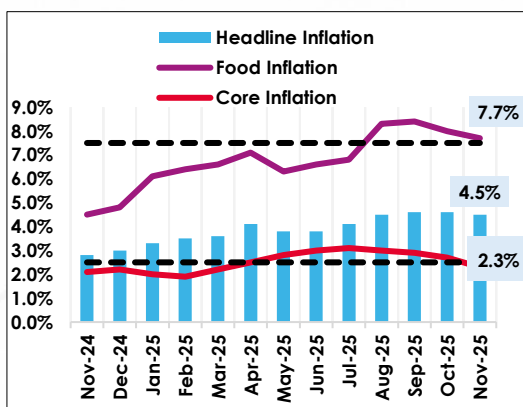


# ECONOMICS AND RESEARCH INFLATION REACTION

November 2025

## November Inflation Prints Within Expectations.

- November headline inflation recorded a slight reduction of 11-basis points from 4.56% in October to 4.45%. Overall consumer price Index had an uptick of 0.16% month-on-month to 147.08 in November.
- This year-on-year drop is attributed to a slower increase in food and beverage prices by 30-basis points to 7.7% from 8.0% previously. Month-on-month, insignificant price declines were noted on fortified maize flour (-3.8%), tomatoes (-2.1%), sugar (-1.1%) and electricity 50kwh and 200kwh (-1.7% and -1.5%, respectively).
- Concerningly, kales, onions and oranges recorded price increments of 2.7%, 4.9% and 2.9%, respectively during the month. Moreover, transport costs increased over the month, with country bus fares up by 9.1% despite stagnation in the petrol and diesel prices.
- Disquietingly, core inflation currently at 2.3% declined for the 4th month consecutively indicating possible weakness in economic activity so far.
- Into the near-term, we expect pressure on vegetable prices due to the short-rains season's delayed onset as well as a record of below average rainfall across most parts of the country in Kenya and Uganda.
- Positively on the international front, Brent oil price is forecast at about \$60 per barrel in the near term which will help stabilize commodity prices.
- All said, we expect inflation to remain around the mid-point of the target by the close of the year.



Source: KNBS, CBK, NCBA Research

