

Embargoed until 1030 EAT (0730 UTC) 6 May 2026

## Stanbic Bank Kenya PMI<sup>®</sup>

### Business conditions continue to soften as price pressures soar

#### Key findings

Output and new orders contract for second month running

Input prices rise at fastest pace since December 2023

Stock building returns amid supply concerns

Businesses in Kenya suffered a further decline in operating conditions in April, as increasing fuel prices lifted average cost burdens and dampened customer demand. Business activity subsequently contracted, although input inventories began to rise amid efforts by some firms to build safety stocks. Confidence also softened, although survey respondents remained broadly positive about the outlook.

The headline figure derived from the survey is the Purchasing Managers' Index™ (PMI<sup>®</sup>). Readings above 50.0 signal an improvement in business conditions on the previous month, while readings below 50.0 show a deterioration.

The headline PMI stood at 49.4 in April, up from 47.7 in March, but remained below the 50.0 neutral threshold for the second month running. While declines in output and new business kept the index in contraction territory, the respective rates of decrease softened from March, whilst there was a renewed uplift in stocks of purchases.

Lower levels of new business were often associated with a tapering of customer spending due to rising prices, which was mostly driven by increased fuel costs linked to the conflict in the Middle East. That said, the overall rate of decline in sales eased markedly from March and was only marginal, as some companies reportedly benefitted from greater client interest, product innovations and marketing initiatives.

In response, firms in Kenya reduced their output to a lesser extent compared to the previous month. Higher costs and broader economic instabilities constrained activity, but the softer fall in new orders alleviated some of these pressures.

Meanwhile, April survey data signalled a rapid intensification of input cost pressures across the Kenyan private sector. The overall rate of cost inflation soared to its highest level since December 2023, with around 18% of survey respondents reporting a month-on-month rise in expenses. This was chiefly attributed to increasing fuel prices, while some firms also commented on higher delivery charges and material shortages.

Stanbic Bank Kenya PMI

sa, >50 = improvement since previous month



Sources: Stanbic Bank, S&P Global PMI.  
Data were collected 9-28 April 2026.

#### Comment

Christopher Legilisho, Economist at Standard Bank commented:

*"The Stanbic Kenya PMI signalled a contraction in operating conditions for a second month in April due to firms' apprehension about the Middle East war's impact on domestic activity. Concerns about rising costs, tied to higher transport costs, and the ability to secure supplies, especially from the Middle East and Asia, weighed on output and new orders in sectors such as wholesale and retail trade, agriculture, and services. Further, confidence about future business expectations was down m/m, although some firms remain optimistic about their expansion plans and the increased diversification of products and services.*

*"Employment conditions remained robust in April, with firms mostly hiring temporary workers. Inventory levels recovered notably as firms stocked up ahead of inevitable price increases. Quantities purchased recovered following a dip in March and supplier delivery times improved albeit at a moderate pace in April due to new and ongoing customer projects. However, there are still concerns about subdued demand.*

*"As expected, prices rose sharply; input and output prices increased due to higher fuel prices and shipping charges because of the conflict in the Middle East. However, wage costs rose only marginally."*

**PMI<sup>®</sup>**

by **S&P Global**

Elevated costs were typically passed on to clients through increased output charges, with the overall pace of inflation also climbing to its highest since late-2023. The markup contrasted with a relatively subdued increase in March as attempts to absorb the impact of the conflict on margins waned.

Purchasing activity continued to increase in April, but the latest expansion was modest and the softest in the current seven-month run of growth. Nevertheless, after falling in March, inventory levels rose to the greatest extent in 2026 so far. Anecdotal evidence indicated that some companies feared an increase in shortages and further price rises, resulting in greater efforts to build input reserves.

After a sharp drop in March, Kenyan firms signalled a more stable level of backlogs in April. Staff numbers meanwhile increased for the fifteenth consecutive month, with survey members often citing casual hires to support ongoing projects and business expansion efforts.

Finally, business confidence slipped for the third month in a row, but remained positive overall, with approximately 18% of panellists forecasting an expansion in output over the next 12 months. Firms looked to development plans, diversification efforts and marketing spending as drivers of optimism.

## Contact

Christopher Legilisho  
 Economist  
 Standard Bank  
[LegilishoC@stanbic.com](mailto:LegilishoC@stanbic.com)

David Owen  
 Senior Economist  
 S&P Global Market Intelligence  
 T: +44 1491 461 002  
[david.owen@spglobal.com](mailto:david.owen@spglobal.com)

Kriti Khurana  
 Corporate Communications  
 S&P Global Market Intelligence  
 T: +91-971-101-7186  
[kritikhurana@spglobal.com](mailto:kritikhurana@spglobal.com)  
[press.mi@spglobal.com](mailto:press.mi@spglobal.com)

If you prefer not to receive news releases from S&P Global, please email [press.mi@spglobal.com](mailto:press.mi@spglobal.com). To read our privacy policy, click [here](#).

### Survey methodology

The Stanbic Bank Kenya PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 400 private sector companies. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. The sectors covered by the survey include agriculture, mining, manufacturing, construction, wholesale, retail and services. Data were first collected January 2014.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact [economics@spglobal.com](mailto:economics@spglobal.com).

### About PMI

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. [www.spglobal.com/marketintelligence/en/mi/products/pmi](http://www.spglobal.com/marketintelligence/en/mi/products/pmi)

### About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today. [www.spglobal.com](http://www.spglobal.com)

### Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index™ and PMI® are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.