

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 31.9 Million

Market Commentary

GDP - Escalating trade tensions emanating from high reciprocal tariffs im-posed by the US government are anticipated to disrupt global supply chain, drive up production costs, lead to financial market volatility as well as derail critical investment decisions. The global growth is projected to drop to 2.4% in 2025, down from 2.9% in 2024 and 40bps below the January forecast. This downward revision of economic growth forecasts falls across the board, impacting both developed and developing economies, with the slowdown being compounded by deteriorating global trade and investment flows.

EXCHANGE RATES - The Kenya Shilling remained relatively unchanged and stable against the dollar during the month of May to close at Ksh.129.2. The forex reserves stood at USD 10.47Bn, providing 4.7 months of import cover –well above the CBK statutory threshold of 4.0 months.

INFLATION - Global headline inflation is expected to stabilize at a slightly slow-er pace than what was anticipated in January, reaching 4.3 percent in 2025 and 3.6 percent in 2026, with notable upward revisions for advanced econo-mies and slight downward revisions for emerging market and developing economies in 2025.

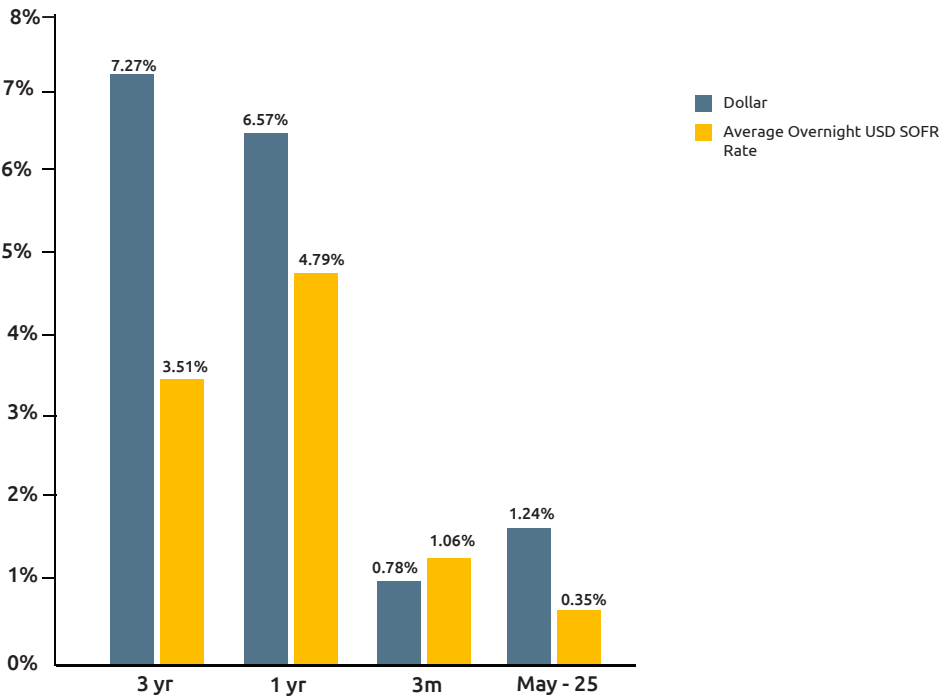
INTEREST RATES - In its May 2025 meeting, the Federal Reserve opted to main-tain the federal funds rate at 4.25%–4.50%. While labor market conditions remained robust, inflation continued to hover slightly above the 2.0% target. The Fed's policy stance reflects a cautious approach amid economic uncertain-ties, including the potential risks of rising inflation and unemployment. This delicate balancing act underscores the challenges the Fed faces in navigating its dual mandate of fostering maximum employment and price stability. The trajectory of interest rates remains uncertain, with the Fed closely monitoring economic indicators to inform future decisions.

Fund Outlook

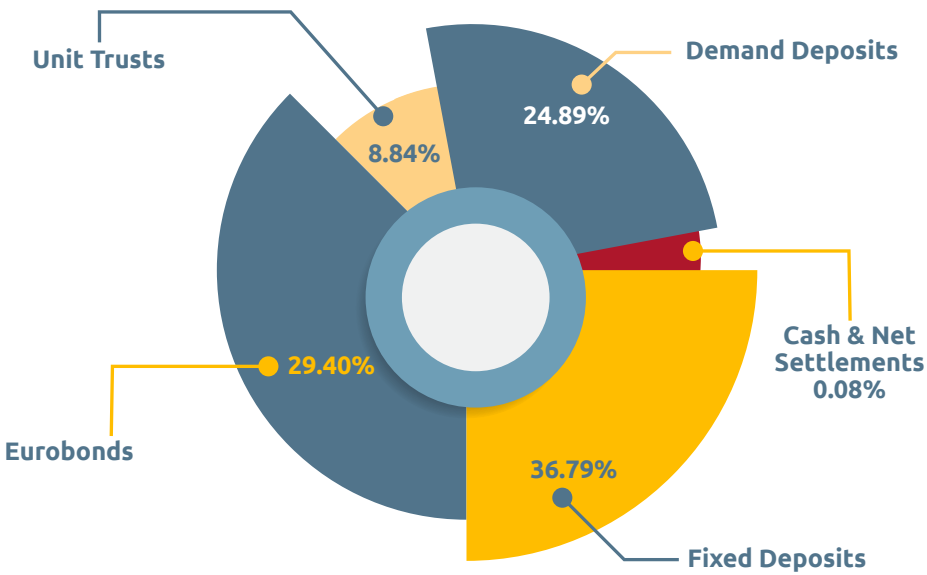
The Kenyan shilling has stayed steady against the dollar. Even as US Interest rates continue to decline the fund is well positioned to lock in attractive longer term rates.

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. Effective annual yield is presented net of fees and gross of withholding tax.

Fund Performance



Asset Allocation



Fund Objective

- Capital preservation whilst 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.