

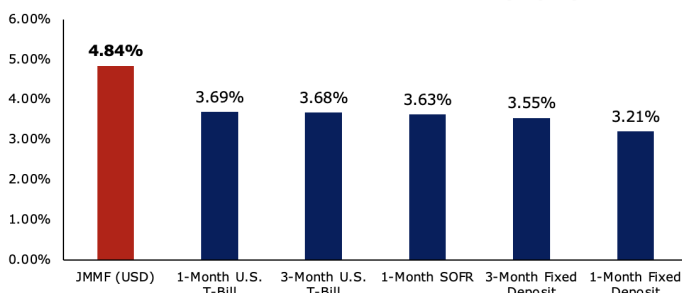
Live Free!

MARKET COMMENTARY

- Global** – The U.S. economy expanded by 1.6% on a quarterly basis in Q1 2026, up from 0.5% in Q4 2025 but below the initial estimate of 2.0%, while underlying inflation remained elevated despite signs of moderation. Key developments include (i) consumer spending rose by 1.4%, driven primarily by services demand, although below the advance estimate, (ii) continued weakness in residential and structures investment, which declined by 6.2% and 5.4%, respectively, (iii) a negative contribution from net exports as imports surged 21.1%, outpacing the 13.1% growth in exports, and (iv) annual core PCE inflation, the U.S. Federal Reserve’s preferred inflation accelerated to 3.3% in April 2026 from 3.2% in March 2026, remaining above the Fed’s 2% target. Meanwhile, government spending rose by 4.4%, supporting overall economic activity following the resumption of operations after the previous quarter’s government-wide shutdown. **Source: U.S. Bureau of Labor Statistics**
- Regional** – The South African Reserve Bank (SARB) raised its key interest rate by 25 basis points (bps) to 7.00% on 28th May 2026. Key considerations behind the decision include (i) increased inflation risks stemming from the Middle East conflict and concerns that overlapping shocks could generate second-round effects on prices, (ii) inflation accelerated to 4.0% in April 2026 from 3.1% in March 2026, reaching the upper bound of the SARB’s target range, (iii) upward revisions to inflation forecasts, with inflation now projected to average 4.4% in 2026 and 3.7% in 2027, and (iv) the need to contain inflation expectations despite a weaker economic outlook, with growth forecasts revised downwards to 1.2% for 2026 and 1.7% for 2027. The Monetary Policy Committee voted 4-2 in favour of the rate increase, while accompanying policy scenarios pointed to the possibility of further monetary tightening if inflationary pressures persist. **Source: South African Reserve Bank**
- Local** – Kenya’s annual inflation accelerated for a second consecutive month to 6.7% in May 2026, from 5.6% in April 2026 and the highest level since January 2024, largely driven by rising fuel costs linked to the Middle East conflict. Key drivers of the increase include (i) a sharp rise in transport costs, which increased by 16.5% following successive fuel price hikes in April 2026 and May 2026, (ii) higher food and non-alcoholic beverage prices, which rose by 9.4%, adding to household cost pressures, (iii) increases in housing, water, electricity, gas and other fuel costs, which rose by 3.4%, and (iv) the broad impact of higher global energy prices, which have pushed inflation closer to the upper limit of the government’s target range of 2.5% – 7.5%. The continued pick-up in inflation has intensified pressure on policymakers ahead of the Central Bank of Kenya’s next monetary policy decision, scheduled for 9th June 2026. **Source: Kenya National Bureau of Statistics**
- In the primary bond market, the Central Bank of Kenya (CBK) re-opened two Treasury Bonds (T-Bonds) seeking to raise a combined KES 40 billion for budgetary support: FXD1/2020/015, a 15-year T-Bond with 8.7 years to maturity and coupon rate of 12.7560% p.a., and FXD1/2018/025, a 25-year T-Bond with 17.3 years to maturity and coupon rate of 13.4000% p.a.. The auction date and settlement date for the offer are scheduled for 3rd June 2026 and 8th June 2026, respectively. **Source: Central Bank of Kenya**

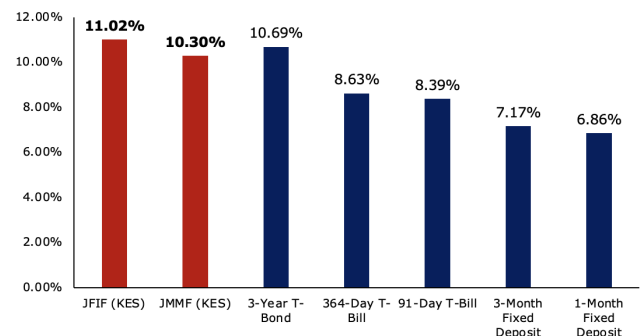
JUBILEE INVESTMENT FUNDS’ PERFORMANCE

Performance of USD-Denominated Assets (% p.a.)



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

Performance of KES-Denominated Assets (% p.a.)



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

- **The Jubilee Money Market Fund (USD)** delivered a weighted average annual yield of **4.84% 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 **10.30% p.a.** during the week, outperforming comparable KES-denominated assets that had an average yield of 8.35% p.a. as of the end of the week.
- **The Jubilee Fixed Income Fund (KES)** delivered a weighted average annual yield of **11.02% p.a.** during the week, outperforming comparable KES-denominated assets that had an average yield of 8.35% p.a. as of the end of the week.

Average Effective Annual Yield* (% p.a.)	YTD	QTD	MTD
Jubilee Money Market Fund (USD)	5.31%	5.01%	4.91%
Jubilee Money Market Fund (KES)	10.33%	10.32%	10.22%
Jubilee Fixed Income Fund (KES)	10.93%	10.90%	10.92%

* As of 28th May 2026

THE WEEK AHEAD

June 2, 2026	<ul style="list-style-type: none"> • IFB1/2022/006 Treasury Bond Coupon Payment (Coupon Rate: 13.2150%) • Euro Area Annual Inflation Rate Data Release (Current Inflation Rate: 3.0%)
June 3, 2026	<ul style="list-style-type: none"> • Treasury Bond Auction Date: FXD1/2020/015 and FXD1/2018/025
June 4, 2026	<ul style="list-style-type: none"> • Stanbic Bank Kenya Purchasing Managers' Index (PMI) (Current Headline PMI: 49.4)
June 5, 2026	<ul style="list-style-type: none"> • Co-operative Bank of Kenya Limited Final Dividend Payment (KES. 1.50 per share) • Olympia Capital Holdings PLC FY 2026 Financial Results Release • U.S. Annual Unemployment Rate Data Release (Current Unemployment Rate: 4.3%)

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% (Apr-2026)	8.75% (Feb-2026)
KES Overnight Interbank Average (KESONIA)	8.7504% (28-May-26)	8.7522% (21-May-26)
Headline Inflation (Y-o-Y)	6.7% (May-2026)	4.4% (Mar-2026)
91-Day T-bill (p.a.)	8.3884% (28-May-26)	8.3865% (21-May-26)
182-Day T-bill (p.a.)	8.2500% (28-May-26)	8.2113% (21-May-26)
364-Day T-bill (p.a.)	8.6266% (28-May-26)	8.5881% (21-May-26)

MARKET PERFORMANCE (%)

INDICATOR	CLOSING PRICE (29-MAY-2026)	W-o-W	2026 YTD	2025
NASI	205.69	-0.3%	10.2%	51.1%
NSE-25	5,659.05	-0.4%	11.0%	49.8%
NSE-20	3,513.12	0.7%	11.9%	56.1%
NSE-10	2,154.68	-0.4%	9.6%	50.9%
USD/KES	129.55	0.2%	-0.4%	0.2%
EUR/KES	150.76	0.0%	0.4%	-12.8%
GBP/KES	174.07	0.1%	-0.2%	-7.0%
KES/UGX	29.17	0.1%	4.0%	-1.2%
KES/TZS	20.18	0.5%	6.1%	0.2%
KES/RWF	11.29	-0.1%	0.0%	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.