

Key Features

Fund Manager	CIC Asset Management Ltd
Launch Date	Nov - 20
Risk Profile	Low
Trustee	Kenya Commercial Bank
Custodian	Co-op Custodial Services
Auditors	PWC
Minimum Investment:	USD 1,000
Minimum Additional Investment	USD 100
Initial Fee	Nil
Annual Management Fee	1.5%
Distribution	Monthly
Asset Under Management	USD 21 Million

Market Commentary

GDP: Global growth projections for 2024 are expected to register a mild slowdown compared to 2023. Expectations of disinflation and steady growth could bolster easing of financial conditions. Overarching this, select central banks will likely proceed with a measured pace towards interest rate cuts. This shall largely be tethered to stronger structural reform momentum that is anticipated to enhance productivity. Last year's tailwinds should fade out this year but not completely die out.

Exchange rates: During the quarter, the Kenyan shilling appreciated 18.7% against the dollar. This was largely supported by increased dollar inflows from the multi lateral bodies (IMF & World Bank), Eurobond buyback and issuance, and the oversubscription of the February Infrastructure bond coupled with a momentary panic selling of dollars. However, the shilling is expected to remain under pressure on the back of a sustained current account deficit and increased debt servicing.

Inflation: As inflation rates continue to fall, monetary authorities in both advanced economies and emerging markets will begin to withdraw their restrictive policies from the second half of 2024 in a gradual manner. Core inflation rates are still too high relative to targets. However, favorable global supply developments have been reflecting the fading of relative price shocks notably energy prices and their pass through effects to core inflation.

Interest rates: Decisions of central banks about when and how quickly to start cutting interest rates will be one of the main dynamics for the global economy in 2024. After a major battle against inflation over the last two-and-a-half years, central banks will be very cautious about making a premature declaration of victory and, hence, will only cut rates slowly.

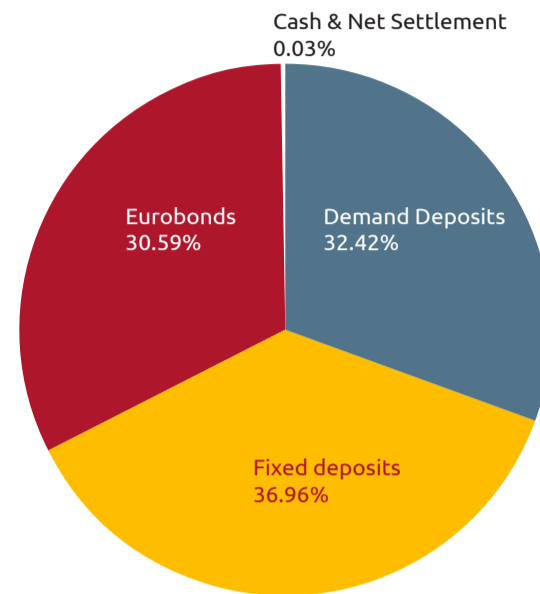
Outlook: USD rates are expected to decrease in 2024, we expect the fund to register strong performance in 2024 on the back of high yielding USD assets in the current environment.

Fund Objective

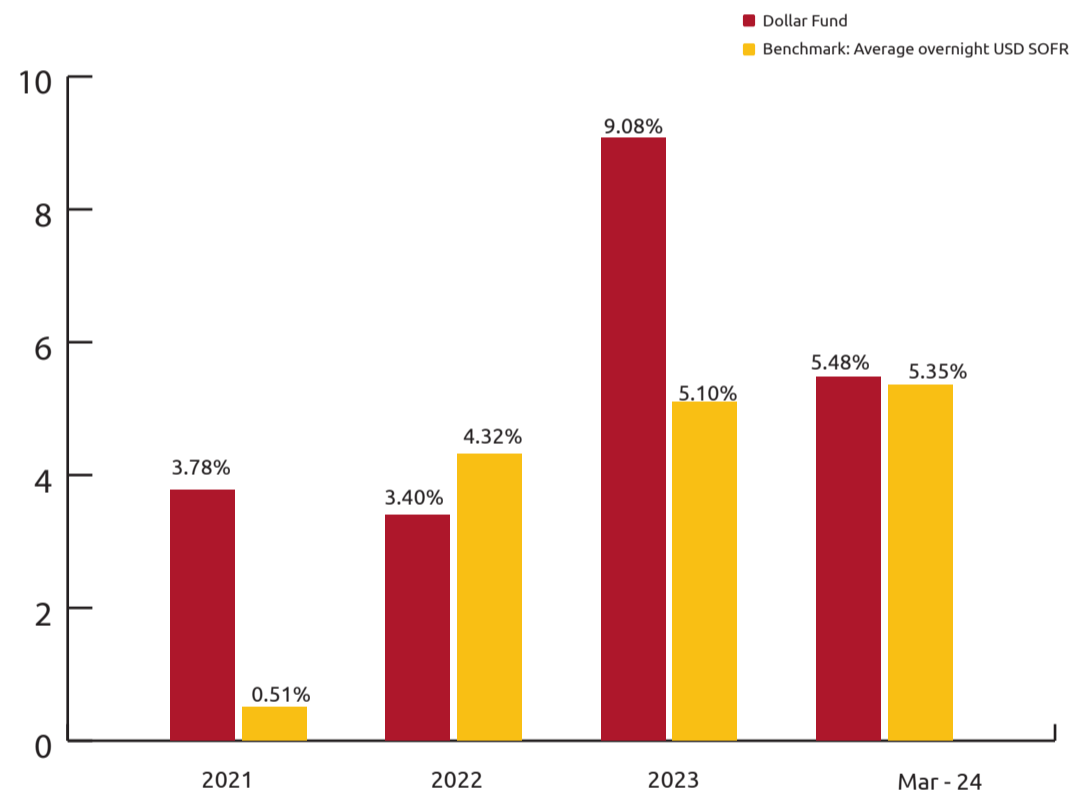
- Capital preservation whilst not seeking long-term capital growth.
- A high degree of capital stability and with a risk neutral appetite.
- Currency diversification.

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.

Asset Allocation



Fund Performance



Who Should Invest?

An investor who is seeking:

Liquidity: The client is able to withdraw their funds at short notice with no penalty fees.

Flexibility: The client is able to switch or transfer funds to another fund that he/she may have with CICAM.

Security: The fund invests in government paper and liquid instruments.

Competitive Returns: Interest is calculated daily and credited at the end of each month. As an institutional client, the fund benefits from placing deposits in large sums and as such is able to negotiate for competitive rates.

Professional Fund Management: prospective investors benefit from the expertise of our seasoned professionals.