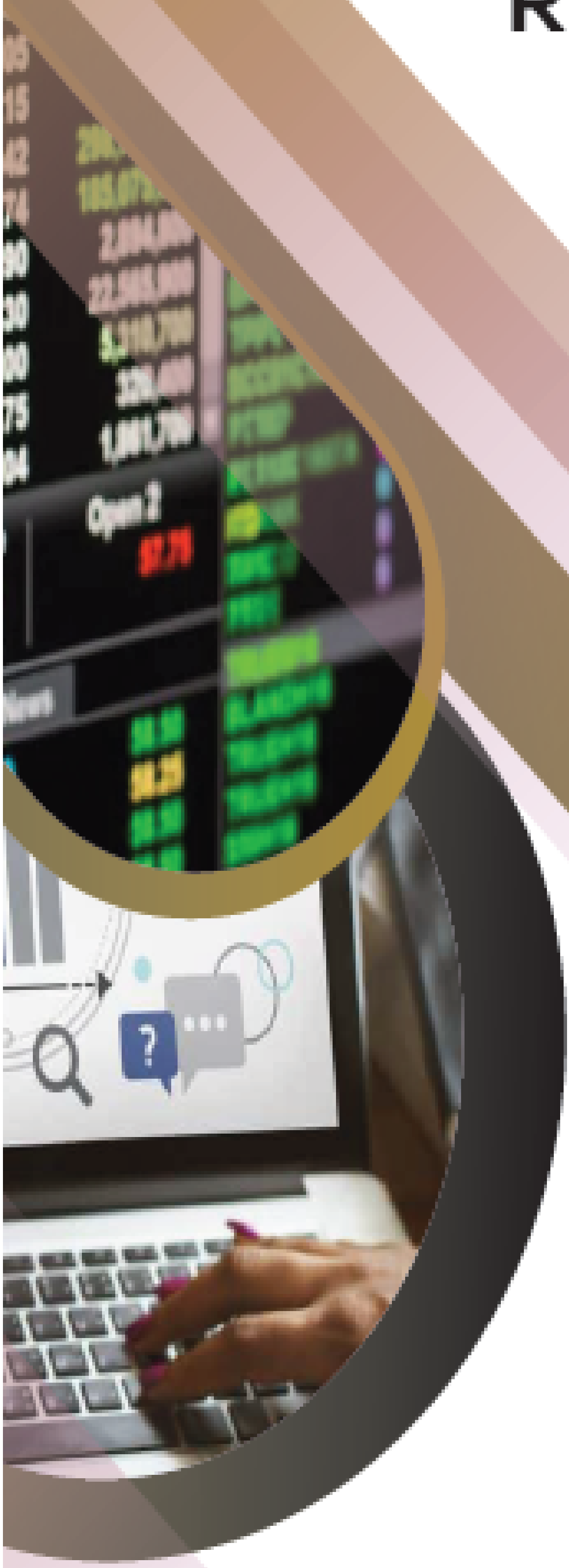
CAPITAL MARKETS
RESEARCH UPDATE
(CMRU)



Markets Update

- Family Bank Lists on NSE
- TRIFIC Green USD I-REIT lists on NSE
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CAPITAL MARKETS AUTHORITY
Promoting the Integrity and Growth of the Capital Markets

Family Bank Lists on NSE in Largest Private Sector Debut in 17 Years

Family Bank officially listed on the Nairobi Securities Exchange (NSE) on 23 June 2026, marking the largest private sector listing in over 17 years. The bank's shares debuted at KShs.18.00 and closed the first trading day at KShs.26.00, a 44.4 per cent gain, raising its market capitalisation to KShs.43.24 billion. The listing enhances the depth and diversity of Kenya's capital market, broadens investment opportunities, and is expected to encourage more private companies to access the public market.[1]

TRIFIC Green USD I-REIT lists on NSE

TRIFIC Green USD I-REIT was listed on the Nairobi Securities Exchange on June 29, 2026, becoming the first African US dollar-denominated green income REIT. The listing was oversubscribed indicating strong investor confidence. The proceeds raised will be used to fund infrastructure for the TRIFIC SEZ aimed at attracting global business services investment. The listing demonstrates financial innovation by enabling local dollar utilization while bridging domestic and international capital to green investment projects.[2]

Inflation Eases to 6.4% in June 2026

The annual consumer price inflation as measured by the Consumer Price Index (CPI) eased to 6.4 per cent in June 2026 from 6.7 per cent in May 2026. The core inflation rate stood at 3.1 per cent, down from 3.2 per cent in May, while non-core inflation slowed to 15.1 per cent from 16.0 per cent.[3]

Kenya Opens Domestic Bond Market to Global Funds

The Central Bank of Kenya and Clearstream have launched a market link that will allow international institutional investors to directly access Kenya's Government securities from 29 June 2026. This will connect Clearstream's global network to Kenya's DhowCSD, enabling seamless investment in Government securities without requiring local account registration. Kenya becomes the second African market, after South Africa, to establish such a link with Clearstream. The initiative is expected to deepen liquidity, broaden the investor base, and enhance Kenya's prospects for inclusion in global bond indices.[4]

Kenya Shilling Appreciates Against Major Currencies

Currency	May-26	Jun-26	% Change
1 USD	129.55	129.50	0.04%
1 Sterling (£)	174.07	171.33	1.57%
1 Euro (€)	150.76	147.51	2.16%
1 SA Rand	7.98	7.86	1.50%
1 USHS	0.03	0.04	33.33%
1 TSHS	0.05	0.05	0.00%
1 Brazilian Real	25.53	24.95	2.27%
1 Russian Rubble	1.82	1.68	7.69%
1 Indian Rupee	1.35	1.36	0.74%
1 Chinese Yuan	19.13	19.06	0.37%

Red-Depreciate; Green- Appreciate; Source: CMA

In June 2026, the Kenyan Shilling strengthened against most major currencies, appreciating against the Sterling Pound, Euro, US Dollar, South African Rand, Brazilian Real, Russian Ruble, and Chinese Yuan. It remained relatively stable against the Tanzania Shilling, while depreciating against the Indian Rupee and Ugandan Shilling.

Capital Markets Records Strong Market Performance in June 2026

Indicators	May-26	Jun-26	%Δ
NSE 20 Share index	3,513.12	3,755.44	6.90%
NSE 25 Share Index	5,659.05	6,208.91	9.72%
NSE 10 Share Index	2,154.68	2,409.62	11.83%
Banking Sector Index	233.48	255.11	9.26%
NASI	205.69	224.15	8.97%
Mkt. Cap (Kshs. Bn)	3,411.28	3,761.74	10.27%
Volume (M)	386.32	6,657.72	1623.37%
Equity Turnover (Kshs. Bn)	15.03	233.55	1454.11%
% Foreign Participation to ET	37.61	3.39	91.00%
Bond Turnover (Kshs Bn)	139.13	245.72	76.61%
NSE Bond Index	1,160.43	1,129.57	2.66%
REITs Mkt. Cap (Kshs. Bn)	12.20	18.14	48.66%
ETFs Mkt. Cap (Kshs. Bn)	2.28	2.08	8.87%
Bond Mkt. Cap (Kshs. bn)	6,009.85	6,112.28	1.70%

Green- Increase, Red-Decrease; Source: CMA

In June 2026, the Kenyan capital market recorded strong performance, with all major equity indices posting gains. The market capitalization rose to KShs.3.76 trillion supported by the listing of Family Bank Limited in June 2026. REITs market capitalization recorded a significant increase following the listing of TRIFIC USD I-REIT.

[1] Family Bank Lists on NSE in Largest Private Sector Debut in 17 Years
[2] TRIFIC Green USD I-REIT lists on NSE
[3] Consumer Price Indices and Inflation Rates for June 2026
[4] Kenya Opens Domestic Bond Market to Global Funds

Capital Markets Outlook

Family Bank Listing Expected to Strengthen Kenya's Equity Market

The successful listing of Family Bank is expected to strengthen Kenya's capital markets by reinforcing investor confidence and demonstrating sustained demand for fundamentally sound companies. The strong first-day share price performance is likely to encourage more private firms to consider public listings as a viable avenue for raising long-term capital. To sustain this momentum, the Authority should continue promoting a conducive post-listing environment through effective market oversight, policies that enhance market liquidity, and strong corporate governance practices to support the long-term success of listed companies. This development is aligned with the Authority's 2023–2028 Strategic Plan, particularly its strategic objectives of growing market capitalization, broadening the issuer and investor base, democratizing wealth, and enhancing market liquidity through increased listings.

TRIFIC Green USD I-REIT is Expected to Advance Sustainable Capital Markets

The listing of the TRIFIC Green USD I-REIT on the Nairobi Securities Exchange is expected to strengthen Kenya's sustainable capital markets by broadening the range of listed green investment products and deepening the REIT market. The listing demonstrates the growing role of capital markets in financing sustainable development and is likely to stimulate further ESG-focused issuances. To sustain this momentum, the Authority should continue strengthening the regulatory and market ecosystem for sustainable finance to encourage additional green listings and enhance market depth.

Global Market Link Expected to Boost Kenya's Domestic Bond Market

The integration of Kenya's domestic bond market with global investment platforms is expected to increase foreign investor participation and deepen the domestic fixed income market. As access to Kenyan government securities expands, the Authority should leverage this momentum to strengthen the secondary bond market by promoting greater trading activity, enhancing market liquidity and price discovery, and advancing market infrastructure that supports efficient secondary market transactions. These efforts will contribute to a deeper, more resilient bond market and align with the Authority's 2023–2028 Strategic Plan objectives of enhancing market liquidity and improving the efficiency and competitiveness of Kenya's capital markets.