

ENWEALTH
MONEY MARKET FUND
FACT SHEET

AUGUST 2023



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AS AT AUGUST 2023

Fund Objective

The objective of the Enwealth Money Market Fund is a low risk investment with an objective to

1. Generate reasonable level of current income,
2. Provide Steady growth through re-investment of income earned
3. Provide maximum stability for capital invested.
4. Provide liquidity

This is achieved through investing in interest-earning money market instruments which have a maximum tenor of 13 months.

Fund Investment Principles

1. To invest only in money market instruments spread amongst institutions of repute.
2. To manage the portfolio according to best practice of prudent investing.
3. To administer the portfolio according to best practice by treating the generation of income as a higher priority than capital growth.
4. To minimize losses, while maximizing on investment returns, by investing in near cash or cash deposits.
5. To ensure the Fund retains an acceptable level of liquidity to meet any liquidation obligations with the promised timelines.

Why Invest In The Money Market Fund?

1. This fund is ideal for use as an emergency fund.
2. It is ideal for risk-averse investors
3. It could form the core fund of your portfolio's cash component.
4. The fund should produce higher returns than call deposits while interest rates are declining.
5. The fund pays out income monthly.
6. In rising interest rate environments, the fund benefits from attractive deposit rates.

Fund Details

Risk Profile: **Low**

Investment Horizon: **Short Term**

Minimum Initial Investment: **Kshs 1,000**

Annual Management Fee: **2%+ VAT**

Initial Fee: **Nil**

Suitability: **Investors with low risk appetite and High liquidity needs**

Weighted Average duration: **4.42 months.**

Trustee: **Co-operative Bank of Kenya Ltd**

Custodian: **SBM Bank Kenya Ltd**

Fund Administrator: **Enwealth Capital Limited**

Fund Manager: **Old Mutual Investment Group**

Benchmark Returns: **Average Commercial Banks monthly deposit rate**

Portfolio Manager Commentary

The annual effective yield settled at **12.93%** as at the end of August 2023 as the fund manager continued to reprice maturities and inflows into higher yielding shorter duration instruments.

Kenya's inflation declined to **6.7%** year-on-year in August from **7.3%** in July. Month-on-month inflation declined by **0.1%**, driven by declining food prices and core inflation.

Despite the easing inflation, Treasury Bill yields continued to edge upwards by an average of **1.25%** across all tenors as the yield on the 1-year paper crossed the 14% mark. The 91, 182 and 364-day Treasury bills closed at **13.73%**, **13.49%** and **14.01%** respectively.

Outlook: Inflation is likely to have peaked and projected to remain within the CBK band of **2.5%-7.5%**. However, significant risks to the outlook stem from higher commodity prices, second-round effects from high fuel prices, tax increases and continued currency weakness as well as adverse weather conditions. We expect yields to remain elevated on weakening Shilling and increased reliance on domestic borrowing.

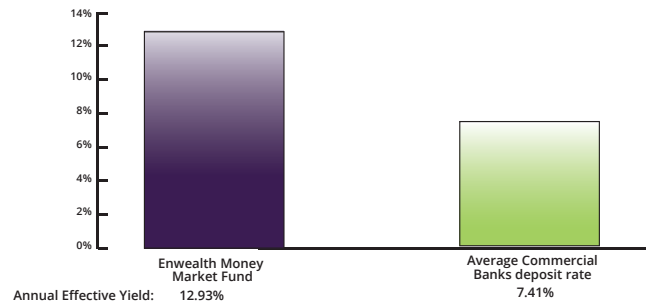
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This report should not be considered to be a recommendation by any individual affiliated with Enwealth Capital Limited.

Past performance is not necessarily a guide to future performance. There are no guarantees on the investor's capital as the value of the investment can fall as well as rise depending on the performance of underlying investment.

PERFORMANCE (ANNUALISED) AS AT 31ST AUGUST 2023

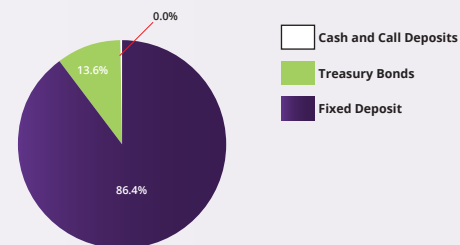
Enwealth Money Market Fund yield against benchmark for August 2023



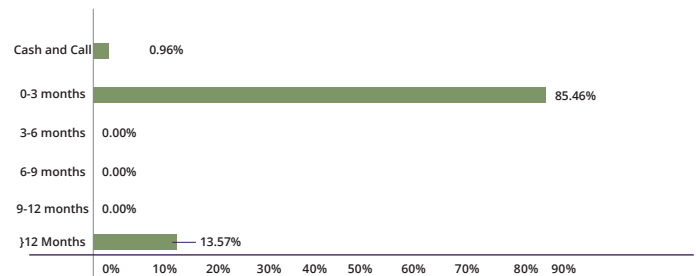
RISK MEASURES: LAST 12 MONTHS

Not applicable

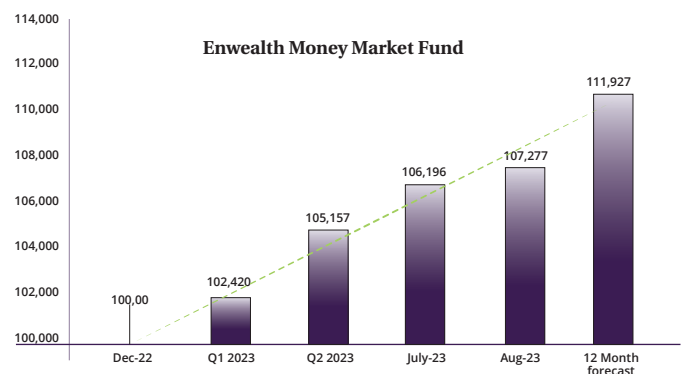
Asset Allocation



Duration Allocation



Cumulative Performance



The chart reflects the growth of a KES 100,000 investment at the start of the year with 100% reinvestment of distributions.

Sponsor Profile

Enwealth Financial Services Limited is licensed by the Retirement Benefits Authority (Kenya), the **Uganda Retirement Benefits Regulatory Authority** (Uganda) and the **Financial Services Commission (Mauritius)** to provide administration services. We have been in operation for 12 years with the vision of securing a lifetime of financial well-being and dignity for our customers.

We are currently providing Administration and Consulting Services to over **200 corporate clients** whose total assets under our administration, corporate Trustee & Consulting is approximately **USD. 850 million**. With a regional footprint and branch offices in Kenya, Uganda and Mauritius, we are well positioned to serve our clients within the region through our seamless and robust technological platforms. Enwealth Capital is a subsidiary entity of Enwealth Group through which the **Enwealth Unit Trust Scheme** has been Approved by the **Capital Markets Authority in Kenya**.

Enwealth Capital Ltd,
Morningside Office Park,
1st Floor Suite D2, Ngong Road
P.O Box 52840-00200
Mobile : +254 700 617 443
E: enwealthcapital@enwealth.co.ke
W: <https://enwealth.co.ke>