

## Key Features

Fund Manager	CIC Asset Management Ltd
Launch Date	Jun - 11
Risk Profile	Moderate
Trustee	Kenya Commercial Bank
Custodian	Co-op Custodial Services
Auditors	PWC
Minimum Investment:	Ksh 5,000
Minimum Additional Investment	Ksh 1,000
Initial Fee	0%
Annual Management Fee	2.00%
Distribution	Semi-annual
Asset Under Management	KES 118.4 Million

## Market Commentary

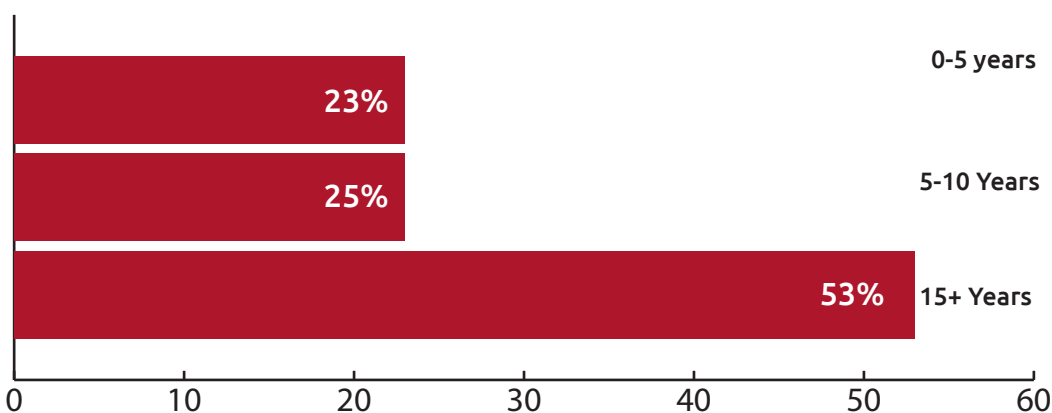
**GDP** - The CBK upwardly revised the 2023 real GDP growth estimate by 10 basis points to 5.6% while in 2024, growth is estimated to touch 5.7%. Kenya's business activity showed its first expansion since August as illustrated by the Stanbic Bank Purchasing Managers' Index (PMI) which jumped to 51.3% in February from 49.8% a month earlier.

**Interest rates** - In February, the Monetary Policy Committee voted to raise the policy rate to 13% from 12.5% citing that further action was needed to ensure that inflationary expectations remain anchored and to reduce pressure on the ex-change rate. The short term papers continue to inch upwards with the 91, 182 and 365 day papers closing at 16.62%, 16.79% and 16.98% respectively. Investors' appetite remains skewed towards shorter term maturities.

**Inflation** - Inflation dropped to 6.3% in February from the 6.9% recorded in the previous month. This was largely attributed to lower prices of essential food items and deceleration in electricity prices. Going forward, we anticipate that inflation shall remain within the CBK target band.

**Outlook** - An improved performance is expected for the fund as new inflows and maturities come in which will be reinvested at higher yields in the current interest rate environment. The fixed income fund will face some negative valuation movements as rates on government securities continue rising but is however anticipated to register gradual increment in gains as we continue taking advantage of the higher rates. The fund provides an opportunity for investors with low liquidity needs to lock in higher returns.

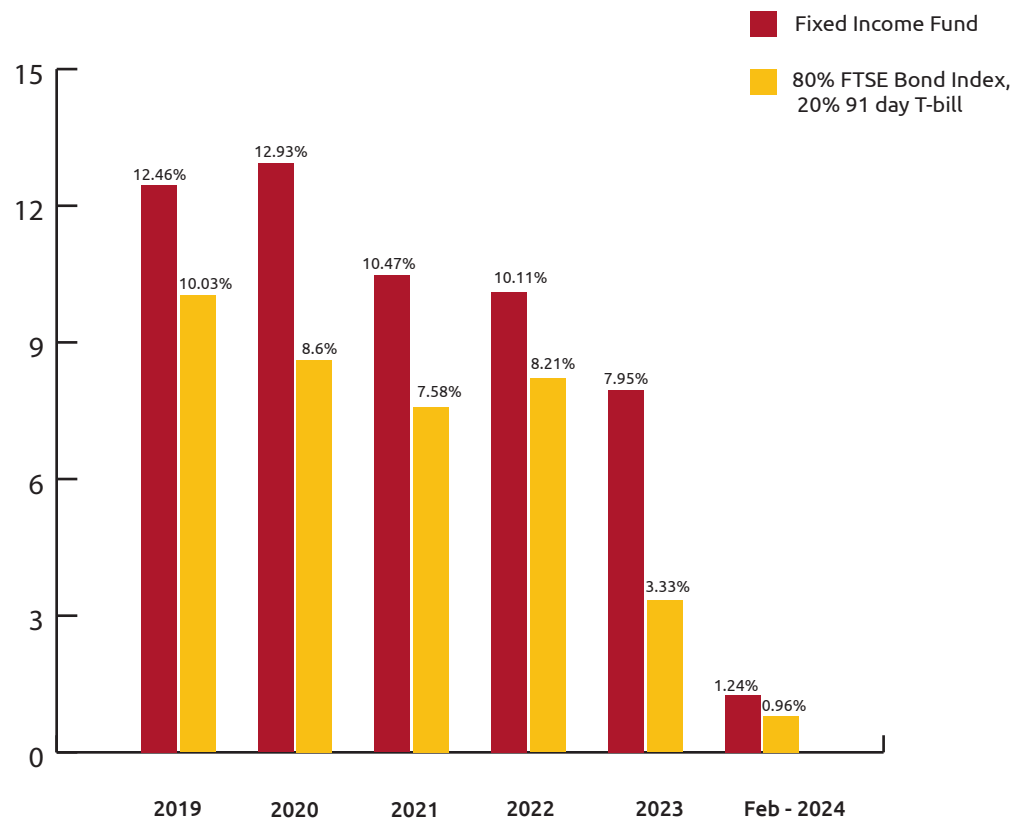
## Maturity Profile



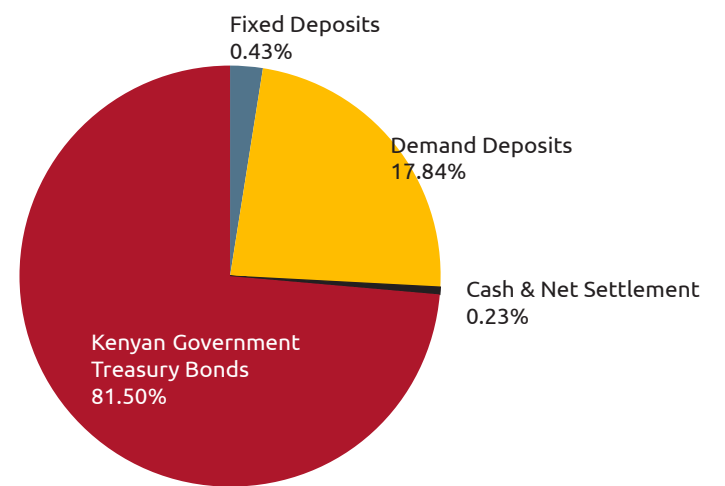
## Fund Objective

- Medium to long-term investments
- Extra returns at moderate risk.
- Reasonable return from a well-diversified portfolio of fixed income securities.

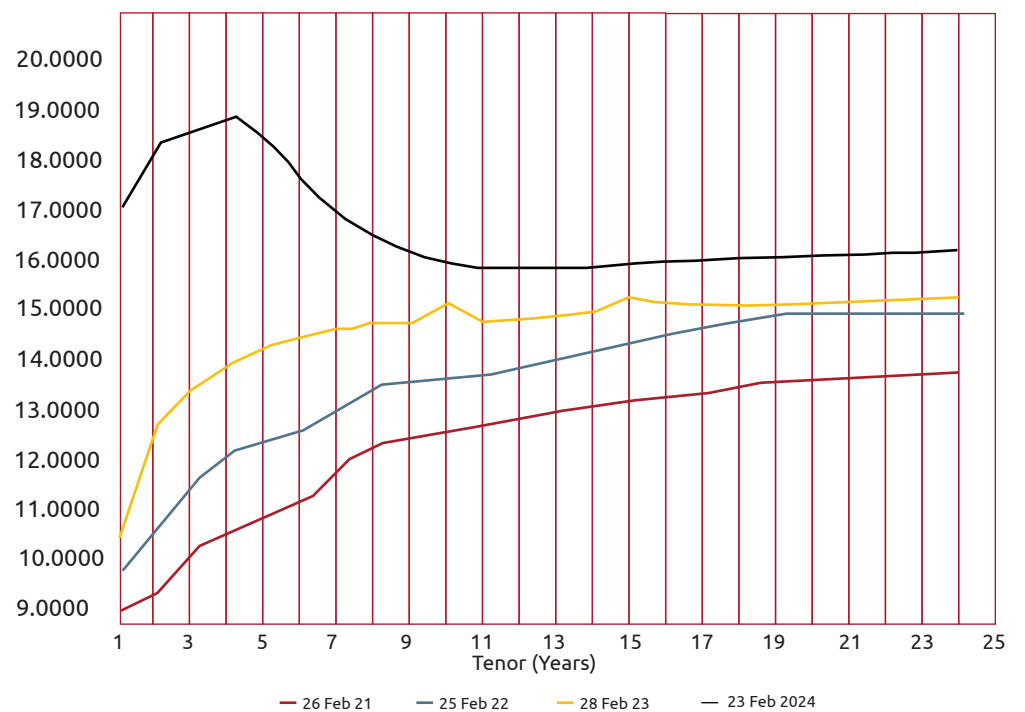
## Fund Performance



## Asset Allocation



## NSE Yield Curve



Statutory Disclaimer: The value of units may go down as well as up and past performance is not necessarily a guide to the future. There are no guarantees on the client's capital as the performance of units in the fund is determined by changes in the value of underlying investments hence value of your unit trust investment.