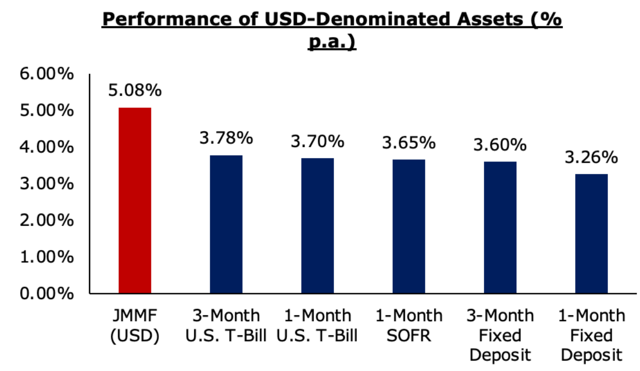
MARKET COMMENTARY

- **Global –** The U.S. Federal Reserve kept its benchmark interest rate unchanged at 3.50%–3.75% during its 29th July 2026 policy meeting, maintaining rates for a fifth consecutive meeting. However, the decision was not fully unanimous, with three FOMC members voting for a 25 bps rate hike, reflecting concern that inflation remains above the Fed's 2.0% target. Markets reacted with some uncertainty, as long-term yields rose, suggesting investors remain concerned about inflation persistence and the Fed's policy credibility. Overall, the decision points to a cautious Fed that is not ready to tighten immediately, but may still consider further rate hikes if inflation remains elevated. ***Source*: *US Federal Reserve.***

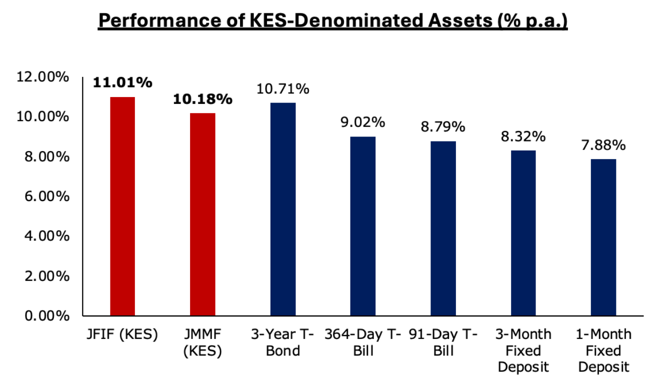
- **Regional –** South Africa's producer inflation eased slightly in June 2026, with the Producer Price Index slowing to 7.5% in June 2026 from 7.8% in May 2026. The moderation was mainly attributed to lower fuel and food prices, offering some relief after recent cost pressures. However, producer inflation remains elevated, meaning businesses are still facing high input costs that could be passed on to consumers if sustained. The release was also positive for local markets, with the rand strengthening against a softer U.S. dollar and South Africa's 2035 government bond yield declining slightly. Overall, the data suggests that pipeline inflation pressures may be starting to ease, although the level of producer inflation remains high. Additionally, South Africa's private sector credit increased 7.80% in June 2026, easing from a 8.57% rise in May. ***Source*: *Statistics South Africa (Stats SA), South Africa Reserve***

- **Local –** In the primary bond market, the Central Bank of Kenya released results for the re-opened FXD1/2019/020 and FXD1/2022/025 Treasury Bonds dated 27th July 2026, which sought to raise KES 40.0 billion for budgetary support. The issue attracted strong investor demand, with total bids amounting to KES 85.9 billion, representing a subscription rate of 214.8%. The Government accepted KES 63.3 billion, with demand heavily skewed toward the longer-dated FXD1/2022/025, which received bids worth KES 62.0 billion and had KES 51.0 billion accepted. The shorter FXD1/2019/020 received bids worth KES 24.0 billion, with KES 12.2 billion accepted. The weighted average accepted yields came in at 13.9234% for FXD1/2019/020 and 14.4432% for FXD1/2022/025, indicating continued investor appetite for long-duration government securities, particularly where coupons and yields remain attractive. ***Source*: *Central Bank of Kenya.***

JUBILEE INVESTMENT FUNDS' PERFORMANCE



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



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 5.08% p.a. during the week, outperforming comparable USD-denominated assets that had an average yield of 3.60% p.a. as of the end of the week.

- **The Jubilee Money Market Fund (KES)** delivered a weighted average annual yield of 10.18% p.a. during the week, outperforming comparable KES-denominated assets that had an average yield of 8.94% p.a. as of the end of the week.

- **The Jubilee Fixed Income Fund (KES)** delivered a weighted average annual yield of 11.01% p.a. during the week, outperforming comparable KES-denominated assets that had an average yield of 8.94% p.a. as of the end of the week.

Average Effective Annual Yield (p.a.)*	YTD	QTD	MTD
Jubilee Money Market Fund (USD)	5.00%	4.95%	4.95%
Jubilee Money Market Fund (KES)	10.27%	10.12%	10.12%
Jubilee Fixed Income Fund (KES)	10.92%	10.96%	10.96%

**As of 30th July 2026*

THE WEEK AHEAD

August 3, 2026	• U.S. ISM Manufacturing PMI Data Release for July 2026 (Current Manufacturing PMI: 53.3% in June 2026; Previous: 54.0% in May 2026)
August 4, 2026	• Safaricom PLC Final Dividend Book Closure Date (Dividend: KES 1.15 per share; Payment Date: 4th September 2026).
August 5, 2026	• Expected Stanbic Bank Kenya PMI Index Data Release for July 2026 (Current PMI: 50.0 in June 2026; Previous: 46.6 in May 2026).
	• U.S. ISM Services PMI Data Release for July 2026 (Current Services PMI: 54.0% in June 2026).
August 7, 2026	• U.S. Employment Data Release for July 2026 (Current Nonfarm Payrolls: +57,000 in June 2026; Current Unemployment Rate: 4.2%).

KEY MACROECONOMIC AND MARKET PERFORMANCE INDICATORS

MACROECONOMIC AND FINANCIAL STATISTICS

INDICATOR	CURRENT	PREVIOUS
Real GDP Growth (Y-o-Y)	**5.3%** (Q1 2026)	**4.9%** (Q1 2025)
Central Bank Rate (CBR)	**8.75%** (June 2026)	**8.75%** (April 2026)
KES Overnight Interbank Average (KESONIA)	**8.7505%** (30-July-26)	**8.7500%** (23-July-26)
Headline Inflation (Y-o-Y)	**6.5%** (June 2026)	**6.4%** (June 2026)
91-Day T-bill (p.a.)	**8.7882%** (30-July-26)	**8.7821%** (23-July-26)
182-Day T-bill (p.a.)	**8.9545%** (30-July-26)	**8.9545%** (23-July-26)
364-Day T-bill (p.a.)	**9.0169%** (30-July-26)	**9.0361%** (23-July-26)

MARKET PERFORMANCE (%)

INDICATOR	CLOSING PRICE (30-JULY-26)	W-o-W	2026 YTD	2025
NASI	237.86	1.9%	27.5%	51.1%
NSE-25	6,571.20	1.5%	28.9%	49.8%
NSE-20	4093.51	2.4%	30.4%	56.1%
NSE-10	2,548.58	1.6%	29.7%	50.9%
USD/KES	129.40	0.1%	-0.3%	0.2%
EUR/KES	148.91	-1.0%	1.7%	-12.8%
GBP/KES	174.01	-0.8%	-0.2%	-7.0%
KES/UGX	28.97	-0.6%	3.3%	-1.2%
KES/TZS	20.39	0.0%	7.2%	0.2%
KES/RWF	11.34	0.1%	0.4%	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.