

Key Features

Fund Manager	CIC Asset Management Ltd
Launch Date	Jun - 11
Risk Profile	Low - Medium
Trustee	Kenya Commercial Bank
Custodian	Co-op Custodial Services
Auditors	PWC
Minimum Investment:	Ksh 5,000,000
Minimum Additional Investment	Ksh 1,000,000
Initial Fee	Nil
Annual Management Fee	2.0%
Distribution	Maturity
Assets Under Management	KES 9.1Billion

Fund Objective

- Capital preservation
- Enhanced level of return with slightly elevated risk profile compared to Money market .
- Ideal for short term cash management.

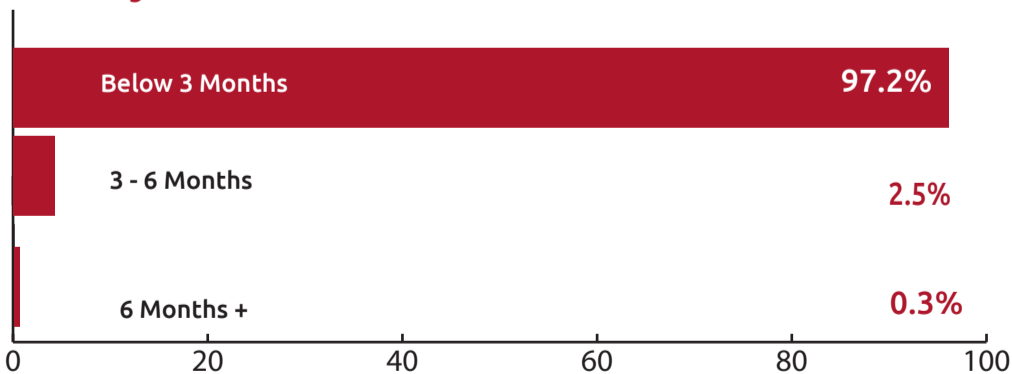
Market Commentary

GDP - The government has projected a 5.4% real GDP Growth in 2024, lower than earlier prediction of 5.7%. This was after a 5.0% growth in Q1-2024, which was a slower rate compared to 5.5% in 1Q23. The overall economy recorded a slower growth compared to 5.1% in 4Q23 with all key sectors thinning in performance. Leading indicators point to a resilient performance in the Kenyan economy; pegged on the growth in agricultural sector expansion.

Interest rates - Rates on short term papers continued to taper down, with the accepted rates on the 91, 182 and 365 day papers closing the month of August at 15.78%, 16.63% and 16.84%, down 0.21, 0.01 and 0.08 percentage points month-on-month (m/m). The drop in yields mirrors CBK's policy rate cut of 0.25% earlier in the month as well as broad market sentiment of lower interest rates going forward.

Inflation - Headline inflation rose for the first time in seven months, albeit marginally, to 4.4% in August from 4.3% in July 2024. The rise is largely attributable to higher fuel prices while food inflation decelerated m/m. We reiterate that we expect the annual inflation rate to oscillate within the mid-point (5.0%) of CBK's target range supported by favourable weather.

Maturity Profile

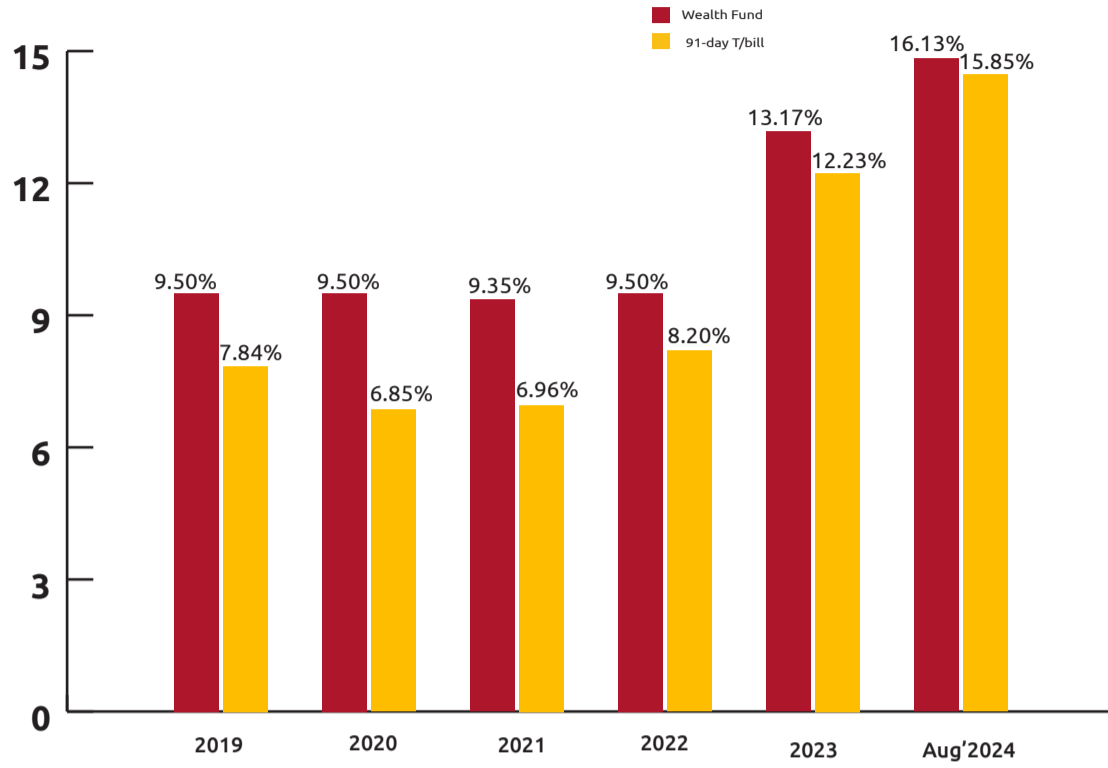


Outlook

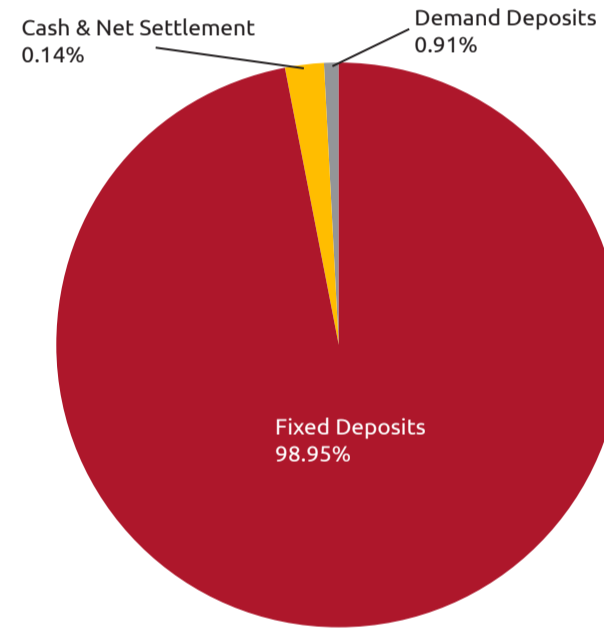
Rates on government securities have begun to pare down in line with the benchmark rate cut by the CBK Monetary Policy Committee. The wealth fund rates are therefore expected to gradually drop though should remain attractive as rates remain elevated compared to prior periods.

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.

Fund Performance



Asset Allocation



90 Day T- Bill & Inflation Rate

