Central Bank of Kenya

APRIL-JUNE 2018
CREDIT SURVEY

CENTRAL BANK OF KENYA (CBK) COMMERCIAL BANKS' CREDIT OFFICER SURVEY APRIL-JUNE 2018

1.0 BACKGROUND

1.1 COMMERCIAL BANKS' CREDIT OFFICER SURVEY

Credit risk is the single largest factor affecting the soundness of financial institutions and the financial system as a whole. This is because lending is the principal business for banks. The ratio of total loans to total assets for the quarter ended June 30, 2018 was 58.42 percent compared to 59.58 percent reported in the quarter ended March 31, 2018.

The Central Bank of Kenya (CBK) undertakes a quarterly Credit Officer Survey to identify the potential drivers of credit risk. The Credit Officer Survey requires senior credit officers of banks to indicate their banks perception or actual position in the immediate past quarter and the subsequent quarter in terms of demand for credit, credit standards, interest rates, asset quality and credit recovery efforts, impact of emerging developments on Commercial banks' financial position and performance.

1.2 SURVEY METHODOLOGY

Senior Credit Officers[1] responsible for credit in all operating commercial banks complete the Credit Survey questionnaire. For the quarter ended June 2018, 40 operating commercial banks and 1 mortgage finance company participated in the Commercial Banks Credit Officer Survey.

The survey sought to establish the lending behavior in the banking sector in respect to all the eleven economic sectors. Questions were posed on demand for credit, standards for approving loans, interest rates, non-performing loans, the effect of capping of interest rates[2] and their effect on lending to Small and Medium sized Enterprises (SMEs), credit recovery efforts, implementation of International Financial Reporting Standard (IFRS) 9 on Financial Instruments. The survey questions are generally phrased in terms of changes over the past three months or expected changes over the next three months.

1.3 KENYAN BANKING SECTOR PERFORMANCE

The Kenyan Banking Sector recorded growth in the quarter ended June 30, 2018, compared to the quarter ended March 31, 2018. Some of the sector's performance indicators are as follows: -

- The aggregate balance sheet increased by 4.66 percent from Ksh.4.08 trillion in March 2018 to Ksh.4.27 trillion in June 2018. This increase was attributed to increased placements and investment in government securities during the period.
- Gross loans increased by 2.49 percent from Ksh.2,432.16 billion in March 2018 to Ksh.2,492.69 billion in June 2018. The increase in gross loans was mainly due to an increased demand for loans in the Trade, Personal/ Household, Manufacturing, Financial Services, Real Estate, Tourism and Agriculture sectors.
- Total deposits increased by 6.69 percent from Ksh.2.99 trillion in March 2018 to Ksh.3.19 trillion in June 2018. This was attributed to an increase in foreign currency deposits.
- The ratio of gross non-performing loans to gross loans increased from 11.81 percent in March 2018 to 11.97 percent in June 2018. This was attributed to a slowdown in business activities.
- The ratio of core capital to total risk-weighted assets increased from 16.47 percent in March 2018 to 16.55 percent as at June 2018. The total capital to total risk-weighted assets ratio decreased from 18.73 percent in March 2018 to 17.97 percent in June 2018.

[1] *These are officers involved in most of the credit decisions hence are able to provide reasonably accurate and complete responses from their banks perspective.*

[2] *The capping of interest rates came into effect on September 14, 2016.*

- Core capital and total capital decreased from Ksh.547.88 billion and Ksh.623.02 billion respectively in March 2018 to Ksh.544.87 billion and Ksh.591.81 billion respectively in June 2018. The core and total capital adequacy ratios remained above the statutory minimums of 10.5 percent and 14.5 percent respectively.

- Return on Assets decreased to 2.75 percent in June 2018 from 2.85 percent in March 2018. This was attributed to the slowdown in business activities, which had a negative impact on profitability. Profit before tax increased to Ksh.38.48 billion in the quarter ended June 2018 from Ksh.37.70 billion in the quarter ended March 2018.

- Return on Equity decreased to 23.73 percent in June 2018 from 23.95 percent in March 2018. There was a decline in the profitability compared to the increase in shareholders' funds.

- The average liquidity ratio increased to 47.98 percent in June 2018 from 45.82 percent in March 2018. The increase in total liquid assets was higher than the increase in total short-term liabilities.

1.4 SUMMARY OF CREDIT OFFICER SURVEY FINDINGS

- **Demand for credit:** In the second quarter of 2018, the perceived demand for credit remained unchanged in ten sectors. However, demand for credit increased in the Trade sector with respondents attributing this to an increased demand for consumer goods and services.

- **Credit Standards**[3] remained unchanged for ten economic sectors in the second quarter of 2018. Credit Standards in Real Estate sector were tightened which can be attributed to the increasing level of non-performing loans in the sector.

[3]*Credit standards are guidelines used by commercial banks in determining whether to extend a loan to an applicant.*

Competition from other banks and increasing level of non-performing loans have made the commercial banks exercise caution in extending credit facilities to all sectors.

- **Level of Interest Rates:** In the second quarter of 2018, 66 percent of the respondents indicated that their banks held their interest rates constant; whereas 34 percent of the respondents indicated that their banks decreased their interest rates.

  This indicates that a good number of commercial banks currently have their interest rates at or below CBR + 4 percent. It is worth noting that the reduction of the Central Bank Rate (CBR) to 9.5 percent from 10 percent on March 19, 2018 played a key role in the reduction of interest rates.

- **Lending to Small and Medium-sized Enterprises (SMEs):** Majority of the commercial banks indicated that interest rate capping has negatively affected their lending to SMEs. Interest rate capping compelled the banks to increase their risk mitigation measures. This has led to the tightening of credit standards, which reduced credit facilities granted to SMEs.

- **Non-Performing Loans:** During the quarter under review, the level of NPLs remained unchanged in all the eleven economic sectors. This was attributed to the effect of the challenging business environment in the second quarter of 2018.

- **Expected Non-Performing Loans levels during the next quarter:** Generally, the commercial banks expect a drop in the levels of NPLs in the third quarter of 2018 with 49 percent of the respondents indicating so. The expected drop in NPLs is attributed to the enhanced recovery efforts to be implemented by most banks to recover Non-Performing Loans.

- **Credit Recovery Efforts:** The banks expect to intensify their credit recovery efforts in nine of the eleven economic sectors. The sectors whose Credit recovery efforts are expected to remain unchanged are Mining and Quarrying, and Energy and Water sectors.

- The intensified recovery efforts in four sectors (Trade, Personal/Household, Real Estate, and Building and Construction sectors) aim at improving the overall quality of the asset portfolio. This is in line with the banks expectations of a conducive business environment during the third quarter of 2018.

- **International Financial Reporting Standard (IFRS) 9 on Financial Instruments:**
  Majority of the commercial banks have undertaken an assessment of the impact of IFRS 9 on their performance. Implementation of IFRS 9 has made the commercial banks to focus on short term trade facilitation and a mix of short term secured facilities.

2.0 SURVEY FINDINGS

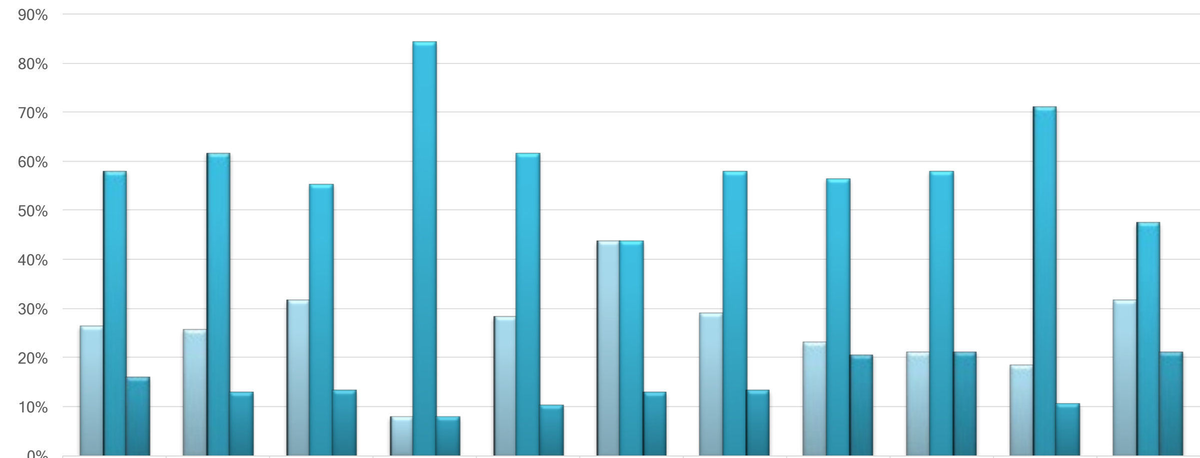
2.1 Demand for Credit

- In the second quarter of 2018, demand for credit remained unchanged in ten economic sectors.

- On the other hand, demand for credit in Trade sector had mixed reactions from the respondents with an equal number of respondents (44 percent) indicating that it increased or remained constant. The increase was attributed to an improved business environment coupled with sustained macroeconomic stability.

- This is almost like the first quarter of 2018 where for all the economic sectors, demand for credit remained unchanged. **Chart 1 and Table 1** below present the trend in the demand for credit in the quarter.

Chart 1: Demand for Credit



	Agriculture	Manufacturing	Building and construction	Mining and Quarrying	Energy and water	Trade	Tourism,restaurant and Hotels	Transport and Communication	Real Estate	Financial Services	Personal/Household
Increased	26%	26%	32%	8%	28%	44%	29%	23%	21%	18%	32%
Remained Unchanged	58%	62%	55%	84%	62%	44%	58%	56%	58%	71%	47%
Decreased	16%	13%	13%	8%	10%	13%	13%	21%	21%	11%	21%

Table 1: Change in Demand for Credit

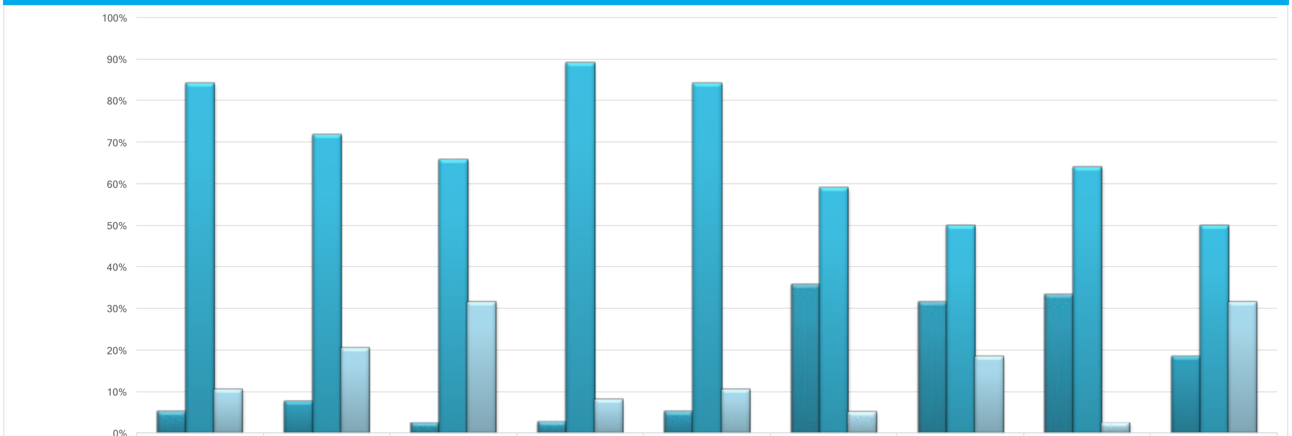
	June 2018			March 2018		
	Increased	Remained Unchanged	Decreased	Increased	Remained Unchanged	Decreased
Agriculture	26%	58%	16%	21%	68%	11%
Manufacturing	26%	62%	13%	34%	61%	5%
Building and Construction	32%	55%	13%	26%	58%	16%
Mining and Quarrying	8%	84%	8%	5%	87%	8%
Energy and Water	28%	62%	10%	26%	64%	10%
Trade	44%	44%	13%	49%	41%	10%
Tourism, Restaurant and Hotels	29%	58%	13%	26%	53%	21%
Transport and Communication	23%	56%	21%	18%	59%	23%
Real Estate	21%	58%	21%	21%	58%	21%
Financial Services	18%	71%	11%	8%	76%	16%
Personal/Household	32%	47%	21%	39%	47%	13%

2.2 Factors Affecting Demand for Credit

- In the quarter ended June 30, 2018, as was in the quarter ended March 2018, all the nine factors affecting demand for credit did not have any impact on demand for credit as indicated in **Chart 2**.

- Issuance of debt securities, issuance of equity and internal financing were cited as having had the least impact on the demand for credit during the quarter under review. This was reported by 89 percent, 84 percent and 84 percent of the respondents respectively. **Chart 2** and **Table 2** present the trend in the factors affecting demand for credit in the quarter under review.

Chart 2: Factors affecting Demand for Credit



	Internal Financing	Loans from other banks	Loans from non banks	Issuance of debt securities	Issuance of equity	Cost of borrowing	Available investment opportunities	Retention of CBR	Political Risk
Increased	5%	8%	3%	3%	5%	36%	32%	33%	18%
Remained Unchanged	84%	72%	66%	89%	84%	59%	50%	64%	50%
Decreased	11%	21%	32%	8%	11%	5%	18%	3%	32%

Table 2: Factors Affecting Demand for Credit

	June 2018			March 2018		
	Increased	Remained Unchanged	Decreased	Increased	Remained Unchanged	Decreased
Internal Financing	5%	84%	11%	3%	82%	16%
Loans from other banks	8%	72%	21%	8%	77%	15%
Loans from non-banks	3%	66%	32%	3%	71%	26%
Issuance of debt securities	3%	89%	8%	3%	87%	11%
Issuance of equity	5%	84%	11%	3%	87%	11%
Cost of borrowing	36%	59%	5%	31%	67%	3%
Available investment opportunities	32%	50%	18%	26%	56%	18%
Retention of CBR	33%	64%	3%	28%	69%	3%
Political Risk	18%	50%	32%	23%	41%	36%

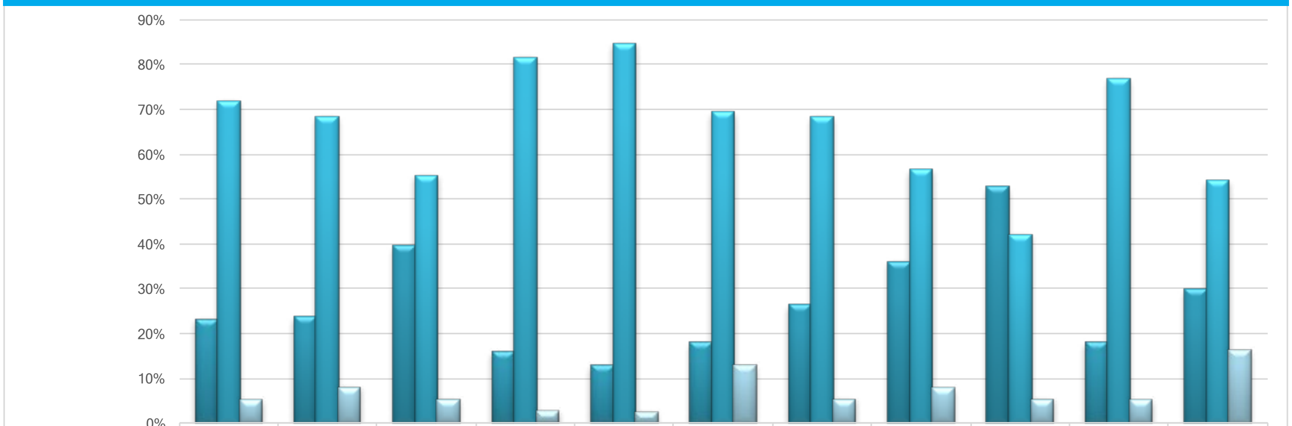
2.3 Credit Standards

- Credit Standards remained unchanged in ten economic sectors in the second quarter of 2018 unlike in the first quarter of 2018 whereby all eleven sectors remained unchanged. 53 percent of the respondents increased their Credit Standards in Real Estate sector since there has been an increasing level of non-performing loans in the sector.

- Competition from other banks and increasing level of non-performing loans have made the commercial banks exercise caution in extending credit facilities.

- These responses are presented in **Chart 3** and **Table 3.**

Chart 3: Credit Standards



	Agriculture	Manufacturing	Building and construction	Mining and Quarrying	Energy and water	Trade	Tourism,restaurant and Hotels	Transport and Communication	Real Estate	Financial Services	Personal/Household
Increased	23%	24%	39%	16%	13%	18%	26%	36%	53%	18%	30%
Remained Unchanged	72%	68%	55%	82%	85%	69%	68%	56%	42%	77%	54%
Decreased	5%	8%	5%	3%	3%	13%	5%	8%	5%	5%	16%

Table 3: Credit Standards for Loans to Various Economic Sectors

	June 2018			March 2018		
	Tightened	Remained Unchanged	Eased	Tightened	Remained Unchanged	Eased
Agriculture	23%	72%	5%	15%	85%	0%
Manufacturing	24%	68%	8%	15%	82%	3%
Building and Construction	39%	55%	5%	45%	55%	0%
Mining and Quarrying	16%	82%	3%	11%	89%	0%
Energy and Water	13%	85%	3%	8%	89%	3%
Trade	18%	69%	13%	23%	74%	3%
Tourism, Restaurant and Hotels	26%	68%	5%	26%	71%	3%
Transport and Communication	36%	56%	8%	33%	64%	3%
Real Estate	53%	42%	5%	42%	58%	0%
Financial Services	18%	77%	5%	23%	77%	0%
Personal/Household	30%	54%	16%	37%	58%	5%

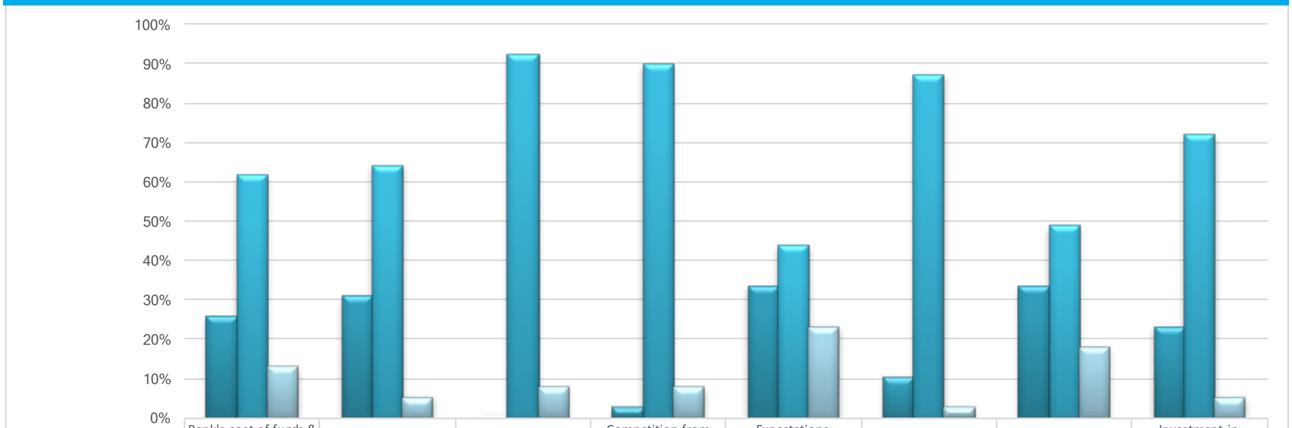
2.4 Factors Affecting Credit Standards

- During the quarter ended June 2018, all nine factors had little or no impact on credit standards unlike in the first quarter whereby only six factors had no impact on credit standards.

- Competition from other banks, Saccos, Micro finance banks and other Credit Providers are the major factors that made the commercial banks exercise caution in extending credit facilities.

- A comparison of the trend in the factors affecting the banks' credit standards are shown in **Chart 4** and **Table 4.**

Chart 4: Factors affecting credit standards



	Bank's cost of funds & Balance sheet constraints	Constraints relating to Bank's capital position	Competition from other banks	Competition from DTMs, Saccos, & other Credit Providers	Expectations regarding general economic activity	Retention of CBR	Political Risk	Investment in Government Securities
Tightened	26%	31%	0%	3%	33%	10%	33%	23%
Remained unchanged	62%	64%	92%	90%	44%	87%	49%	72%
Eased	13%	5%	8%	8%	23%	3%	18%	5%

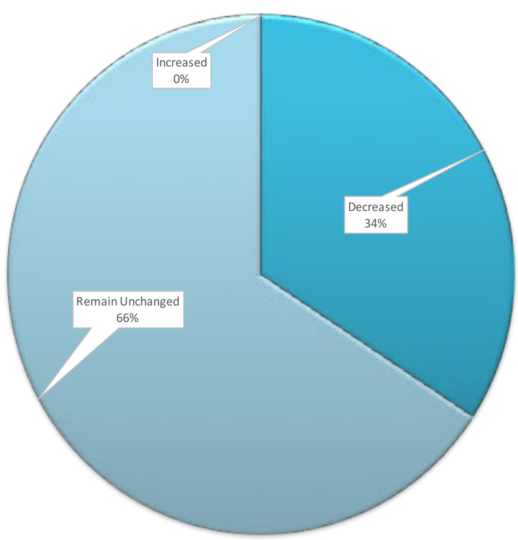
Table 4: Factors affecting credit standards

	June 2018			March 2018		
	Tightened	Remained Unchanged	Eased	Tightened	Remained Unchanged	Eased
Bank's cost of funds & Balance sheet constraints	26%	62%	13%	31%	62%	8%
Constraints relating to Bank's capital position	31%	64%	5%	36%	62%	3%
Competition from other banks	0%	92%	8%	0%	87%	13%
Competition from DTMs, Saccos, and other Credit Providers	3%	90%	8%	3%	90%	8%
Expectations regarding general economic activity	33%	44%	23%	41%	41%	18%
Retention of Central Bank Rate (CBR)	10%	87%	3%	18%	77%	5%
Political Risk	33%	49%	18%	41%	41%	18%
Investment in Government Securities	23%	72%	5%	15%	85%	0%

2.5 Interest Rate Movements

- In the second quarter of 2018, 66 percent of the respondents indicated that their banks held their interest rates constant; whereas 34 percent indicated that their banks decreased their interest rates.
- The number of banks that decreased their interest rates was 20 percent less as compred to the quarter ended March 2018. This is as a result of the reduction in interest rates to 13.5 percent in March 19, 2018.
- This indicates that a good number of commercial banks currently have their interest rates at or below CBR + 4 percent. It is worth noting that the reduction of the Central Bank Rate (CBR) to 9.5 percent from 10 percent on March 19, 2018 played a key role in the reduction of interest rates.
- The interest rate movements in the quarter under review are depicted in **Chart 5**.

Chart 5: Interest Rate Movement



2.6 Capping of Interest Rates

- With the interest rate capping effective September 2016, the credit survey sought to find out the impact it had on demand for credit, lending to SMEs, actual credit granted over the quarter ended June 30, 2018 and the expectations of changes over the next three months.

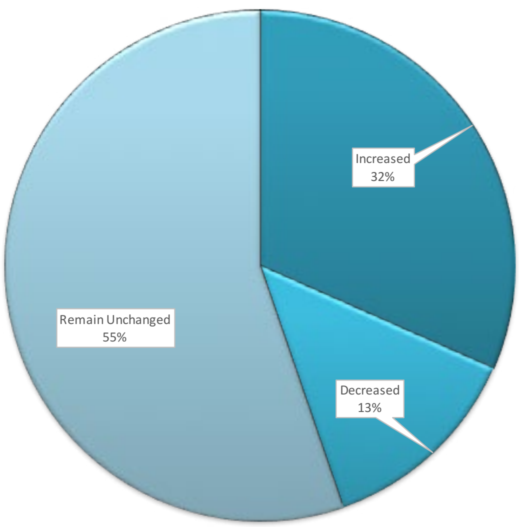
- The survey also sought to find out how NPLs in the third quarter of 2018 will be affected by the interest rate capping.

2.6.1 Effect of Interest Rate Capping on Demand for Credit

- 54 percent of the respondents indicated that the demand for credit remained unchanged while 13 percent noted that demand for credit decreased.

- Interest rate capping led to increased demand for credit according to 33 percent of the respondents who attributed it to cheaper credit. This is depicted in **Chart 6** below. This trend was the similar to what was reported in quarter one of 2018.

Chart 6 - Interest Rate Cap Effect on Demand for Credit over the past quarter

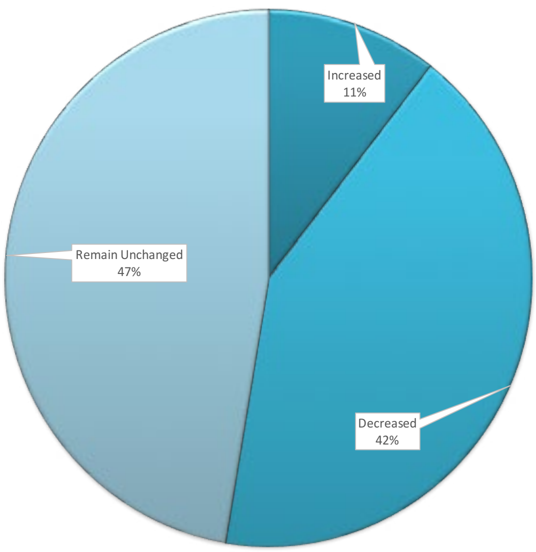


2.6.2 Impact of Interest Rate Capping on Actual Credit Granted

- 47 percent of the respondents were of the view that interest rate capping had little or no effect on the actual credit granted. This is similar to the number of respondents reported in the quarter ended March 2018.

- 42 percent of the respondents indicated that the actual credit granted decreased while 11 percent of the respondents indicated that the actual credit granted increased as depicted in **Chart 7**.

Chart 7 -Interest rate cap effect on actual new credit granted



2.6.3 Effect of Interest Rate Capping on Lending to SMEs in First Quarter of 2018

- 57 percent of the commercial banks indicated that interest rate capping has negatively affected their lending to SMEs. This is less than in the previous quarter whereby 62 percent of the respondents indicated the same. This is indicated in **Chart 8.**

- This negative impact is because interest rate capping has compelled the banks to increase their risk mitigation measures.

- This has led to the tightening of credit standards, which reduced credit facilities granted to SMEs.

2.6.4 Interest Rate Cap Effect on Demand for Credit in Third Quarter of 2018

- With regards to the expected demand for credit in the third quarter of 2018, 67 percent of the respondents anticipate that interest rate capping will have little or no impact on the demand for credit.

- However, 25 percent of the respondents felt that interest capping will lead to an increase in demand for credit.

- 8 percent of the respondents felt that the demand for credit will decrease. The expected movement on demand for credit in the third quarter is shown in **Chart 9.**

Chart 8 Effects of interest rate capping to lending to SMEs

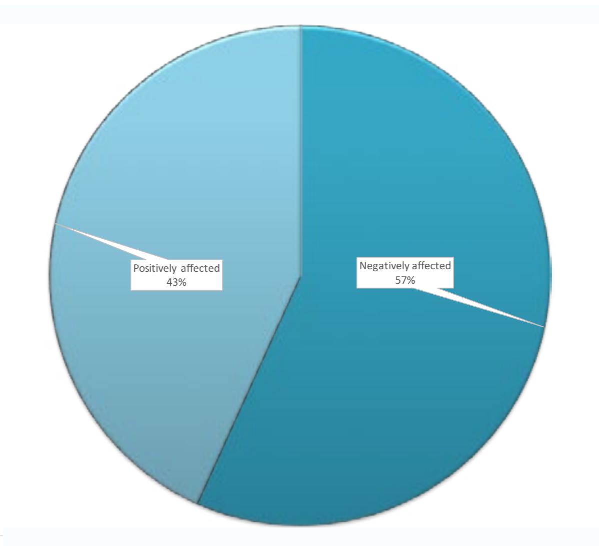
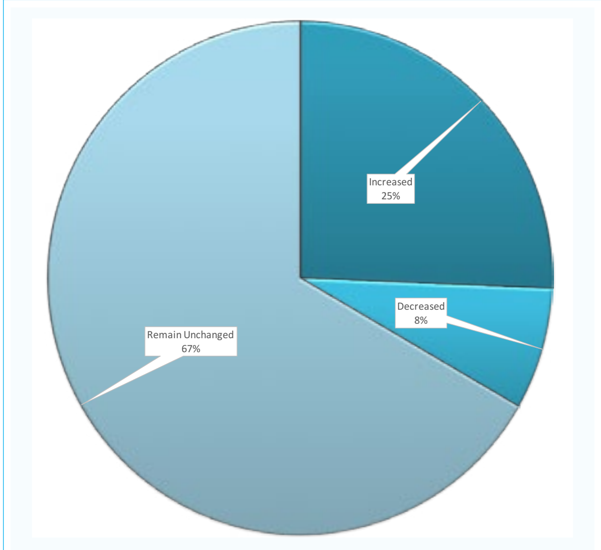


Chart 9- Interest rate cap effect on expected demand for credit in Q2 2018



2.6.5 Effect of Interest Rate Capping on Actual New Credit over the third quarter of 2018

- In the third quarter of 2018, 69 percent of the respondents anticipate that the interest rate capping will have little impact on actual credit advanced. The respondents attributed this to tightened credit standards following the capping of interest rates.

- However, 5 percent of the respondents felt that interest rate capping would lead to an increase in new credit advanced while 26 percent felt that the new credit advanced would decrease. This is as indicated in **Chart 10.**

2.6.6 Expected Effect of Interest Rate Capping on the Level of NPLs

- In the third quarter of 2018, 76 percent of the respondents are of the view that the NPLs would not change since the pricing of the loans has no impact on repayment ability.

- 3 percent of the respondents expect the capping of interest rates to have a positive impact on NPLs. Respondents have attributed this to the current favorable interest rates, which led to cheaper credit.

- 21 percent of the respondents indicated that NPLs would deteriorate as indicated in **Chart 11** below.

Chart 10 - Interest rate cap effect on actual new credit granted in Q2 2018

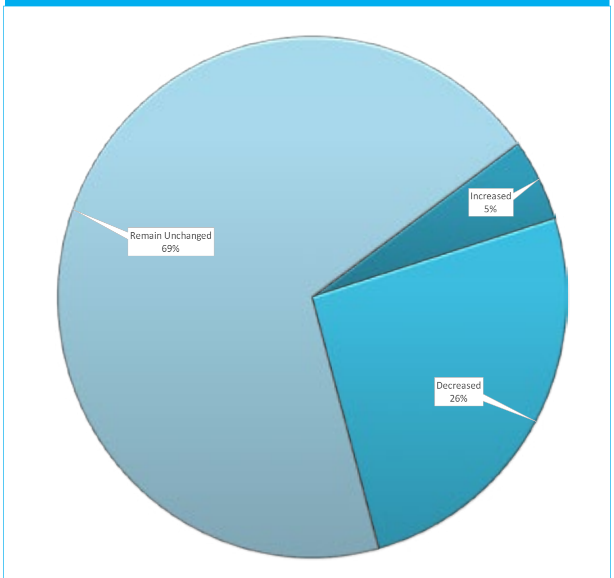
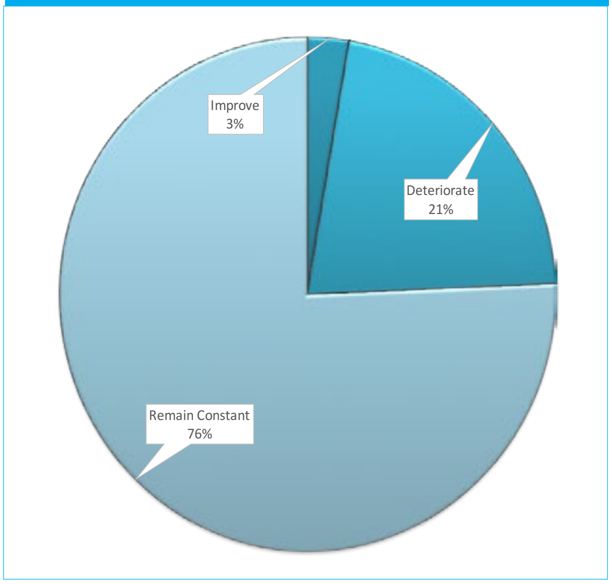


Chart 11 – Effect of interest rate capping on NPLs

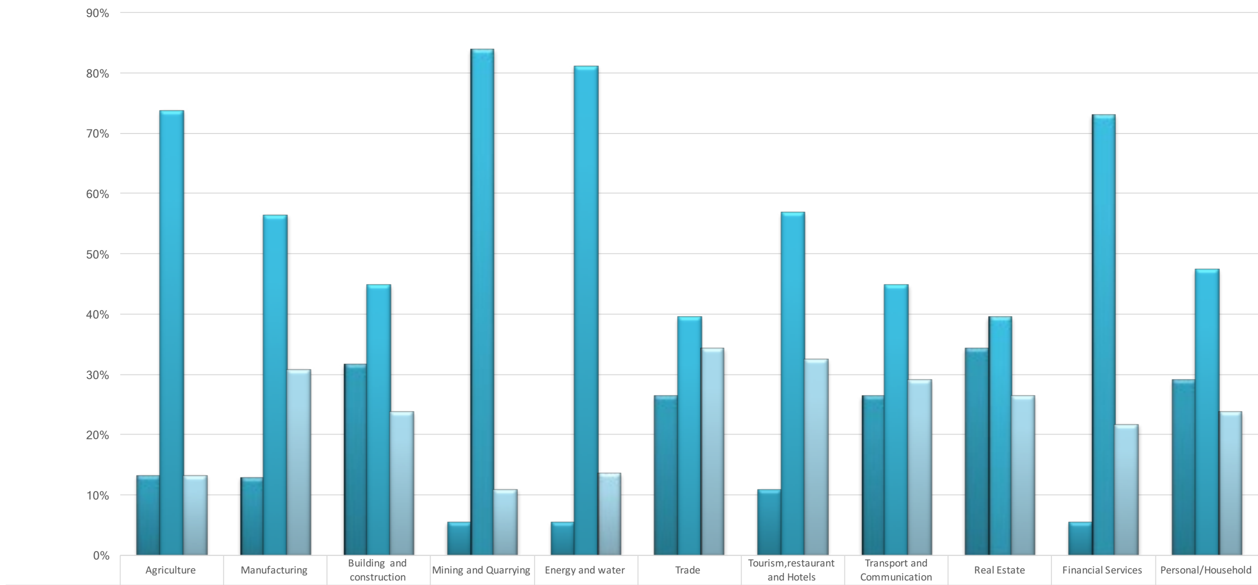


2.7 Non-Performing Loans (NPLs)

2.7.1 Non - Performing Loans during the quarter ended June 30, 2018

- During the quarter under review, the levels of NPLs remained unchanged in all the eleven economic sectors, same as during the previous quarter.
- The Mining and Quarrying, Energy and Water, Agriculture and Financial Services sectors had the most respondents indicating that the NPLs remained unchanged.
- This was attributed to the effect of the challenging business environment in the second quarter of 2018.This is depicted in **Chart 12** and **Table 5**.

Chart 12: Non-Performing Loans



	Agriculture	Manufacturing	Building and construction	Mining and Quarrying	Energy and water	Trade	Tourism,restaurant and Hotels	Transport and Communication	Real Estate	Financial Services	Personal/Household
Rose	13%	13%	32%	5%	5%	26%	11%	26%	34%	5%	29%
Remained unchanged	74%	56%	45%	84%	81%	39%	57%	45%	39%	73%	47%
Fell	13%	31%	24%	11%	14%	34%	32%	29%	26%	22%	24%

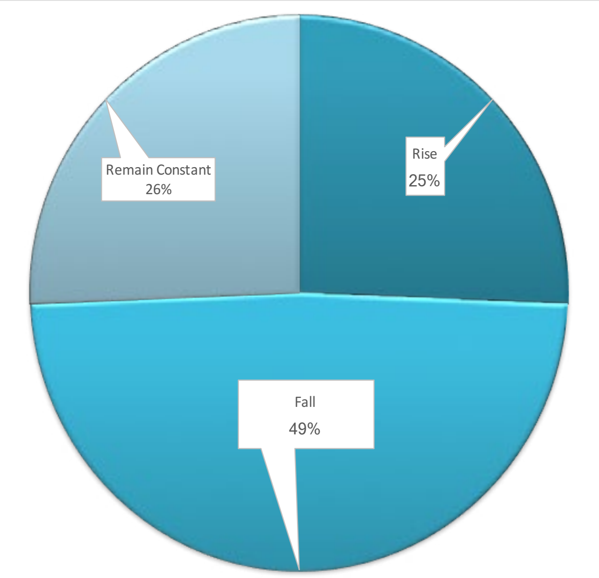
Table 5: Non Performing Loans Trend Per Economic Sector

	June 2018			March 2018		
	Rose	Remained Unchanged	Fell	Rose	Remained Unchanged	Fell
Agriculture	13%	74%	13%	16%	59%	24%
Manufacturing	13%	56%	31%	16%	47%	37%
Building and Construction	32%	45%	24%	32%	50%	18%
Mining and Quarrying	5%	84%	11%	3%	78%	19%
Energy and Water	5%	81%	14%	8%	76%	16%
Trade	26%	39%	34%	37%	39%	24%
Tourism, Restaurant and Hotels	11%	57%	32%	19%	51%	30%
Transport and Communication	26%	45%	29%	34%	42%	24%
Real Estate	34%	39%	26%	32%	45%	24%
Financial Services	5%	73%	22%	11%	66%	24%
Personal/Household	29%	47%	24%	34%	39%	26%

2.7.2 Expected Non Performing Loans Levels during the third quarter of 2018

- 49 percent of the respondents expect the level of NPLs to fall in the third quarter of 2018. This is attributed to improving business environment as well as enhanced recovery efforts being implemented by most banks. The banks' strategy is mainly focused on recovery of Non-Performing Loans. Almost an equal number of respondents expect NPLs to remain constant (26 percent) and to rise (25 percent). This is depicted in **Chart 13.**

Chart 13: Expected movements of NPLs



2.8 Credit Recovery Efforts in the third quarter of 2018

- For the quarter ended September 30, 2018, banks expect to intensify their credit recovery efforts in nine of the eleven economic sectors same as the predictions in the previous quarter. The sectors whose Credit recovery efforts are expected to remain unchanged are Mining and Quarrying, and Energy and Water sectors.

- The intensified recovery efforts in four sectors (Trade, Personal/Household, Real Estate, and Building and Construction sectors) aim at improving the overall quality of the asset portfolio. This is in line with the banks expectations of a conducive business environment during the third quarter of 2018.

- The responses on the expected credit recovery efforts by the banks during the third quarter of 2018 are depicted in **Chart 14** and **Table 6**.

Chart 14: Credit Recovery Efforts

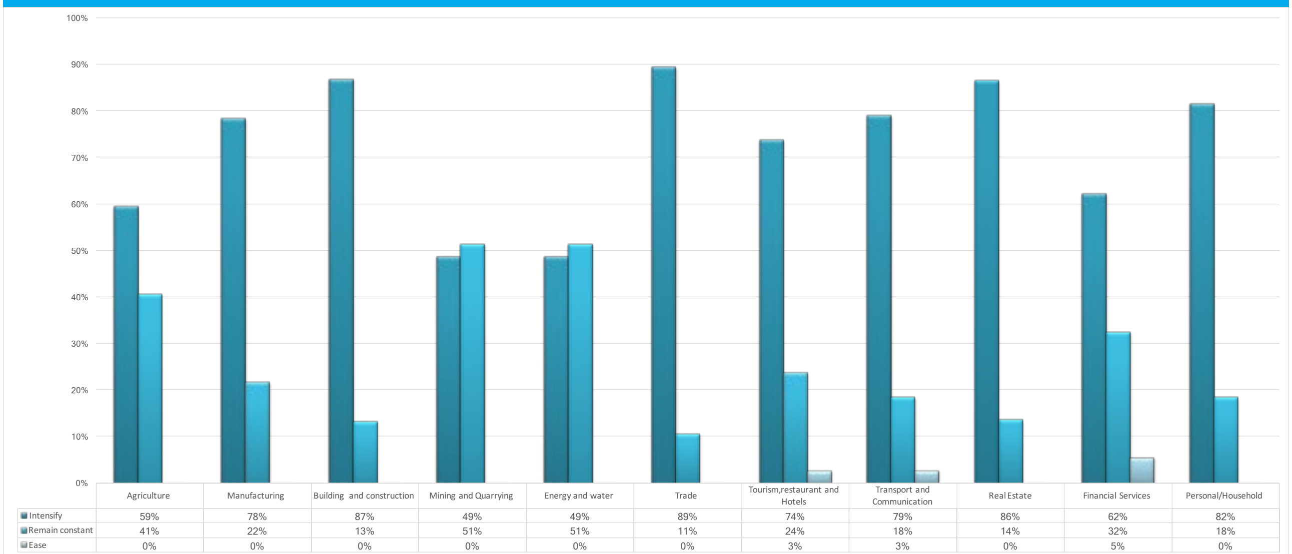


Table 6: Credit Recovery Efforts

	June 2018			March 2018		
	Intensified	Remained Unchanged	Eased	Intensified	Remained Unchanged	Eased
Agriculture	59%	41%	0%	59%	41%	0%
Manufacturing	78%	22%	0%	71%	29%	0%
Building and Construction	87%	13%	0%	71%	29%	0%
Mining and Quarrying	49%	51%	0%	36%	64%	0%
Energy and Water	49%	51%	0%	46%	54%	0%
Trade	89%	11%	0%	82%	18%	0%
Tourism, Restaurant and Hotels	74%	24%	3%	63%	32%	5%
Transport & Communication	79%	18%	3%	76%	22%	3%
Real Estate	86%	14%	0%	76%	24%	0%
Financial Services	62%	32%	5%	54%	44%	3%
Personal/Household	82%	18%	0%	79%	21%	0%

2.9 International Financial Reporting Standard (IFRS) 9 on Financial Instruments

- The International Financial Reporting Standard (IFRS) 9 on Financial Instruments became effective from January 1, 2018. This standard replaced International Accounting Standard (IAS) 39, on Financial Instruments (Recognition and Measurement).

- The main objective of IFRS 9 is to provide users of financial statements with more useful information about an entity's expected credit losses on financial instruments.

- Institutions are required to recognize expected credit losses at all times and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of financial instruments.

- Following implementation of IFRS 9 beginning January 1, 2018, the Central Bank of Kenya sought to assess: -
  i. The commercial banks' preparedness in the implementation of the IFRS 9; and
  ii. the impact it would have on the commercial banks.

2.9.1 Impact of IFRS 9 on Credit Risk

- Respondents indicated that the implementation of IFRS 9 will have a negative impact on the banks' profitability. Lending unsecured facilities will be highly unlikely given that provisioning levels will increase under IFRS 9. This will reduce the banks' credit risk appetite.

- Most of the respondents indicated that implementation of IFRS 9 resulted in banks tightening their credit standards. They will be more inclined to secured lending as opposed to unsecured facilities.

2.9.2 Impact of IFRS 9 on Business Model

- Most of the respondents have indicated that implementation of IFRS 9 will result in banks reviewing their business models, strategic objectives and credit policies in order to realign with the IFRS 9 requirements.

- Further, banks intend to tighten their credit standards and as a result, banks will be skewed towards collateral based lending as opposed to unsecured lending. There will also be high provisioning in the loan book and banks will have a reduced lending appetite.

2.9.3 Challenges experienced in the Implementation of IFRS 9

- The commercial banks have indicated that they experience challenges that may limit the implementation of IFRS 9. Some of the cited challenges include:

  - Capital constraints due to increased provisioning.
  - Review of policies that in essence will affect the business model.
  - Inadequate technical skills and modeling capabilities.
  - Cost implication for the relevant technology and personnel training.
  - Different sources of information and reliability of data.

- As a mitigation measure, banks have indicated that they are currently exploring injection of additional capital, enhancing staff capacity through training as well as reviewing their policies and procedures. This is aimed at ensuring full compliance with IFRS 9.

LIST OF RESPONDENTS

1. African Banking Corporation Ltd.
2. Bank of Africa Kenya Ltd.
3. Bank of Baroda (K) Ltd.
4. Bank of India.
5. Barclays Bank of Kenya Ltd.
6. Chase Bank (K) Ltd (In Receivership).
7. Citibank N.A Kenya.
8. Commercial Bank of Africa Ltd.
9. Consolidated Bank of Kenya Ltd.
10. Credit Bank Ltd.
11. Co-operative Bank of Kenya Ltd.
12. Development Bank of Kenya Ltd.
13. Diamond Trust Bank (K) Ltd.
14. DIB Bank Kenya Ltd.
15. Ecobank Kenya Ltd.
16. Equity Bank Ltd.
17. Family Bank Ltd.
18. Guaranty Trust Bank (Kenya) Ltd.
19. First Community Bank Ltd.
20. Guardian Bank Ltd.
21. Gulf African Bank Ltd.
22. Habib Bank A.G Zurich.
23. I & M Bank Ltd.
24. Jamii Bora Bank Ltd.
25. KCB Bank Kenya Ltd.
26. Middle East Bank (K) Ltd.
27. Mayfair Bank Ltd.
28. National Bank of Kenya Ltd.
29. NIC Bank Ltd.
30. M Oriental Bank Ltd.
31. Paramount Bank Ltd.
32. Prime Bank Ltd.
33. Standard Chartered Bank (K) Ltd.
34. SBM Bank (Kenya) Ltd.
35. Spire Bank Ltd.
36. Sidian Bank Ltd.
37. Stanbic Bank Kenya Ltd.
38. Trans national Bank Ltd.
39. Victoria Commercial Bank Ltd.
40. UBA Kenya Bank Ltd.
41. HFC Ltd.

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