

BUSINESS

African banking a story of ‘performance’

Revenues top \$100B, outpace global peers

Isaac Anyaogu
REUTERS

LAGOS – African banking revenues have topped \$100 billion for the first time, with profitability well above the global average, McKinsey said, highlighting the sector’s growing economic importance – and its concentration in a handful of markets.

Banking revenues across the continent reached about \$99 billion in 2024

and are estimated to have increased to \$107 billion in 2025, the consulting firm said in a report on March 30.

Returns on equity stood at 19% in 2024 and are expected to ease to 17% this year, compared with a global banking average of about 10%.

Despite the growth, revenues remain heavily concentrated. Egypt, Kenya, Morocco, Nigeria and South Africa account for around 70% of Africa’s total banking revenues, with South Africa the largest market, generating about \$26.4 billion in customer-driven revenues in 2024.

The strong performance reflects a

four-year period of favorable conditions driven by high interest rates, loan repricing, and gains from foreign-exchange and trading activity, even as banks face currency volatility and uneven macroeconomic conditions.

“African banking has moved decisively from a story of potential to one of performance,” said Mayowa Kuyoro, a partner and head of McKinsey’s financial services practice in Africa.

On a constant-currency basis, banking revenues grew by around 17% a year between 2020 and 2024, far faster than the global average. In U.S. dollar terms, growth was more modest at about 5.2%

annually, reflecting sharp exchange-rate swings across several markets.

Expansion has been underpinned by rising financial inclusion, rapid adoption of digital banking services and demand from a young and increasingly urban population. Africa’s population grew by more than 2% a year between 2020 and 2025, while the working-age population expanded by nearly 3% annually.

Lending remains the largest revenue pool and is projected to grow to about \$52 billion by 2030. Small and medium-sized enterprises are expected to be the fastest-growing customer segment.

KitKat launches candy bar tracker

Company lost batch of car-shaped chocolates

Melina Khan and Mike Snider
USA TODAY

KitKat is not sugar-coating its quest to find thousands of missing chocolates after thieves targeted the candy bar maker.

Days after KitKat announced that thieves in Europe stole an entire truck containing more than 400,000 of its candy bars, the company has launched a “stolen KitKat tracker” to help find the missing treats.

“Someone really stole 12 tonnes of KitKats. And we really want to know where they’ve gone,” KitKat said in a statement posted to X on April 1.

The brand emphasized the stolen bar tracker is not a stunt or April Fool’s joke, despite the timing of the announcement.

Nestlé previously said in a statement to USA TODAY that thieves stole more than 12 tons, or about 414,000 KitKat bars, off a truck leaving an Italian production site during the week of March 23. The Swiss food producer distributes KitKat bars globally, except in the United States where Hershey has the rights.

Nestlé’s stolen KitKat tracker, launched on its website April 1, directs customers to find the 8-digit batch code on the back of their KitKat bar and enter it. It then indicates whether the chocolate is from the stolen batch. If it’s not, users are directed to help widen the search by sharing the tracker.

It’s unclear what happens if a user enters a batch code from the stolen lot. Nestlé previously told USA TODAY that if a stolen shipment is scanned by consumers or retailers, the scanner “will be given clear instructions on how to alert KITKAT who will then share the evidence appropriately.”

Nestlé also previously told USA TODAY that the goods stolen were the company’s new FI car-shaped KitKat bars, not its regular chocolates.

The KitKats were stolen off a truck that had left a production site in central Italy for distribution sites with an eventual destination of Poland, Nestlé previously said in a statement to USA TODAY.

“The vehicle and its contents remain unaccounted for, and investigations are ongoing in close collaboration with local authorities and supply chain partners,” Nestlé said.

The company added that the missing items “could enter unofficial sales channels across European markets.”

News of the chocolate raid went viral after KitKat shared a statement about the heist on X.

It also sparked a slew of other big-name brands to issue their own sweet statements.

“We would like to share our thoughts and condolences with Kit Kat following their recent sad news,” Domino’s Pizza UK wrote on X. “On a completely unrelated note, we’re pleased to announce we’ll now be selling a new Kit Kat pizza.”

“bad time to roll out our Kit Kat pancakes huh,” Denny’s said.

PayPal added: “May we recommend ... PayPal Purchase Protection?”



Danish company Orsted has taken write-offs worth several billion dollars since 2023, mostly due to delays and overruns tied to U.S. offshore wind developments. BRIAN SNYDER/REUTERS FILE

European power firms plot expansion in U.S.

Opportunities in market outweigh past struggles

David French and Laila Kearney
REUTERS

HOUSTON – Several major European power companies are laying out big plans to expand in the United States, as the lure of explosive electricity demand from data centers outweighs a recent history of transatlantic growth setbacks.

The U.S. power market is drawing huge interest from companies both inside and outside the country’s traditional energy industry, as electricity consumption reaches record levels. Industry group Edison Electric Institute said last year that U.S.-regulated utilities alone are forecast to spend \$1.1 trillion between 2025 and 2029 to support rising power demand.

European utilities and energy manufacturers have a checkered history with investing in the United States, in some cases being forced to write off billions of dollars or divest suddenly undesirable assets in the face of changing politics and rising costs. However, they are among those eager to invest in power generation assets, transmission infrastructure and other areas of the aging U.S. electrical grid.

“The moment is absolutely unique, and I think we are ready for that,” Iberdrola Executive Chairman Ignacio Galan told the CERAWEEK conference in Houston last week.

Iberdrola has earmarked the United States as its core growth area, and plans to spend much of its \$67 billion in grid investments through 2028 in the country.

The Spanish energy giant is not alone. Germany’s RWE said in March it was allocating \$19.7 billion of its \$40.6 billion investment through 2031 on building renewables, natural gas generation and battery storage in the

United States, while Siemens Energy is spending \$1 billion to expand its U.S. power plant turbine and grid manufacturing capacity.

Checked history

Despite the U.S. investment zeal, there are many in Europe that have recently suffered setbacks when trying to expand in America.

Danish company Orsted has taken write-offs worth several billion dollars since 2023, mostly due to delays and overruns tied to U.S. offshore wind developments. Others, including France’s EDF and British energy majors BP and Shell, spent years building renewable power projects in the United States but have recently sought to sell some or all of their assets as strategic priorities changed.

Iberdrola, through its U.S. arm Avangrid, spent three years trying to close an agreement to buy utility PNM Resources before calling it off in the face of stiff opposition from local regulators, who said the risks of the deal outweighed the promised benefits to state ratepayers.

The policy preferences of different U.S. administrations have forced European firms to be adaptable.

President Donald Trump has been an adversary of renewable energy, particularly offshore wind, and favors generation using fossil fuels and nuclear. That spurred last week’s announcement by TotalEnergies that it would swap offshore wind leases for funding to develop U.S. oil and natural gas assets.

George Bilicic, vice chairman of investment banking at Lazard, said the size of the current U.S. opportunity dwarfed any concerns that European companies and their shareholders might have about past challenges.

“The U.S. needs investment,” he said. “There is abundant greenfield opportunity, and the power market remains fragmented. If you are wanting to pursue mergers and acquisitions, there are

many opportunities.”

Complementary strategies

European power companies, arguably, are under more pressure than most to implement successful growth strategies. The Iran war is the second massive energy challenge faced by Europe this decade. It follows the Russian invasion of Ukraine in 2022, which prompted a painful shift away from using Russian natural gas.

To the expanding U.S. power market, European companies bring capital at a time of vast spending needs and strong technical knowledge.

Natural gas is considered a key power source for generation linked to data centers, given its consistent output. Many Europeans have considerable experience in this area, including RWE, which runs one of the largest natural gas power fleets in Europe.

While data center growth has been most pronounced in the United States, the artificial intelligence trend is also playing out in Europe and raising power demand on the continent.

Markus Krebber, CEO of RWE, said that while Europe and the United States have differences in energy policy, and fundamentals such as the amount of energy each imports and exports, both geographies are effectively building the same mix of power generation assets.

With the power sector now experiencing such strong growth for the first time in decades, having scale – in particular around supply chains – matters in satisfying this demand. Krebber said pursuing U.S. growth offered important diversification, with his company targeting an even split between spending in the United States and Europe.

“For us, the big move into the U.S. was not an individual decision, but a broader decision to have a balanced investment portfolio,” he said in an interview on the sidelines of the CERAWEEK conference.