

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
Minimum Additional Investment	Ksh 1,000
Initial Fee	Nil%
Annual Management Fee	2.0%
Distribution	Monthly

Fund Objective

- Capital preservation whilst getting inflation protection.
- High degree of capital stability with limited risk.
- A short-term parking bay for surplus funds particularly in times of market volatility.

Key Benefits

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.

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.

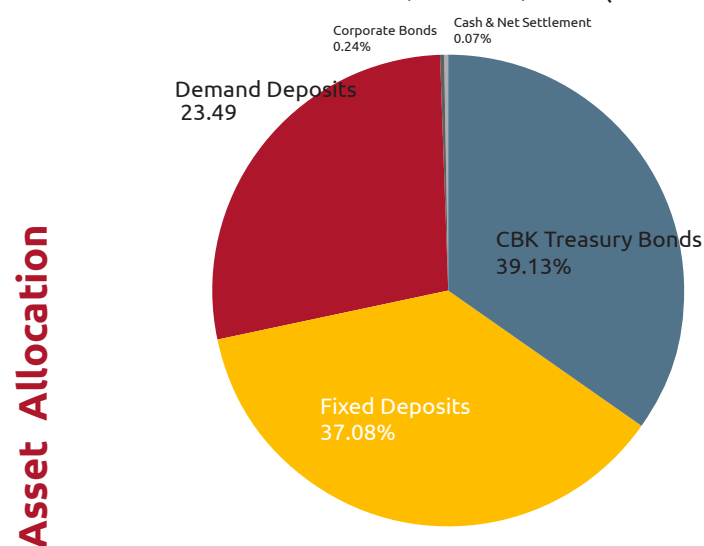
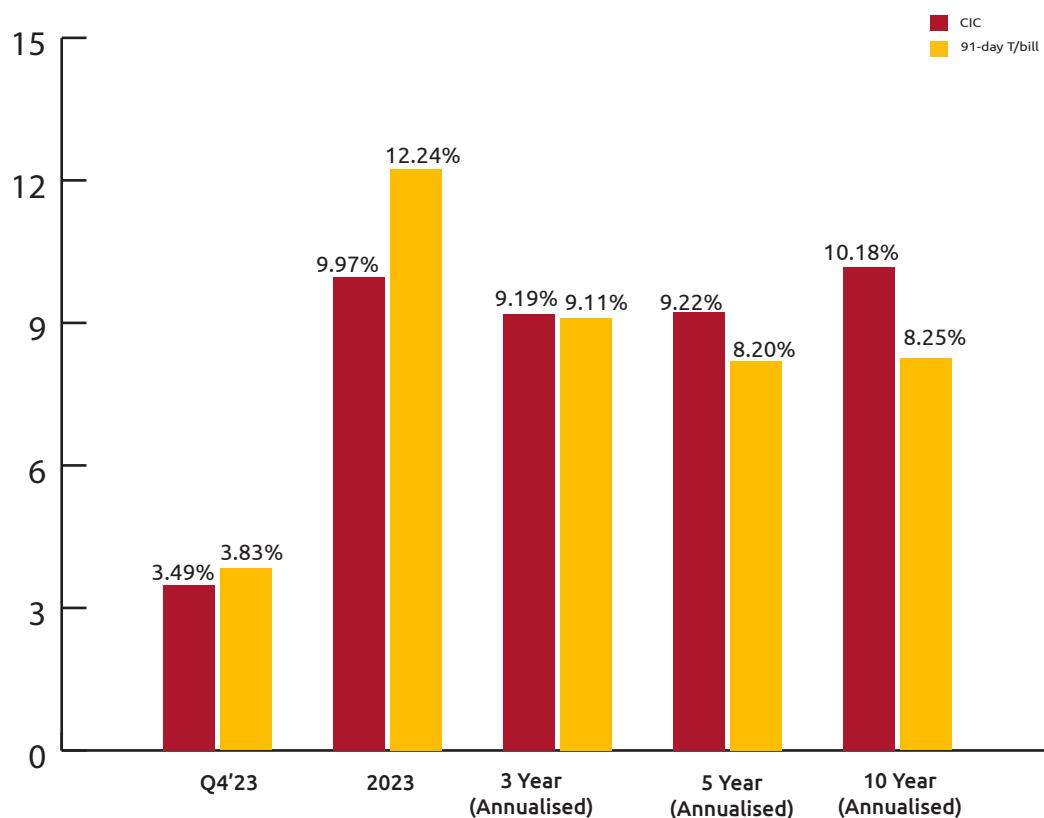
Inflation - The inflation rate closed the year at 6.6% which was within the upper bound of CBK's target 7.50%. The disinflation was largely due to a slower growth in the food & non-alcoholic beverages following improved supply from better weather conditions.

Outlook

- Rates on government securities have continued increasing in the quarter, and the same is expected to persist in the near term. The money market fund rate is therefore expected to gradually increase as maturities are repriced to reflect the increased 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.

Fund Performance



T- Bill Rates

