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THE SACCO SOCIETIES REGULATORY AUTHORITY
(SASRA)

THE REGULATED SACCO INDUSTRY QUARTERLY STATISTICAL AND SOUNDNESS REPORT

QUARTER TWO- JUNE 2026

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1.0. KEY FINANCIAL PERFORMANCE INDICATORS

Key Financial Performance Indicators (KPIs) are essential metrics used to evaluate the financial sector's health, efficiency, and profitability. This report focused on the total assets, deposits, gross loans, total income, and capital and other reserves of the Regulated SACCOs, undertaken on a comparative basis and presented on a yearly and quarterly basis to depict performance and growth.

Table 1: Key Financial Performance Indicators

FINANCIAL INDICATOR	REGULATED SACCO SEGMENT	2025				2026		PERCENTAGE CHANGE	
		RETURNS			AUDITED*				
		MARCH	JUNE	SEPT	DEC	MARCH	JUNE	MARCH 2025/26	JUNE 2025/26
Total Assets	DT-SACCOs	947.78	978.80	1,020.72	1,069.34	1,071.48	1,105.60	13.05%	12.95%
	NWDT-SACCOs	131.10	130.21	135.56	141.36	139.92	143.57	6.73%	10.26%
	TOTALS	**1,078.88**	**1,109.01**	**1,156.28**	**1,210.70**	**1,211.40**	**1,249.17**	**12.28%**	**12.64%**
Gross Loans	DT-SACCOs	756.45	779.84	817.92	840.99	844.68	862.94	11.66%	10.66%
	NWDT-SACCOs	100.43	101.78	105.77	107.68	106.26	108.65	5.81%	6.74%
	TOTALS	**856.88**	**881.62**	**923.69**	948.67	**950.93**	**971.59**	**10.98%**	**10.21%**
Total Deposits	DT-SACCOs	683.50	695.29	711.00	726.50	763.52	774.83	11.71%	11.44%
	NWDT-SACCOs	98.80	100.49	103.64	106.24	106.49	110.00	7.79%	9.47%
	TOTALS	**782.30**	**795.78**	**814.64**	832.74	**870.02**	**884.83**	**11.21%**	**11.19%**
Total Income	DT-SACCOs	34.67	72.86	110.18	156.28	42.14	89.05	21.53%	22.23%
	NWDT-SACCOs	4.39	8.12	11.94	16.56	4.11	8.76	-6.47%	7.82%
	TOTALS	**39.07**	**80.98**	**122.12**	**172.83**	**46.25**	**97.81**	**18.38%**	**20.78%**
Reserves	DT-SACCOs	194.04	205.70	218.35	210.60	226.01	239.33	16.48%	16.34%
	NWDT-SACCOs	21.25	20.50	22.16	19.08	21.52	23.58	1.29%	15.04%
	TOTALS	**215.29**	**226.20**	**240.51**	**229.67**	**247.53**	**262.90**	**14.98%**	**16.23%**

Figures in Kshs. Billions

These Computation are based on Periodic Statutory Reports and Returns submitted to the Authority, except where stated. The FSIs may change or vary after the auditing of the Financial Statements, as well as subjecting the FSIs to supervisory adjustments and stressed position.

2.0. FINANCIAL SOUNDNESS INDICATORS (FSIs)

The Authority applies a Risk-Based Supervision approach to the Regulated SACCOs in assessment of their stability and resilience to the challenges affecting the overall financial system. This is undertaken by reviewing the FSIs as guided by the Risk-Based Supervision Manual, as read with other international guidelines including the International Monetary Fund (IMF) and the East Africa Financial Soundness Indicators Compilation manual. The evaluation tool targets all areas that entail significant risks to the SACCOs from a "going concern" perspective using the CAEL rating models focussing on capital adequacy, asset quality, earnings and liquidity ratios.

2.1. Financial Soundness in DT-SACCOs

Table 2: Comparative Quarterly Financial Soundness Indicators for DT-SACCOs (2025-2026)

	PRES. MIN.	2025 RETURNS MARCH	2025 RETURNS JUNE	2025 RETURNS SEPT	2025 AUDITED* DEC	2026 MARCH	2026 JUNE
CAPITAL ADEQUACY							
Core Capital (Billions)	Kshs 10 million	175.78	182.21	189.09	208.87	199.40	208.13
Core Capital/Total Assets	10%	18.55%	18.62%	18.53%	19.53%	18.61%	18.82%
Core Capital/Total Deposits	8%	25.72%	26.21%	26.60%	28.75%	26.12%	26.86%
Institutional Capital/Total Assets	8%	11.68%	12.42%	12.79%	12.44%	11.79%	12.58%
ASSET QUALITY							
Non-Performing Loans (NPLs) to Gross Loans	less than 5%	6.71%	6.99%	7.17%	6.36%	6.42%	6.56%
NPLs net of Provisions to Core Capital		6.55%	7.26%	7.30%	4.51%	5.04%	5.70%
Earning Assets to Total Assets		86.29%	86.04%	86.51%	81.16%	85.74%	85.41%
EARNING RATING							
Return on Assets (ROA)		0.95%	2.16%	3.17%	3.12%	1.53%	2.84%
Interest Margin to Gross Income		54.98%	53.44%	54.26%	42.27%	55.77%	54.83%
Cost Income Ratio		43.93%	43.92%	43.18%	56.09%	41.53%	41.48%
Non-Interest Expenses to Gross Income		41.48%	39.15%	39.65%	40.47%	39.29%	37.84%
Operating Expense to Total Assets Ratio		1.23%	2.48%	3.67%	4.69%	1.71%	3.03%
Profitability (Net Income Before Tax/Total Income		26.69%	29.34%	28.85%	20.29%	29.70%	30.55%
LIQUIDITY RATIO							
Regulatory Liquidity Ratio	>=15%	67.88%	74.84%	69.56%	63.49%	75.95%	81.68%
Technical Liquidity Ratio		16.46%	18.17%	17.39%	17.91%	18.84%	20.40%
External Borrowings/Total Assets	<=25%	2.70%	2.47%	2.63%	2.42%	2.39%	2.17%
Liquid Assets/Total Assets		12.39%	13.61%	12.91%	13.47%	14.00%	15.07%
Gross Loans/Total Deposits		110.67%	112.16%	115.04%	115.75%	110.63%	111.37%

These Computation are based on Periodic Statutory Reports and Returns submitted to the Authority, except where otherwise expressly stated. The FSIs may change or vary after the auditing of the Financial Statements as well as subjecting the FSIs to supervisory adjustments and stressed positions.

2.2. Financial Stability Indicators for NWDT-SACCOs

Table 3: Comparative Quarterly Financial Soundness Indicators for NWDT-SACCOs (2025-2026)

CAPITAL ADEQUACY	PRES. MIN.	2025 MARCH	2025 JUNE	2025 SEPT	AUDITED* 2025 DEC	2026 MARCH	2026 JUNE
CAPITAL ADEQUACY							
Core Capital (Kshs. Billion)	≥5M	15.15	16.42	17.17	18.79	17.46	18.83
Core Capital/Total Assets	≥8%	11.88%	12.61%	12.67%	13.29%	12.48%	13.12%
Core Capital/Total Deposits	≥5%	15.49%	16.34%	16.57%	17.69%	16.39%	17.12%
Retained Earnings and disclosed reserves/Core Capital	≥50%	73.94%	79.45%	84.29%	59.45%	76.39%	80.07%
ASSET QUALITY							
NPL (Substandard + Doubtful + Loss)	<5%	5.84%	7.85%	8.41%	6.44%	8.18%	7.99%
Non-Earning Assets to Total Assets	<10%	12.14%	12.15%	11.78%	8.42%	14.37%	15.26%
Subsidiary and related entity investment to Core Capital Ratio	<50%	48.41%	43.08%	42.94%	15.27%	46.83%	41.29%

Table 3: Comparative Quarterly Financial Soundness Indicators for NWDT-SACCOs (2025-2026)

		2025			AUDITED* 2025	2026	
CAPITAL ADEQUACY	PRES. MIN.	MARCH	JUNE	SEPT	DEC	MARCH	JUNE
CAPITAL ADEQUACY							
Equity investments to Core Capital Ratio	<20%	16.33%	15.33%	16.24%	15.93%	17.95%	16.12%
Other Financial investments to Core Capital Ratio	<30%	77.38%	70.03%	73.28%	91.38%	67.44%	60.49%
EARNING RATING							
Yield on Gross Loans		3.80%	6.52%	9.29%	13.20%	3.25%	6.32%
Total Expense/Total Income		50.12%	50.99%	55.37%	80.46%	53.26%	52.28%
Net Income/Average Assets (ROA)		1.33%	2.46%	3.27%	1.13%	1.04%	2.38%
Operating Expenses/Financial Income (OPEX)		22.92%	22.98%	23.84%	24.90%	26.11%	23.00%
LIQUIDITY							
Liquid Assets/Short-term Liabilities	>10%	16.62%	16.10%	16.82%	18.08%	18.67%	19.87%
External Borrowing/Total Assets	<25%	1.49%	1.48%	1.39%	1.29%	1.26%	1.11%
Liquid Assets/Total Assets		13.82%	13.42%	13.67%	15.18%	15.34%	16.15%
STRUCTURE/SENSITIVITY TO RISK							
Gross loans /Total Assets	70-80	77.59%	78.17%	78.02%	76.17%	75.94%	75.68%
Gross loans/Deposits		101.15%	101.29%	102.05%	101.36%	99.78%	98.77%
Financial Investments/Total Assets		11.13%	10.77%	11.34%	14.26%	10.65%	10.05%
Dividends & Interest on Deposits/Total Income		23.81%	23.80%	26.81%	51.28%	22.86%	24.36%

These Computation are based on Periodic Statutory Reports and Returns submitted to the Authority, except where otherwise stated. The FSIs may change or vary after the auditing of the Financial Statements of the NWDT-SACCOs, as well as subjecting the FSIs to supervisory adjustments and stressed positions.

3.0. SECTORAL LENDING ANALYSIS

Regulated SACCOs are key enablers in the facilitation of credit to their members, who ultimately finance various economic activities in Country. For the purpose of analysis, the activities are aligned with the International Standard Industrial Classification for uniformity and comparativeness with the Kenyan Statistics Industrial Classification (KeSIC) and International Monetary Fund Statistics Division.

3.1. Credit Disbursed to Economic Sectors

Table 4: Comparative Quarterly Amount of Credit Disbursed to Economic Sectors (2025-2026)

ECONOMIC SECTOR	2025 (KSHS BILLIONS)			AUDITED	2026 (KSHS BILLIONS)		PERCENTAGE CHANGE	
	MARCH	JUNE	SEPT	DEC	MARCH	JUNE	MARCH 2025/26	JUNE 2025/26
LAND AND HOUSING	28.59	29.10	32.70	35.31	33.74	32.10	18.01%	10.31%
EDUCATION	19.51	21.99	31.71	26.83	24.81	27.83	27.12%	26.53%
AGRICULTURE	17.54	20.90	21.94	28.46	18.70	25.04	6.63%	19.79%
TRADE	13.56	15.02	16.79	16.63	15.74	19.03	16.11%	26.68%
CONSUMPTION AND SOCIAL SERVICES	8.77	13.23	12.52	11.41	8.82	11.26	0.56%	-14.87%
FINANCE, INVESTMENTS AND INSURANCE	5.62	5.87	7.94	6.62	6.63	7.62	17.97%	29.79%
MANUFACTURING AND SERVICING INDUSTRIES	3.85	5.02	5.01	6.49	4.50	5.59	16.95%	11.38%
HUMAN HEALTH	2.13	2.66	3.24	3.73	2.79	3.62	31.03%	36.15%
TOTALS	**99.57**	**113.79**	**131.84**	**135.48**	**115.73**	**132.09**	**16.23%**	**16.08%**

Figures in Kshs Billion

3.2. Sectoral Lending Distribution to Economic Sub-Sectors

Table 5: Sectoral Lending Distribution to Economic Sub-Sectors (Kshs Billions)

	2025				2026	
ECONOMIC SECTORS	**MARCH**	**JUNE**	**SEPT**	**DEC**	**MARCH**	**JUNE**
AGRICULTURE	**19.37**	**21.29**	**21.94**	**28.46**	**18.70**	**25.04**
Crop Farming	13.06	10.87	9.73	13.44	10.03	11.82
Animal Production	4.44	7.31	9.99	12.81	6.57	10.56
Agricultural supporting services	0.76	1.47	1.09	1.24	0.92	1.27
Agribusiness	0.86	0.95	0.98	0.82	0.84	0.93
Forestry and Logging	0.24	0.69	0.15	0.15	0.34	0.46
TRADE	**11.20**	**15.46**	**16.79**	**16.63**	**15.74**	**19.03**
Wholesale and Retail	6.94	9.95	11.47	11.40	11.39	13.25
Transport	2.98	3.41	3.37	3.08	2.97	3.71
Hospitality	1.15	1.52	1.48	1.52	1.00	1.38
Foreign Trade	0.12	0.59	0.48	0.63	0.38	0.68
MANUFACTURING AND SERVICING INDUSTRIES	**3.38**	**5.10**	**5.01**	**6.49**	**4.50**	**5.59**
Cottage Industry	0.76	1.12	1.17	1.30	0.83	1.21
Servicing Industry	2.33	3.12	3.53	4.22	3.40	4.07
Information, Communication and Technology	0.28	0.85	0.30	0.97	0.27	0.31
EDUCATION	**23.20**	**22.26**	**31.71**	**26.83**	**24.81**	**27.83**
Education and related services	23.20	22.26	31.71	26.83	24.81	27.83
HUMAN HEALTH	**2.45**	**2.70**	**3.24**	**3.73**	**2.79**	**3.62**
Human health and related services	2.45	2.70	3.24	3.73	2.79	3.62
LAND AND HOUSING	**25.41**	**30.08**	**32.70**	**35.31**	**33.74**	**32.10**
Land	13.16	15.93	17.37	19.55	18.45	17.34
Housing	12.25	14.14	15.33	15.75	15.29	14.76
FINANCE, INVESTMENTS AND INSURANCE	**5.64**	**5.94**	**7.94**	**6.62**	**6.63**	**7.62**
Microfinance	0.83	1.08	1.44	1.05	0.84	0.82
Commercial Banks	1.11	1.39	2.36	1.31	1.30	1.61
Mortgage Finance	1.72	1.52	1.44	1.82	2.64	3.14
Insurance	0.09	0.16	0.19	0.22	0.16	0.15
Investments	1.89	1.79	2.51	2.21	1.69	1.91
CONSUMPTION AND SOCIAL SERVICES	8.94	10.98	12.52	11.41	8.82	11.26
Utilities	2.07	3.13	3.95	2.92	2.50	2.67
Consumer Staples	4.00	4.62	5.20	4.63	3.78	5.87
Consumer Durables	2.33	3.00	3.07	3.22	2.15	2.45
Social and communal expenses	0.53	0.23	0.29	0.64	0.38	0.27
TOTAL	**99.57**	**113.79**	**131.84**	**135.48**	**115.73**	**132.09**