

## 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 Top-Up	USD 100
Initial Fee	Nil
Annual Management Fee	1.5%
Distribution	Monthly
Asset Under Management	USD 26.21 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. The main risk to the global growth outlook relates to further escalation of geopolitical tensions as well as major US policy shifts.

**Exchange Rates** - The shilling has remained resilient, appreciating by 17.5% year to date. Even as the US dollar surged against major currencies in November as US markets were buoyed by the outcome of the US election. The usable foreign exchange reserves remained adequate at USD 9Bn - 4.6 months of import cover.

**Inflation** - The decline in inflation without a global recession is a major achievement. This has encouraged a series of rate cuts across major global economies. We anticipate that the decline in policy rates shall provide some fiscal relief by lowering funding costs for emerging markets.

**Interest Rates** - In September, the Federal Reserve lowered its benchmark interest rate by a half percentage point (50bps) in an aggressive start to a policy shift aimed at bolstering the US labor market. Policymakers penciled in an additional percentage point of cuts in 2025, according to their median forecast. Lower interest rates in major economies is expected to ease the pressure on emerging market economies, with their currencies strengthening against the US dollar and financial conditions improving.

**Outlook:** The Kenyan shilling has remained broadly stable against the dollar. Even as US Interest rates continue to decline the fund is well positioned to lock in attractive longer term rate.

## 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.

## Who Should Invest

*An investor who is seeking:*

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

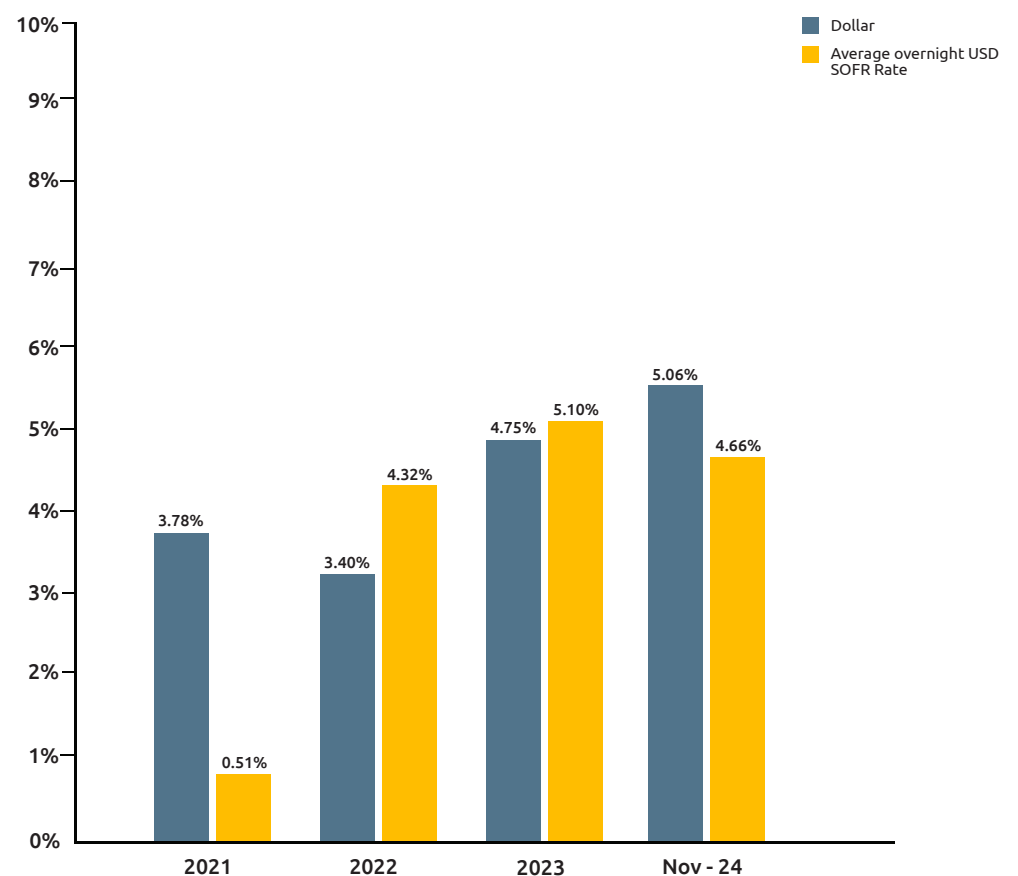
**Flexibility:** The client is able to switch or transfer funds to another fund that he/she may have with CICAM.

**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.

## Fund Performance



## Asset Allocation

