

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 Q2 2023, economic activity grew 5.4% 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.

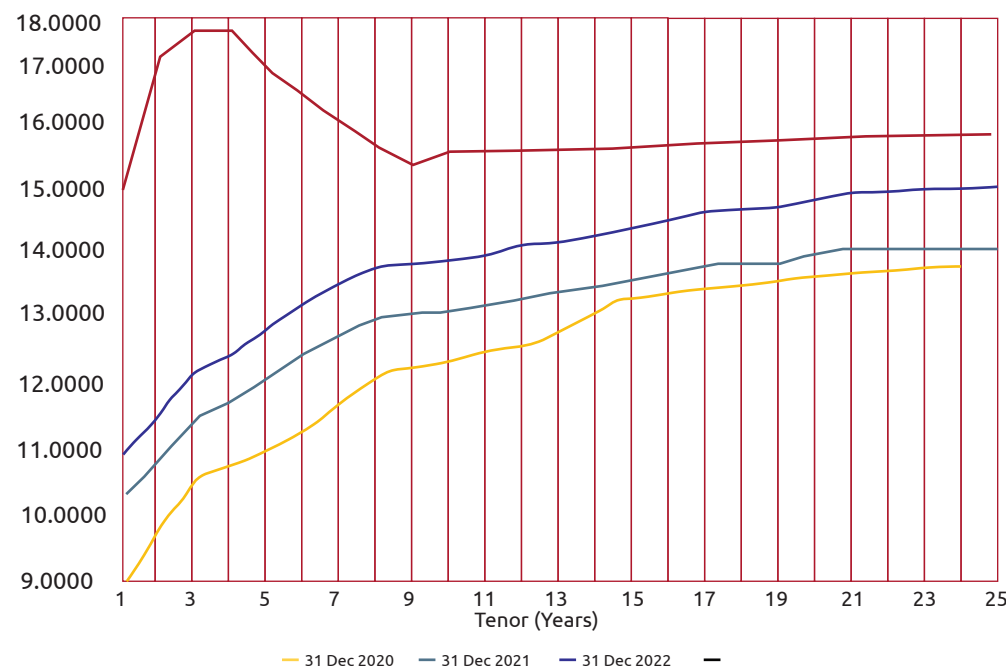
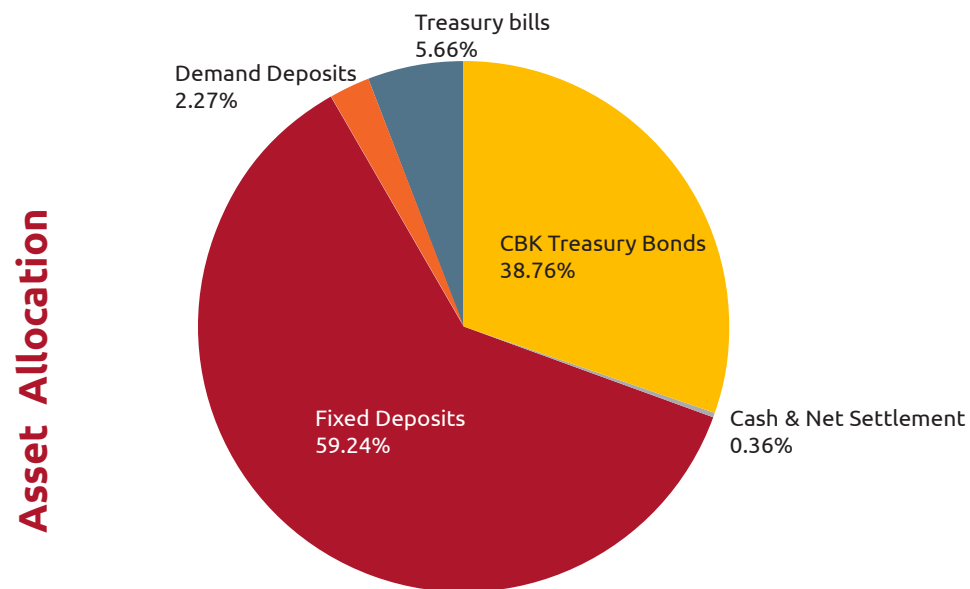
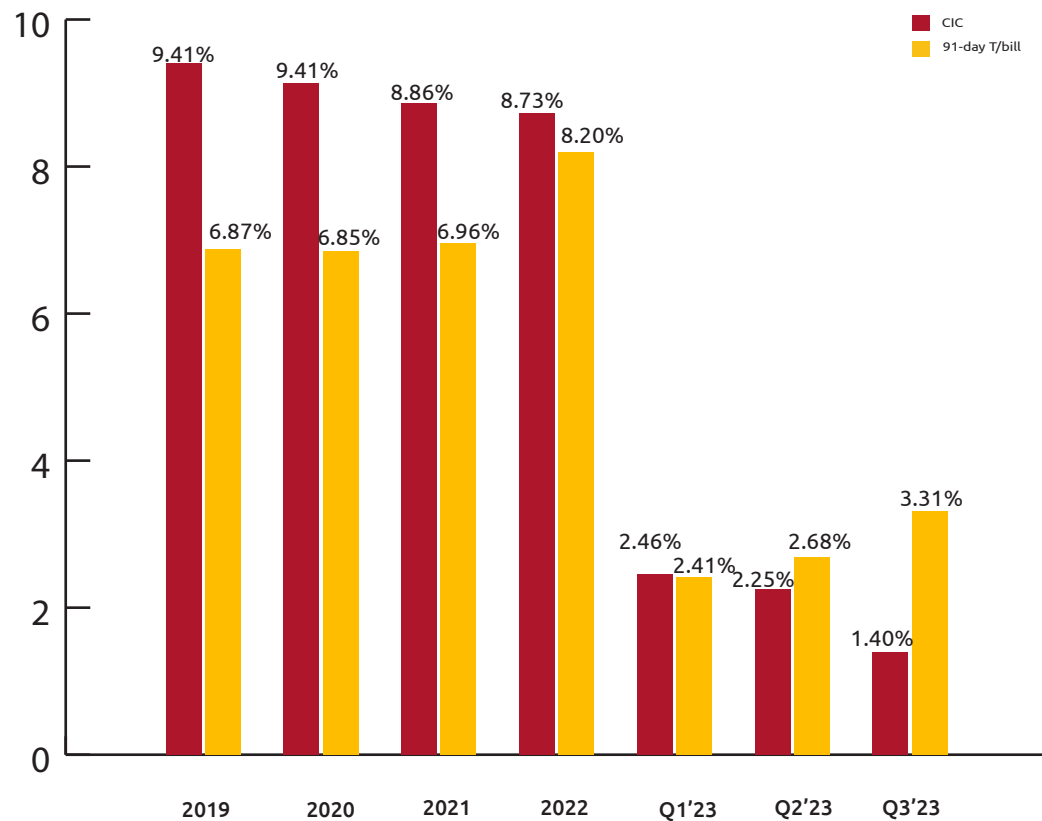
Interest rates - In 3Q23, yield curve inverted with the 2-year bonds increasing by a cumulative 5.93%, the 10-year by 1.89% and the 20-year by 1.99% y/y.

Inflation - Inflationary pressures have eased on the back of declining food inflation, non-food non-fuel (NFNF) inflation remained stable in Q3, reflecting muted demand pressures in the economy.

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.

Fund Performance



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.