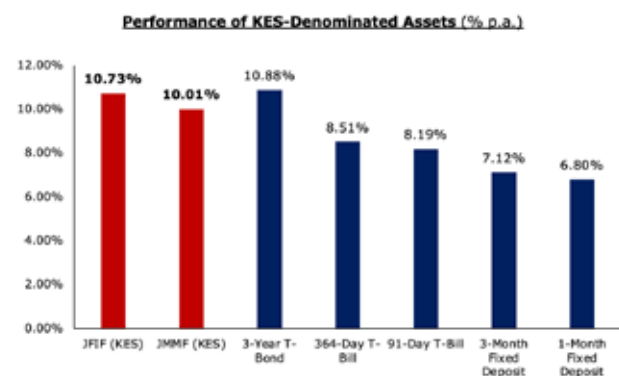
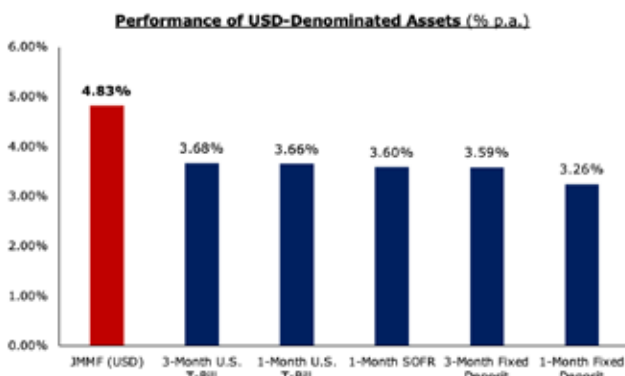


## MARKET COMMENTARY

- Global** – The U.S. annual inflation rate accelerated by 50 basis points (bps) to 3.8% in April 2026 from 3.3% in March 2026; its highest rate since May 2023. Key drivers of the pickup in the inflation rate included (i) energy costs rose by 17.9% in April 2026 from a 12.5% increase in March 2026, driven by supply chain disruptions linked to the closure of the Strait of Hormuz, and (ii) shelter costs rose by 3.3% in April 2026 from a 3.0% increase in March 2026. Core inflation also edged up, albeit at a moderate pace, to 2.8% in April 2026 from 2.6% in March 2026. **Source: U.S. Bureau of Labor Statistics**
- The UK economy was estimated to have expanded by 0.6% q-o-q in Q1 2026, marking the strongest quarterly growth since Q1 2025. Key drivers of the growth included (i) stronger services sector activity, which rose by 0.8% in Q1 2026, led by gains in wholesale and retail trade, (ii) a modest recovery in production output, which grew by 0.2% in Q1 2026, supported by higher manufacturing activity and increased electricity and gas supply, (iii) continued expansion in construction activity, which rose by 0.4% in Q1 2026 as repair and maintenance work surged despite weaker new construction activity, and (iv) stronger domestic demand, reflected in higher gross capital formation, household consumption and government spending. **Source: UK Office for National Statistics**
- Regional** – The Bank of Uganda left its benchmark interest rate unchanged at 9.75% on 14th May 2026, for the seventh consecutive meeting, as policymakers maintained a cautious stance amid rising external risks. Key considerations behind the decision included (i) concerns that the Middle East conflict could heighten inflationary pressures and cloud Uganda’s economic outlook depending on the duration and severity of the oil price shock, (ii) the annual inflation rate accelerated to 3.0% in April 2026 from 2.8% in March 2026, although it remained below the medium-term target of 5%, (iii) expectations that inflation could pick up moderately during the second half of 2026 before stabilising around the target by the end of 2026, and (iv) the central bank’s decision to raise the Cash Reserve Requirement (CRR) to 11% from 9.5% to manage liquidity and anchor inflation expectations. Meanwhile, the Bank of Uganda maintained its real GDP growth forecast for FY 2026/27 at a range of 6.5% – 7%, with growth projected to approach 8% in the medium-term due to stronger exports and domestic investment. **Source: Bank of Uganda**
- Local** – In the primary bond market, the Government of Kenya announced the re-opening of two fixed coupon Treasury Bonds (T-bonds) seeking to raise a combined KES 50 billion for budgetary support: FXD3/2019/015, with a 8.3-year tenor to maturity and coupon rate of 12.3400% p.a., and FXD1/2021/020, with a 15.3-year tenor to maturity and coupon rate of 13.4440% p.a. The auction date and settlement date for the T-bonds are scheduled for 20th May 2026 and 25th May 2026, respectively. **Source: Central Bank of Kenya**
- Following the EPRA price review effective 15th May 2026 to 14th June 2026, fuel prices in Kenya hit record highs amid mounting supply shortages and delayed subsidy payments estimated at KES 17 billion, intensifying inflationary pressures across the economy. Pump prices increased sharply, with the price of diesel rising by KES 46.29 to KES 242.92 per litre and the price of petrol increasing by KES 16.63 to KES 214.25 per litre. Relatedly, oil marketers continue to face severe cash-flow constraints due to delayed government subsidy reimbursements, limiting their ability to lift fuel from the Kenya Pipeline Company (KPC) system. This has led to persistent stock-outs across major fuel stations, raising fears of worsening shortages and additional inflationary pressures if subsidy arrears remain unpaid. The Government of Kenya has continued to deploy fuel subsidies to cushion consumers, although the growing fiscal burden and delayed payments are increasingly straining the energy supply chain. **Source: Reuters**

## JUBILEE INVESTMENT FUNDS' PERFORMANCE



Source: U.S. Federal Reserve, U.S. Department of the Treasury, Kenyan Commercial Banks, JAM Research

Source: Central Bank of Kenya, Nairobi Securities Exchange, Kenyan Commercial Banks, JAM Research

- **The Jubilee Money Market Fund (USD)** delivered a weighted average annual yield of 4.83% p.a. during the week, outperforming comparable USD-denominated assets that had an average yield of 3.55% p.a. as of the end of the week.
- **The Jubilee Money Market Fund (KES)** delivered a weighted average annual yield of 10.01% p.a. during the week, outperforming comparable KES-denominated assets that had an average yield of 8.31% p.a. as of the end of the week.
- **The Jubilee Fixed Income Fund (KES)** delivered a weighted average annual yield of 10.73% p.a. during the week, outperforming comparable KES-denominated assets that had an average yield of 8.31% p.a. as of the end of the week.

Average Effective Annual Yield (p.a.)*	YTD	QTD	MTD
Jubilee Money Market Fund (USD)	5.12%	5.07%	4.89%
Jubilee Money Market Fund (KES)	10.36%	10.40%	10.34%
Jubilee Fixed Income Fund (KES)	10.91%	10.87%	10.82%

\* As of 14th May 2026

THE WEEK AHEAD	
<b>May 18, 2026</b>	<ul style="list-style-type: none"> <li>• I&amp;M Group PLC Medium-Term Note (MTN) Programme Allotment &amp; Settlement Date</li> <li>• Treasury Bond Switch Offer (FXD1/2017/10 to FXD1/2021/20) Auction Date</li> <li>• FXD4/2019/010 Treasury Bond Coupon Payment (Coupon Rate: 12.2800% p.a.)</li> <li>• FXD1/2018/015 Treasury Bond Coupon Payment (Coupon Rate: 12.6500% p.a.)</li> </ul>
<b>May 19, 2026</b>	<ul style="list-style-type: none"> <li>• Absa Bank Kenya PLC Final Dividend Payment (KES 1.85 per share)</li> <li>• UK Annual Unemployment Rate Data Release (Current Unemployment Rate: 4.9%)</li> </ul>
<b>May 20, 2026</b>	<ul style="list-style-type: none"> <li>• Treasury Bond Switch Offer (FXD1/2017/10 to FXD1/2021/20) Settlement Date</li> <li>• UK Annual Inflation Rate Data Release (Current Inflation Rate: 3.3%)</li> </ul>
<b>May 21, 2026</b>	<ul style="list-style-type: none"> <li>• Nairobi Securities Exchange PLC Final Dividend Book Closure (KES 1.00 per share)</li> <li>• I&amp;M Group PLC Final Dividend Payment (KES 2.25 per share)</li> <li>• I&amp;M Group PLC Medium-Term Note (MTN) Programme Listing Date</li> <li>• Standard Chartered Bank Kenya Limited Final Dividend Payment (KES 23.00 per share)</li> <li>• KMRC Medium-Term Note (MTN) Programme Tranche 2 Settlement &amp; Issue Date</li> </ul>
<b>May 22, 2026</b>	<ul style="list-style-type: none"> <li>• KCB Group PLC Final Dividend Payment (KES 3.00 per share)</li> <li>• Equity Group Holdings PLC Final Dividend Book Closure (KES 5.75 per share)</li> <li>• Diamond Trust Bank Kenya Limited Final Dividend Book Closure (KES 9.00 per share)</li> </ul>

## KEY MACROECONOMIC AND MARKET PERFORMANCE INDICATORS

### MACROECONOMIC AND FINANCIAL STATISTICS

INDICATOR	CURRENT	PREVIOUS
Real GDP Growth (Y-o-Y)	4.6% (2025)	4.7% (2024)
Central Bank Rate (CBR)	8.75% (April-2026)	8.75% (Feb-2026)
KES Overnight Interbank Average (KESONIA)	8.7474% (15-May-26)	8.7514% (08-May-26)
Headline Inflation (Y-o-Y)	5.6% (April 2026)	4.4% (March-2026)
91-Day T-bill (p.a.)	8.3176% (14-May-26)	8.1895% (07-May-26)
182-Day T-bill (p.a.)	8.2123% (14-May-26)	8.2100% (07-May-26)
364-Day T-bill (p.a.)	8.5631% (14-May-26)	8.5145% (07-May-26)

### MARKET PERFORMANCE (%)

INDICATOR	CLOSING PRICE (15-MAY-26)	W-o-W	2026 YTD	2025
NASI	205.60	-1.9%	10.2%	51.1%
NSE-25	5,684.09	-0.3%	11.5%	49.8%
NSE-20	3,524.70	-0.2%	12.3%	56.1%
NSE-10	2,145.27	-0.1%	9.2%	50.9%
USD/KES	129.33	-0.1%	-0.2%	0.2%
EUR/KES	151.24	0.5%	0.1%	-12.8%
GBP/KES	174.69	0.7%	-0.6%	-7.0%
KES/UGX	28.91	-0.1%	3.3%	-1.2%
KES/TZS	20.06	-0.2%	5.5%	0.2%
KES/RWF	11.31	0.0%	0.2%	5.3%

Note: Positive percentages indicate appreciation of the KES against the paired currency, while negative percentages indicate depreciation of the KES against the paired currency.

Source: Kenya National Bureau of Statistics, Central Bank of Kenya, Nairobi Securities Exchange, JAML Research

#### Disclaimer:

The effective annual yield is net of fees and gross of withholding tax. The indicative rate of return shall not be guaranteed, and past performance does not guarantee future investment performance. In certain circumstances, the right to redeem units may be suspended. The Capital Markets Authority does not take responsibility for the financial soundness of the scheme or for the correctness of any statements made or opinions expressed in this regard. Jubilee Asset Management Limited is licensed as a Fund Manager by the Capital Markets Authority.