



# MONEY MARKET FUND

## FACT SHEET

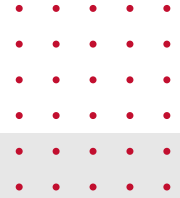
MAY

2024

### **REGULATED BY THE CAPITAL MARKETS AUTHORITY**

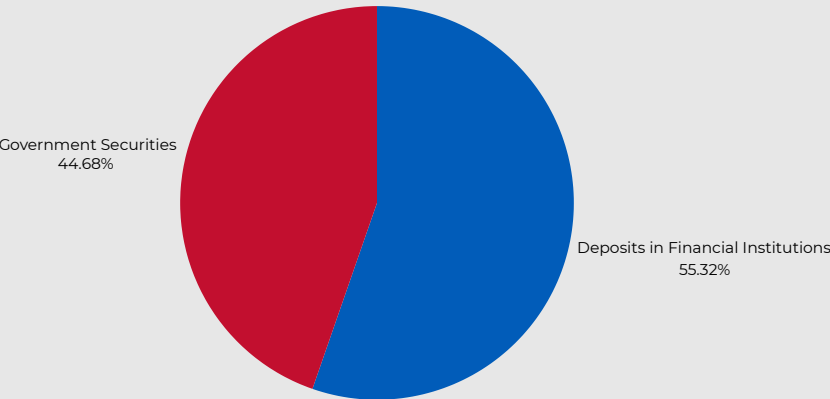
This fact sheet is for information purposes only and is not a solicitation to buy or sell. The price of units and the income from them can go down as well as up, as a result of changes in the value of underlying securities. Past performance is not necessarily a guide to future investment performance. An investor may not get back the full amount invested and in certain circumstances the right to redeem your units may be suspended.

In giving this approval, the Authority does not take responsibility for the financial soundness of the scheme or for the correctness of any statements made or opinions expressed in this regard.

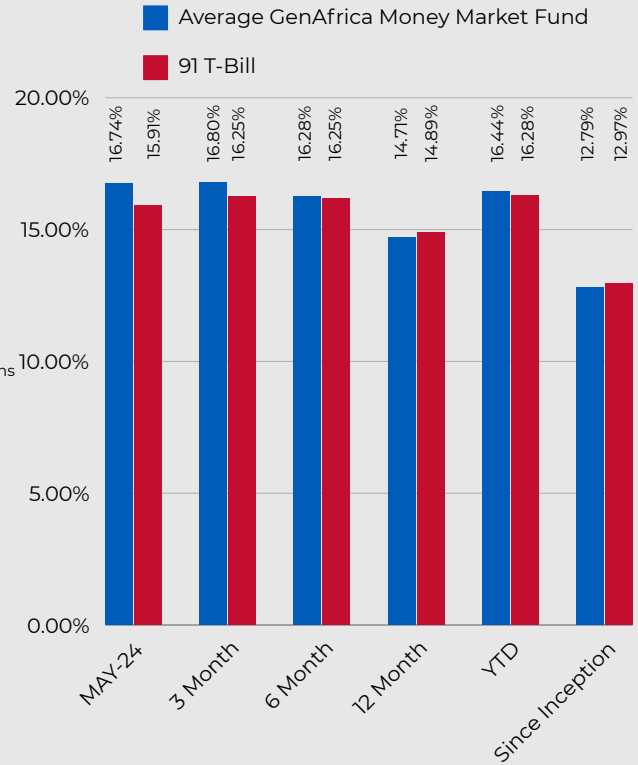


## Asset Allocation

- Deposits in Financial Institutions
- Government Securities



## Annualized Fund Performance



## Key Fund Features



Inception Date  
December 2022



2% Management fees.



Clients can also opt to withdraw interest earned and have this periodically paid out to them or automatically reinvest the interest.



Fund Size  
KES 1.165 Billion



No limitations on withdrawal.



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Monthly income distribution  
through issuance of new units.



Daily yield computation: the yield will be published in the local newspapers and company website. The yield will vary based on markets performance.



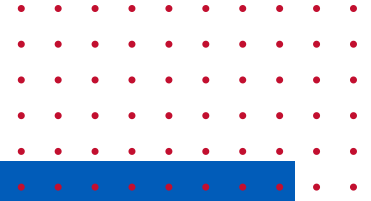
No initial fees.



Monthly fund factsheet and  
client statements to be sent to  
clients.



Minimum initial  
investment of KES  
500,000



## Fund Objective

This fund's objective is to obtain a reasonable level of return while preserving capital and liquidity.

In order to achieve its investment objective, the assets of the GenAfrica Money Market Fund are invested in high quality money market instruments with a maturity profile to ensure liquidity and capital preservation at all times.

## Target Investors

The Money market fund is suitable for a low risk investor interested in capital preservation, ease of liquidity and monthly income generated from interest income by the fund.

## Investment Universe

Funds deposited into the money market fund are invested mainly in interest bearing assets such as fixed deposits, treasury bills and short-term bonds. The investment strategy aims at securing interest above local bank rates while ensuring the clients capital is secured.

## Money Markets:

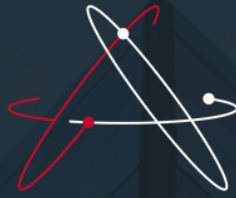
In May, liquidity in the money markets remained tight, with interbank rates averaging 13.67%, a slight decline from 13.71% recorded in April. Interest rates eased, with the 91-day, 182-day, and 364-day papers decreasing by 25 basis points (bps), 19bps, and 16bps to close the month at 15.95%, 16.56%, and 16.62%, respectively. The Central Bank of Kenya raised KES 145.16bn in T-bill sales in May, an increase compared to KES 134.69bn in April.

The increased collection was due to the oversubscription of the 182-day and 364-day papers as investors sought to lock in high rates. This surge in investor demand reflects a strategic move to capitalize on the attractive yields available in the current market environment.

The Monetary Policy Committee (MPC) convened to review its previous decisions aimed at stabilizing inflation and exchange rates. The committee noted that while overall inflation has reached the mid-point of the target range and exchange rates have stabilized, non-food and non-fuel inflation remains persistent. Additionally, despite a more favorable global growth outlook, advanced economies are still facing persistent inflation, which is expected to keep interest rates elevated for longer periods. Consequently, the MPC decided to maintain the central bank rate at 13%, marking the third consecutive meeting this year with the rate held steady.

## Inflation

Annual inflation increased for the first time since the beginning of the year, rising marginally by 10bps from 5% in April to 5.1% in May. This increase was attributed to a 60bps increase in the food index from 5.6% to 6.2%. Additionally, the housing, water, electricity, gas, and other fuels index increased by 60bps to 4.4% primarily due to higher electricity prices. On the other hand, the transport index declined by 1.15% to 8.1%, driven by a drop in petrol prices by 0.5% and diesel prices by 0.75%.



**GenAfrica**  
ASSET MANAGERS



**FOR FURTHER INFORMATION, SPEAK TO  
YOUR FINANCIAL ADVISOR OR CONTACT  
US AT:**



Phone Number  
**+254 112 703 157**



Email Address  
**Clientservices@genafrika.com**



Office Address

**1st Floor, Arlington Block, 14  
Riverside Business Park, Off  
Riverside Drive**