

ENWEALTH DOLLAR
MONEY MARKET FUND

FACT SHEET

SEPTEMBER 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 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 reputable institutions.
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 maximize 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 Dollar Money Market Fund?

- **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.
- **Liquidity:** Investors can easily access/redeem their invested funds.
- **Low Risk:** The fund is focused on preserving capital and minimizing investment risk. It primarily invests in high-quality, short-term debt securities.
- **Stable Value:** The Fund invests in selected money market instruments providing an income yield and a high degree of capital stability.
- **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 1000

Annual Management Fee: 2%+ VAT

Initial Fee: Nil

Suitability: Investors with low risk appetite and High liquidity needs

Weighted Average duration: 9 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 5.0% as the fund manager continued to invest inflows into higher yielding longer duration instruments. The Kenya Eurobond exposures continue to anchor the yield of the fund. US year on year inflation fell to **2.5%** in August compared with **2.9%** in the previous month which was lower than the market consensus estimates of 2.6% from economists.

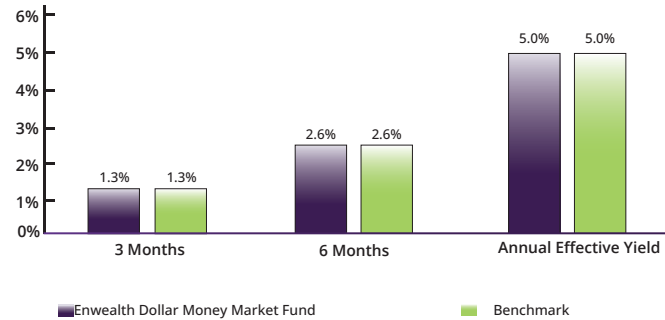
Core Consumer Price Index, which excludes volatile food and energy prices, held steady at **3.2%**. This paved the way for a **0.5%** cut to Fed rate which was at a 23-year high of 5.25 to **5.5%**. The U.S. dollar index fell **4.8%** against a basket of currencies in the third quarter of 2024 as the pressure on the U.S. currency increased after the Fed delivered a 50-basis point cut, its first reduction since 2020.

In the month of September, U.S. Treasury yields continued to drop as the 10-year Treasury yield settled at **3.81%** currently while the 2-year Treasury is at **3.63%** however, yields are ticking higher as investors consider the state of the U.S. economy and rising geopolitical risk in the Middle East.

Outlook: Market expects the Federal Reserve to deliver a second 50-basis-point interest rate cut in November after U.S. inflation has cooled to a pace nearer to the central bank's 2% goal. However, rising geopolitical risk poses risks to the global economy.

Performance (Annualised) As At September 2024

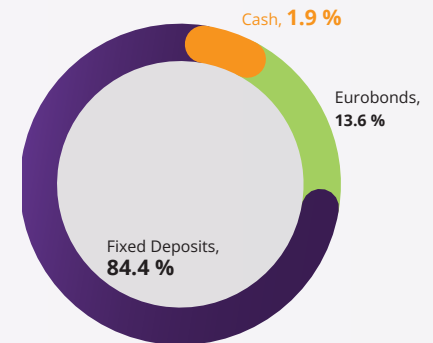
Enwealth Dollar Money Market Fund Performance As At September 2024



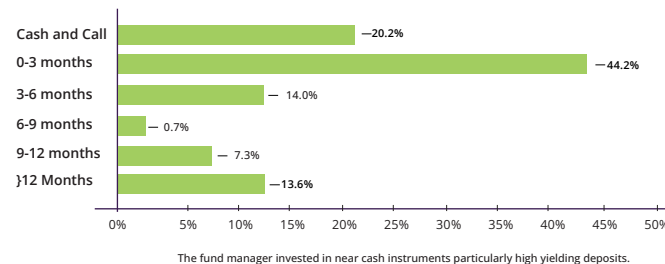
Risk Measures: Last 12 Months

Not Applicable

Asset Allocation



Duration Allocation



Cumulative growth- USD 100 investment

