

## 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
Assets Under Management	USD 27.95 Million

## Market Commentary

**GDP:** Global activity and world trade have firmed up as IMF projects global growth at 3.2% in 2024 and 3.3% in 2025, broadly in line with the average pace observed through the first half of this year. However, varied momentum in activity at the turn of the year has somewhat narrowed the output divergence across economies

**Exchange rates:** The shilling has remained broadly stable, it has appreciated by 17.4% year to date. The CBK continues to shore up the reserves to defend the shilling; currently at 4.10 months of import cover. Going forward, we expect the shilling to remain broadly stable and oscillate within the range that it has been - over the last few months.

**Inflation:** Inflation is projected to continue on its downward path, falling from 4.9 percent on average in 2023 to 3.5 percent in 2024. Upside risks to inflation still remain; potential disruptions in global energy markets and supply chains. This in turn could prolong the quandary many central banks are facing: how to steer inflation down to target ranges while engineering a soft landing.

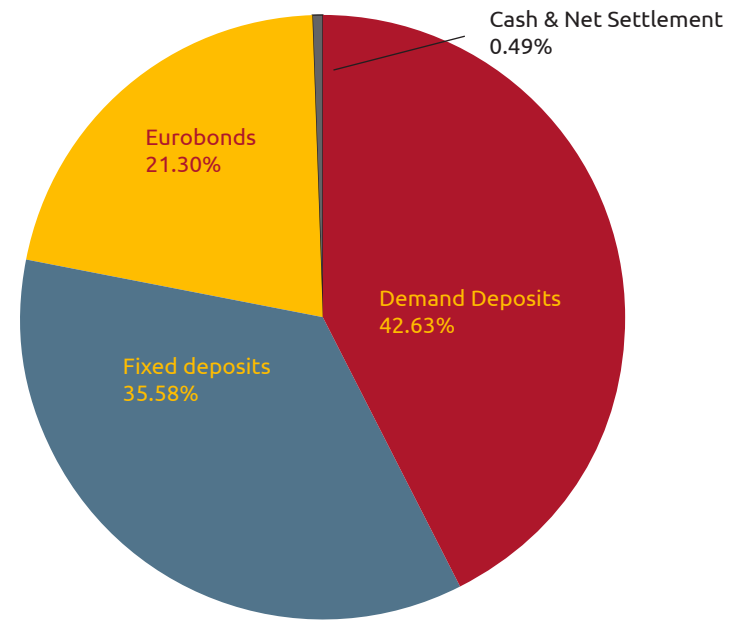
**Interest rates:** The Federal Reserve lowered its benchmark interest rate by a half percentage point, in an aggressive start to a policy shift aimed at bol-stering the US labor market. Policymakers penciled in an additional percent-age point of cuts in 2025, according to their median forecast .

**Outlook:** USD rates are expected to decrease in 2024. However, the KES depreciation against the USD implies significant upside for KES investments into USD assets. We expect the fund to register strong performance in 2024 on the back of high yielding USD assets in the current environment.

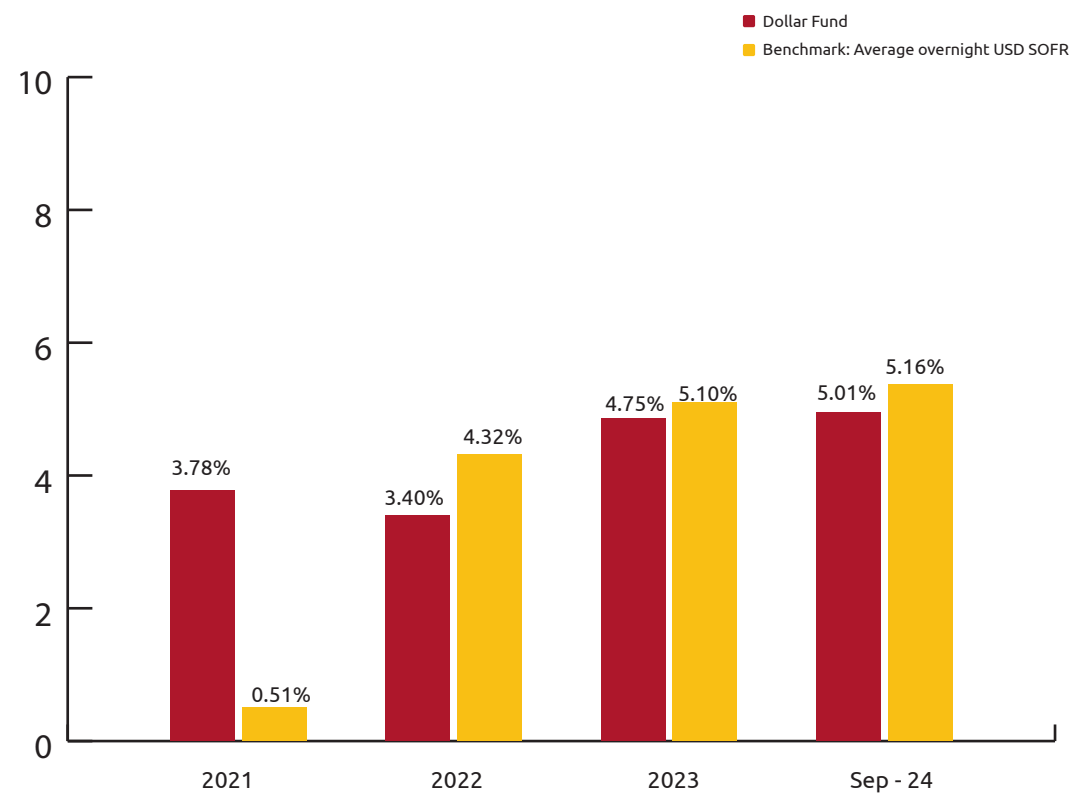
## Fund Objective

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

## 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.

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.