

ENWEALTH DOLLAR
MONEY MARKET FUND

FACT SHEET

APRIL 2024



Fund Objective

The objective of the Enwealth Dollar 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 liquidity

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

Fund Investment Principles

- To invest in instruments issued by institutions of repute.
- To manage and administer the portfolio according to best practice, treating the generation of income as a higher priority than capital growth.
- To minimize losses, while maximizing on investment returns, by investing in near cash or cash deposits.

Why Invest In The Dollar Money Market Fund?

1. **US Dollar-Denominated:** This fund is denominated in US dollars, which provides an option for investors looking to hold and transact in this currency as a hedge.
2. **Liquidity:** Investors can easily access/redeem their invested funds.
3. **Low Risk:** The fund is focused on preserving capital and minimizing investment risk. It primarily invests in high-quality, short-term debt securities.
4. **Stable Value:** The Fund invests in selected money market instruments providing an income yield and a high degree of capital stability.
5. **Competitive Yields:** While prioritizing safety and liquidity, the Fund strives to provide a yield that is competitive compared to prevailing market interest rates.

Fund Details

Risk Profile: Low

Investment Horizon: Short Term

Minimum Initial Investment: USD 1,000

Annual Management Fee: 2%+ VAT

Initial Fee: Nil

Suitability: Investors with low risk appetite and High liquidity needs

Weighted Average duration: 4.41 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 **5.46%** as the fund manager continued to invest inflows into higher yielding shorter duration instruments. The Kenya Eurobond exposures continue to anchor the yield. Global growth, estimated at **3.2%** in 2023, is projected to continue at the same pace in 2024 and 2025. The pace of expansion is owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine; weak growth in productivity; and increasing geoeconomic fragmentation.

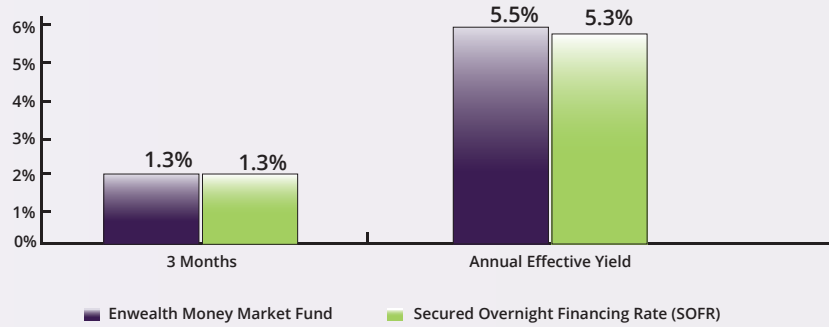
The US Federal Reserve held interest rates at a 23-year high amid stubborn cost-of-living increases. The central bank kept the benchmark lending rate at **5.25-5.50%** as inflation is easing at a slower pace than anticipated. U.S. Treasury yields ticked slightly higher to their highest levels in 4 months as stubborn inflation and a labor market strength tempered expectations for interest rate cuts in 2024. The 10-year benchmark rate was up to **4.5%** while the 2-year Treasury was at **4.8%**.

Outlook

The Fed indicated that they are done raising interest rates but made it clear that it is not ready to start cutting. It was also noted that rate cuts could take place in mid-2024. Rate futures are pricing in about a 17% chance of no rate cuts at all this year, down about 20% previously when two or even three rate cuts this year was seen as most likely.

Performance (Annualised) As At April 2024

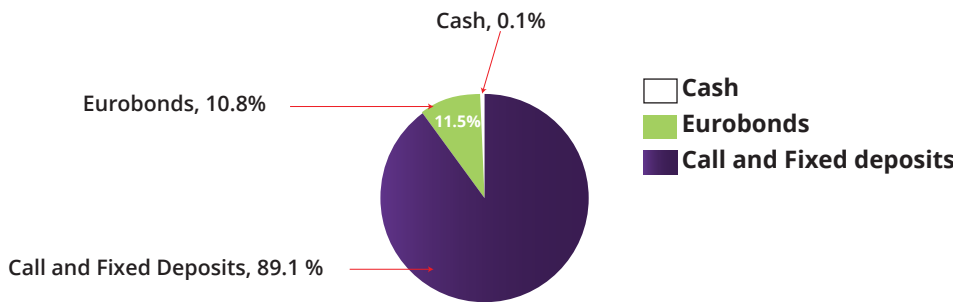
Enwealth Money Market Fund yield against benchmark for APRIL 2024



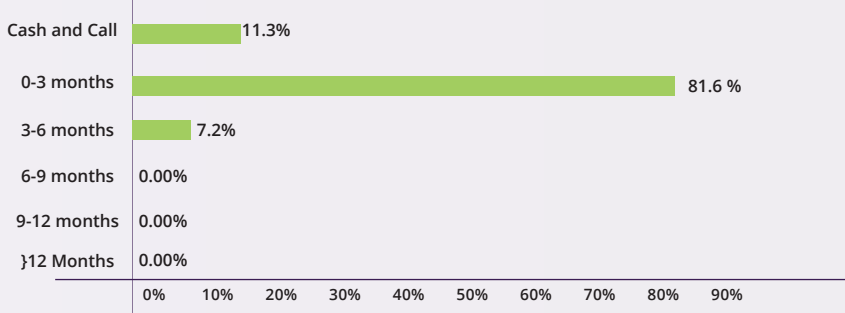
Risk Measures: Last 12 Months

Not Applicable

Asset Allocation



Duration Allocation



The fund manager invested in near cash instruments particularly high yielding deposits

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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.

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