

ENWEALTH FIXED INCOME FUND SEPTEMBER 2025



Fund Objective

The objectives of Enwealth Fixed Income Fund are to:

1. Generate regular interest income
2. Long term stability and capital growth
3. Low liquidity

Universe of investments includes:

- Treasury Bills and Bonds
- Call & fixed deposits

Fund Details

Risk Profile: Moderate

Investment Horizon: Medium Term – Minimum 3 year.

Minimum Initial Investment: KES 500

Annual Management Fee: 2%+ VAT

Initial Fee: Nil

Suitability: Investors with medium-risk appetite and Low liquidity needs

Weighted Average duration: 0.41 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: 182-day Tbill

Fund Manager Commentary

The annual effective yield of the Fund settled at **10.8%** as of Sep 2025 driven by positive returns from the fixed income book, specifically bonds. The Fund Manager increased its liquidity in order to take advantage of the attractive yields in the primary and secondary bond auctions.

In the month, the yield curve moved higher in the long end-section driven by secondary market activity and lower across the short end section resulting in unrealized capital gains in addition to the coupon return. The yield curve is facing upside risk pressure on the mid-to-long end as the Treasury continues to focus in lengthening its maturity profile.

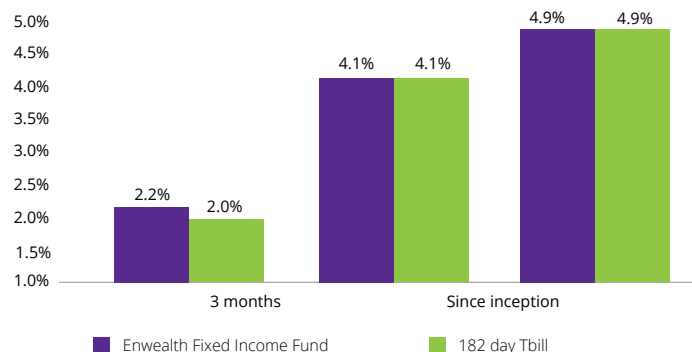
Kenya's year on year inflation increased slightly up to **4.6%** in September from **4.5%** in August primarily driven by rising costs in food and non-alcoholic beverages, transport, and housing-related expenses, though the rate remains within the Central Bank of Kenya's target range of **2.5 to 7.5%**. Core inflation inched lower to **2.9%** from **3.0%** exhibiting subdued inflationary pressures. In August, the Central Bank cut its benchmark lending rate by **0.25%**, saying there was room to ease monetary policy further as inflation was well within its target.

Treasury Bill yields reduced by an average of **0.1%** across all tenors as the 91,182 and 364-day Treasury bills closed the month at **7.91%, 7.99%** & **9.53%** from **8.00%, 8.07%** & **9.57** respectively in the previous month.

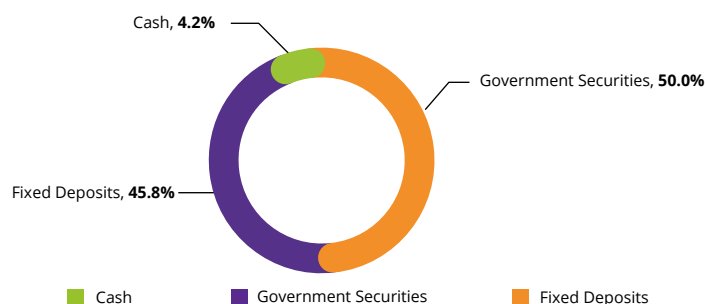
Outlook: It's likely that headline inflation will get to **5.0%** in Q4 2025 as seasonal price increases check in. We expect the Monetary Policy Committee will hold the policy rate further when the committee meets in October. We believe that the committee will cut the Central Bank Rate to **9.0%** by year end.

Fund Performance

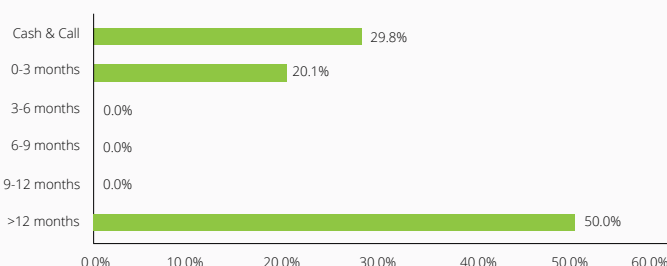
Enwealth Fixed Income Fund vs Benchmark - September 2025



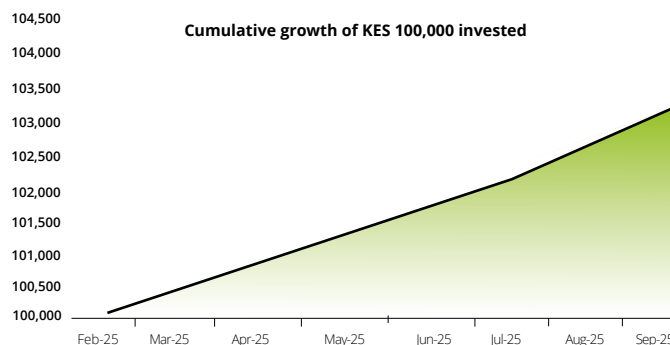
Asset Allocation



Duration Allocation



Cumulative Growth



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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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