

Key Features

Fund Manager	CIC Asset Management Ltd
Launch Date	Jun-11
Risk Profile	Low
Trustee	Kenya Commercial Bank
Custodian	Co-op Custodial Services
Auditors	PWC
Minimum Investment	Ksh 5,000,000
Minimum Top-Up	Ksh 1,000,000
Initial Fee	0.0%
Annual Management Fee	2.0%
Distribution	Maturity
Asset Under Management	KES 8.4 Billion

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 - GDP growth slowed to 4.6% in Q2 2024, down from 5.6% recorded in Q2 2023. This slowdown mainly reflected deceleration in growth in most sectors of the economy. Some sub-sectors in industry contracted, underscoring the challenges to growth stemming from low government spending and consumer demand as well as sticky input prices. Overall, the economic growth outturn for 2024 is thus far slower than earlier projected and we see GDP growth could remain weak to end-year.

INTEREST RATES - In the first week of December, the Monetary Policy Committee voted to lower the policy rate from 12% to 11.25%, noting that its previous measures have maintained exchange rate stability and anchored inflation. It urged banks to take the necessary steps to lower their lending rates in order to stimulate credit to the private sector and subsequently economic activity. The short term papers closed the quarter at 11.25%, 11.34% and 12.49% for the 91, 182 and 365 day papers respectively.

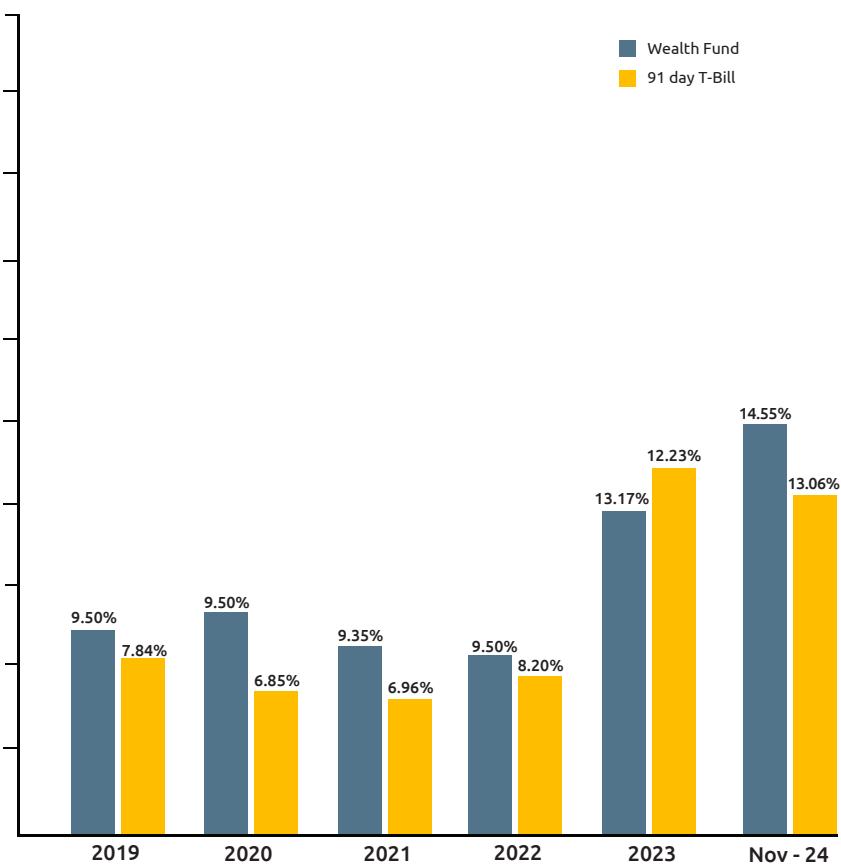
INFLATION - Overall inflation recorded a marginal increase to 2.8% in November from 2.7% in October 2024. General prices rose by 0.3%. The lower inflation levels thus far provide sufficient room for further monetary policy easing ; as the focus is now slowly shifting from price stability to stimulation of aggregate demand.

Fund Outlook

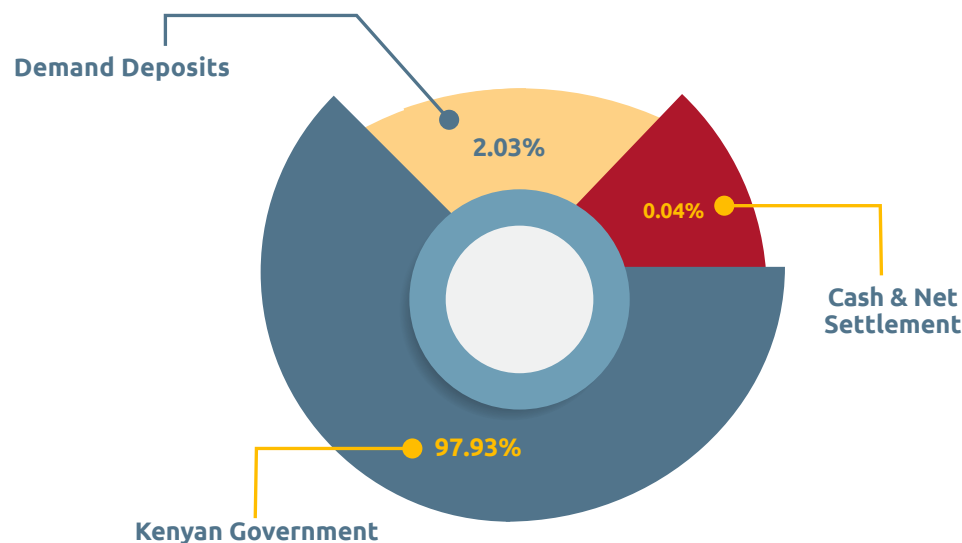
Rates on government securities have begun to pare down in line with the benchmark rate cut by the CBK Monetary Policy Committee. The wealth fund rates are therefore expected to gradually drop though should remain attractive as rates remain elevated compared to prior periods.

Statutory Disclaimer: The fund's past performance is not necessarily a guide to the future. The client's capital remains intact 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. Effective annual yield presented is net of fees and gross of withholding tax.

Fund Performance



Asset Allocation



Deposit Maturity Profile



91 Day T-bill and Inflation Rate

