

Key Features

Fund Manager	CIC Asset Management
Launch Date	June 2011
Risk Profile	Moderate
Trustee	Kenya Commercial Bank
Custodian	Co-operative Bank
Auditors	PWC
Minimum Investment	KES 5,000
Minimum Top-up	KES 1,000
Initial Fee	2.25%
Annual Management Fee	2.00%
Distribution	Quarterly
Assets Under Management	KES 233.6 Million

Fund Objective

- Typically, ready to invest over the medium to long-term.
- Investors seeking moderate risk with above market returns.
- Seek to benefit from a well-diversified portfolio of market instruments.

Market Commentary

INTEREST RATES - The Monetary Policy Committee (MPC) maintained the policy rate at 8.75% in April, citing energy price risks stemming from the Middle East conflict and the need to anchor inflation expectations. Short-term government securities recorded mixed performance: yields on the 91-day and 182-day papers rose by 0.35% m/m and 0.06% m/m to 7.78% and 7.89%, respectively, while the 364-day paper edged down marginally by 0.01% m/m to 8.27%. This reflected tighter demand conditions alongside elevated return expectations. These trends emerged against a backdrop of rising inflationary pressures driven by higher energy prices, with headline inflation increasing to 5.6% in April from 4.4% in March.

EQUITIES - The Kenyan equity market ended the month higher, with the NASI, NSE 20, NSE 25, and NSE 10 rising by 5.4%, 3.4%, 4.6%, and 5.2% m/m, respectively, driven by gains in large Cap stocks: Co-operative Bank (+15.9%), Stanbic Bank (+11.3%), and Safaricom (+8.0%). These gains offset losses in EABL (-3.0%), NCBA (-1.9%), and KCB (-1.1%). Market capitalization increased by 5.4% to KES 3,405.3Bn, while turnover fell by 13.2% to KES 16.2Bn. Foreign investors remained net sellers, with outflows moderating to KES 2.2Bn from KES 4.0Bn in March, reflecting continued risk aversion amid the Middle East conflict.

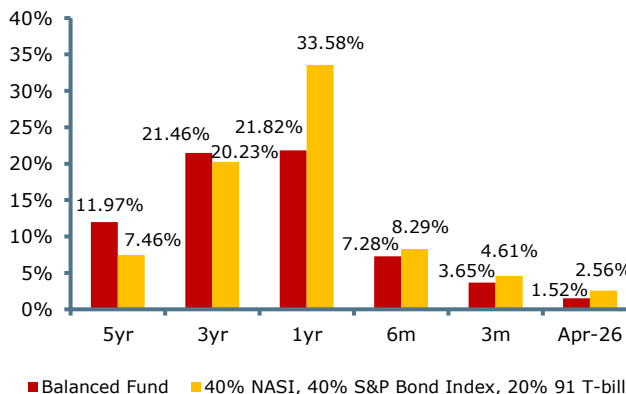
Fund Outlook

The fund remains well positioned to navigate the evolving global environment buoyed by diversified allocation to equities and bonds. Stabilizing yields in the bond market provide an opportunity to lock in attractive returns, as equity markets digest shocks from the Middle East conflict.

Net Asset Value (NAV)

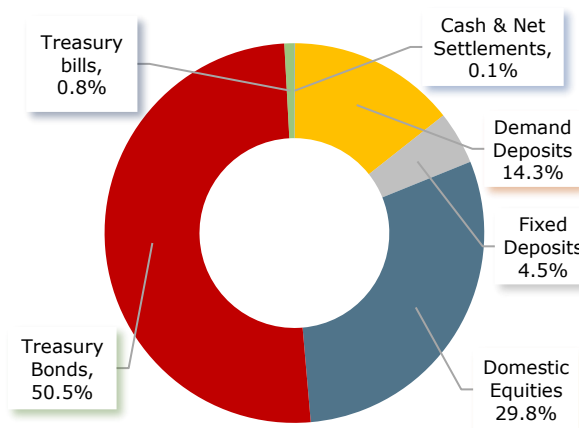
Maximum NAV	Minimum NAV
7.35	7.17

Fund Performance

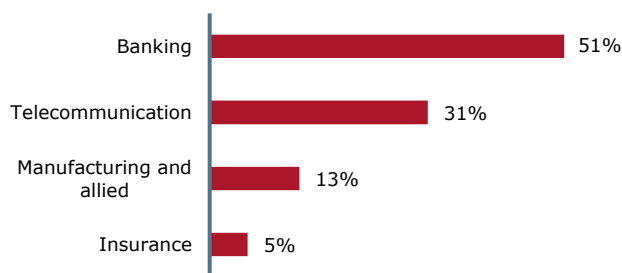


Return is gross of fees charged

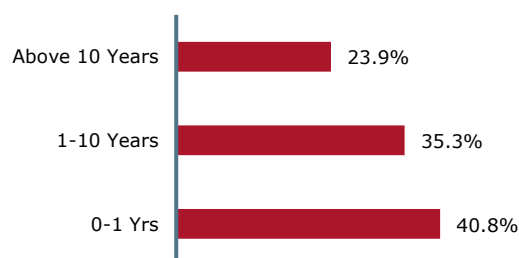
Asset Allocation



Equities allocation by sector



Maturity Profile



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