 6     |
| Collective Investment Schemes               | 16   | 18   | 20   | 22   | 22   | 22   | 23   | 23   | 29   | 34   | 36   | 54   | 56    |
| Non-Dealing Online Foreign Exchange Brokers | -    | -    | -    | -    | -    | 1    | 2    | 4    | 6    | 9    | 10   | 12   | 13    |
| Online Foreign Exchange Money Manager       | -    | -    | -    | -    | -    | 0    | 1    | 1    | 1    | 2    | 2    | 3    | 3     |
| Coffee Brokers                              | -    | -    | -    | -    | -    | -    | -    | -    | 0    | 5    | 8    | 11   | 19    |
| Dealing Online Foreign Exchange Brokers     | -    | -    | -    | -    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 1    | 2     |
| Investment Banks                            | 10   | 12   | 14   | 14   | 14   | 14   | 16   | 16   | 15   | 15   | 15   | 17   | 18    |
| Authorized Depositories                     | 15   | 14   | 14   | 14   | 14   | 14   | 16   | 18   | 18   | 20   | 21   | 21   | 21    |

### Annex 2: Jurisdiction Review Summary

| Jurisdiction         | MSCI Classification | Use of Moratoria (Specific Reason)                                                                                            | Alternative Measures Beside Moratorium                                                             | Key Indicators                                                                                                                                                                                    |
|----------------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Kenya</b>         | Frontier Market     | 2015–2025 bank licensing moratorium after bank failures; 2025 SACCO registration freeze due to fraud and governance failures. | Raised minimum bank capital; SACCO governance reforms; Deposit Guarantee Fund; legislative review. | <ul style="list-style-type: none"> <li>Number of licensed banks</li> <li>Number of registered SACCOs</li> <li>Institutional capital levels</li> <li>Viability assessments of licensees</li> </ul> |
| <b>Australia</b>     | Developed Market    | No licensing moratorium in capital markets.                                                                                   | Basel III capital buffers; ASIC risk-based financial resource requirements.                        | <ul style="list-style-type: none"> <li>Number of AFSL holders</li> <li>Licence distribution by category</li> <li>Market concentration ratios</li> <li>Trading volumes</li> </ul>                  |
| <b>United States</b> | Developed Market    | No general moratorium; temporary UK/EU adviser delay (GDPR-related).                                                          | Reg BI; disclosure regime; net capital rule; FINRA                                                 | <ul style="list-style-type: none"> <li>Number of registered broker-dealers</li> <li>Number of registered investment advisers</li> <li>Assets under</li> </ul>                                     |

| Jurisdiction          | MSCI Classification | Use of Moratoria (Specific Reason)                                                                                            | Alternative Measures Beside Moratorium                                           | Key Indicators                                                                                                                                                                                               |
|-----------------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                       |                     |                                                                                                                               | supervision.                                                                     | <ul style="list-style-type: none"> <li>management (AUM)</li> <li>Trading volumes</li> <li>Firm entry/exit rate</li> <li>Market-share distribution</li> </ul>                                                 |
| <b>United Kingdom</b> | Developed Market    | No licensing moratorium.                                                                                                      | Tiered permissions; SMCR; proportional capital rules.                            | <ul style="list-style-type: none"> <li>Number of authorised firms by permission type</li> <li>New authorisations trends</li> <li>Licence cancellations/exits</li> <li>Market concentration levels</li> </ul> |
| <b>Singapore</b>      | Developed Market    | No licensing moratorium.                                                                                                      | Tiered CMS licensing; activity-based limits; risk-based capital scaling.         | <ul style="list-style-type: none"> <li>Number of CMS licencees by activity</li> <li>Assets under management (AUM)</li> <li>Trading volumes</li> <li>Market-share distribution</li> </ul>                     |
| <b>Malaysia</b>       | Emerging Market     | No capital-market moratorium; 2023–2025 manufacturing licence freeze due to excess capacity.                                  | Sectoral review; tariff-code targeting; phased lifting.                          | <ul style="list-style-type: none"> <li>Number of licensed intermediaries</li> <li>Category distribution</li> <li>Transaction volumes</li> <li>Sector capacity alignment indicators</li> </ul>                |
| <b>Egypt</b>          | Emerging Market     | 2024–2026 suspension on new traditional microfinance and consumer finance licences due to rapid growth and solvency concerns. | Strengthened supervision; capital adequacy review; fintech licensing continuity. | <ul style="list-style-type: none"> <li>Number of licensed firms (microfinance &amp; consumer finance)</li> <li>Licence growth rate</li> <li>Sector asset size.</li> <li>Capital adequacy levels</li> </ul>   |
| <b>India</b>          | Emerging Market     | 2024 pause on 68 intermediaries failing regulatory requirements.                                                              | Capital thresholds; surveillance systems; suspension tools.                      | <ul style="list-style-type: none"> <li>Number of registered intermediaries by category</li> <li>Active vs inactive firms</li> <li>Entry/suspension/exit trends</li> <li>Trading volumes</li> </ul>           |
| <b>South Africa</b>   | Emerging Market     | No licensing moratorium.                                                                                                      | Risk-based supervision; proportional oversight; enforcement monitoring.          | <ul style="list-style-type: none"> <li>Number of licensed intermediaries by category</li> <li>Trading activity levels</li> <li>Market-share concentration</li> <li>Dormant-firm ratios</li> </ul>            |

| Jurisdiction    | MSCI Classification | Use of Moratoria (Specific Reason)                                                                    | Alternative Measures Beside Moratorium                                                     | Key Indicators                                                                                                                                                                                                 |
|-----------------|---------------------|-------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Brazil</b>   | Emerging Market     | No licensing moratorium.                                                                              | Differentiated intermediary categories; governance standards; modernization reforms.       | <ul style="list-style-type: none"> <li>• Number of authorised intermediaries</li> <li>• Category distribution</li> <li>• Transaction volumes</li> <li>• Market concentration indicators</li> </ul>             |
| <b>Zambia</b>   | Frontier-equivalent | 2021 temporary investment licence suspension due to misuse and fraud.                                 | Enhanced verification; capital inflow confirmation; post-licensing monitoring.             | <ul style="list-style-type: none"> <li>• Number of licensed investment entities</li> <li>• Capital inflow volumes.</li> <li>• Active vs non-operational licence ratio</li> </ul>                               |
| <b>Nigeria</b>  | Standalone Market   | 2024–2025 targeted pause on digital-asset licensing due to AML, fraud, and weak capitalization risks. | Higher capital buffers; enhanced screening; tighter monitoring.                            | <ul style="list-style-type: none"> <li>• Number of registered intermediaries by segment</li> <li>• Market liquidity levels</li> <li>• Transaction volumes</li> <li>• Dormancy rates</li> </ul>                 |
| <b>Pakistan</b> | Frontier Market     | No formal moratorium.                                                                                 | Raised broker capital requirements; enforcement against dormant firms; regulatory reforms. | <ul style="list-style-type: none"> <li>• Number of licensed brokers and advisers</li> <li>• Active vs dormant firms</li> <li>• Trading volumes</li> <li>• Market concentration levels</li> </ul>               |
| <b>Ghana</b>    | Frontier-equivalent | 2019–2021 moratorium on new Fund Management Licences for regulatory review and sector stabilization.  | Tightened licensing rules; compensation scheme; offshore investment cap (20% AUM).         | <ul style="list-style-type: none"> <li>• Number of licensed fund managers</li> <li>• Assets under management (AUM)</li> <li>• Licence renewals and revocations</li> <li>• Market-share distribution</li> </ul> |



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