

Key Features

Fund Manager	CIC Asset Management Ltd
Launch Date	Jun - 11
Risk Profile	Moderate
Trustee	Kenya Commercial Bank
Custodian	Co-op Custodial Services
Auditors	PWC
Minimum Investment:	Ksh 5,000
Minimum Additional Investment	Ksh 1,000
Initial Fee	0%
Annual Management Fee	2.00%
Distribution	Semi-annual

Market Commentary

GDP - In Q3 2023, economic activity grew by 5.9% with positive effects from a recovery in the agricultural sector and tourism receipts. CBK projections show that Kenya's annual real GDP growth is expected to come in at 5.5% in 2023.

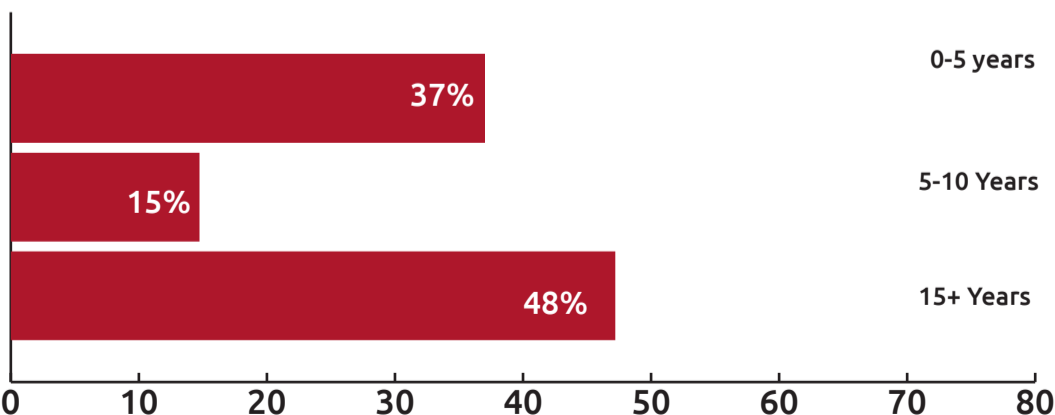
Interest rates - In 4Q23, the short term tenors closed at 15.88%, 15.97% and 15.90% for the 91, 182 and 364-day papers. Investors remained biased towards short maturities.

Inflation - The inflation rate closed the year at 6.6% which was within the upper bound of CBK's target 7.50%. The disinflation was largely due to a slower growth in the food & non-alcoholic beverages following improved supply from better weather conditions.

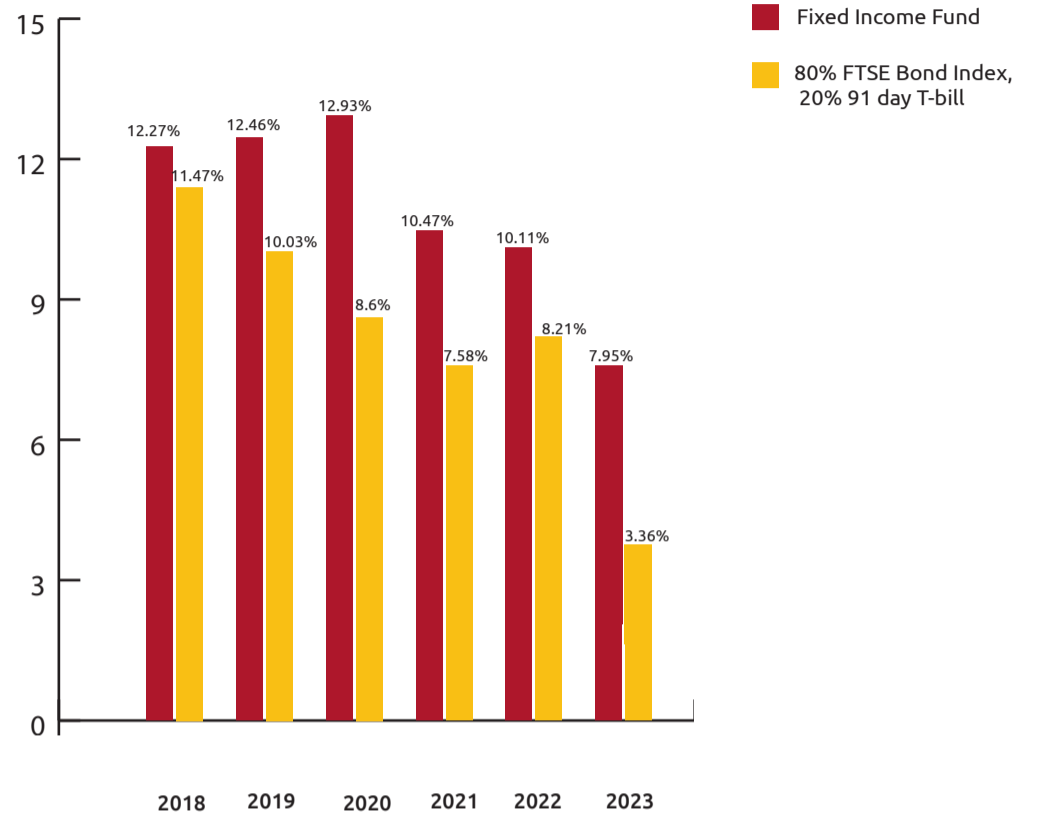
Outlook - An improved performance is expected for the fund as new inflows and maturities come in which will be reinvested at higher yields in the current inter-est rate environment. The fixed income fund will face some negative valuation movements as rates on government securities continue rising but is however anti-cipated to register gradual increment in gains as we continue taking advantage of the higher rates. The fund provides an opportunity for investors with low liquidity needs to lock in higher returns.

Fund Objective

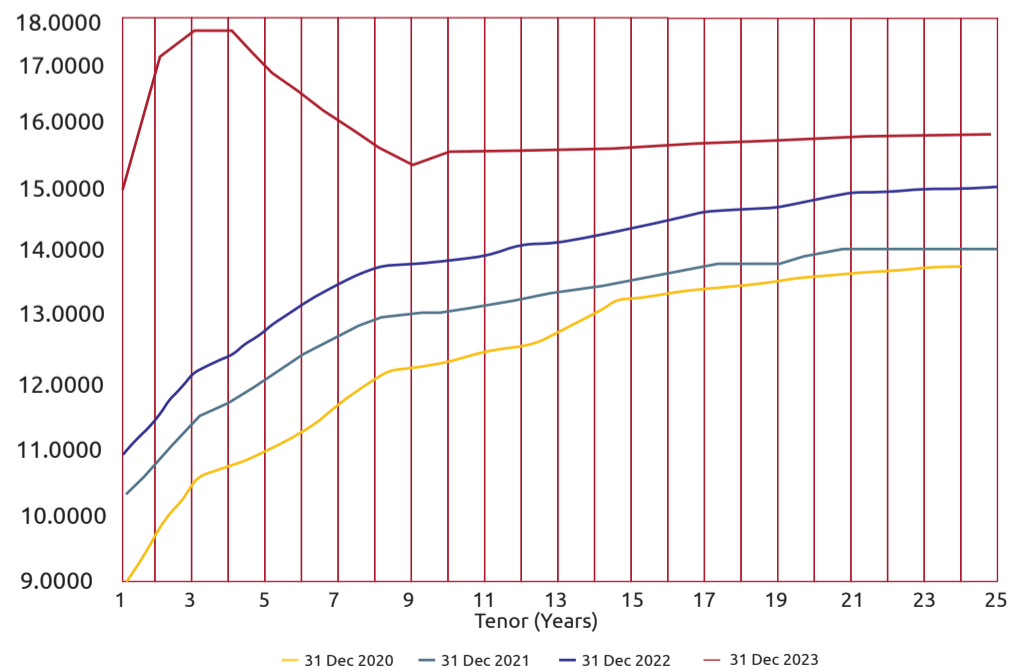
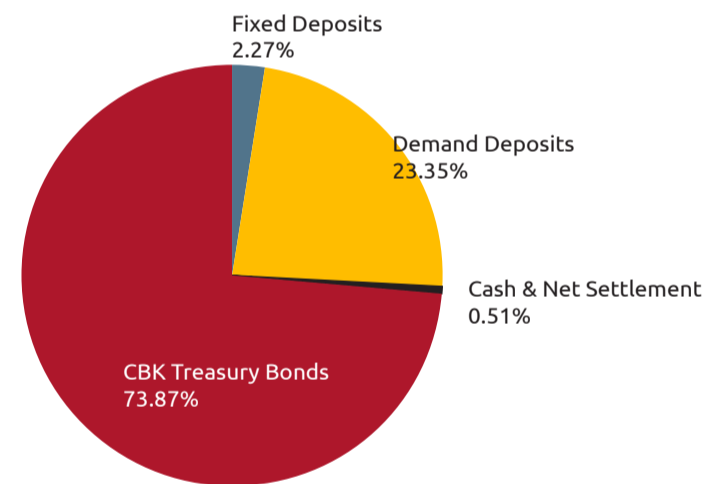
- Medium to long-term investments
- Extra returns at moderate risk.
- Reasonable return from a well-diversified portfolio of fixed income securities.



Fund Performance



Asset Allocation



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.