

AUGUST 2024

1. FUND PERFORMANCE

AVERAGE	2023	AUGUST 2024 (ANNUALIZED RETURN)	*PERFORMANCE SINCE INCEPTION (01-NOVEMBER-2017)
Cytonn Money Market Fund	12.5%	18.3%	11.7%
Benchmark (Average 91 day T- Bill + 1.0% point)	12.2%	16.8%	9.9%

*Percentage you can expect to earn with the fund during one year of investment on basis of the so far realized monthly returns since inception.

2. FUND MANAGER'S REPORT AND OUTLOOK

Fund Objective

The Cytonn Money Market Fund is a low-risk fund that seeks to obtain a high level of current income while protecting investor's capital and liquidity.

Portfolio Strategy

The portfolio objective will be to outperform the income yield available on money market call accounts and fixed deposit accounts by investing in interest-bearing securities and other short-term money market instruments. These securities are usually available to wholesale or institutional clients. The Fund will also be managed conservatively with active management of duration, credit, and liquidity risks.

Economic Report

According to the Kenya National Bureau of Statistics (KNBS) 2024 Economic Survey, the Kenyan economy recorded a 5.6% expansion in FY'2023, faster than the 4.9% growth recorded in FY'2022. The performance in FY'2023 was mainly driven by the 6.5% growth in the Agriculture, Fishing, and Forestry sector, compared to the 1.5% contraction recorded in FY'2022, owing to the favorable weather conditions, that boosted crop and livestock production. Also, production of key food crops such as maize, beans, and potatoes increased significantly during the year. All sectors in FY'2023 recorded positive growths, with varying magnitudes across activities. Most sectors recorded improved growth compared to FY'2022, with Agriculture, Forestry and Fishing, Accommodation and Food Services, and Real Estate Sectors recording the highest growth improvements of 7.9% points, 6.8% points, and 2.8% points, respectively. The biggest gainer in terms of sectoral contribution to GDP was the Financial and Insurance sector, increasing by 0.4% points to 9.5% in FY'2023 from 9.1% in FY'2022, while the Manufacturing sector was the biggest loser, declining by 0.3% points to 8.2% in FY'2023, from 8.4% in FY'2022.

During the month, yields on the government papers recorded mixed performances during the month, with the 91-day and 182-day papers yields decreasing by 14.4 bps and 8.1 bps to 15.9% and 16.7% respectively from 16.0% and 16.8% recorded the previous month, while the yields on the 364-day paper increased marginally by 2.7 bps to remain relatively unchanged at 16.9% recorded the previous month.

The August 2024 inflation rate increased by 0.1% points to 4.4%, from the 4.3% recorded in July 2024. Notably, inflation has remained within the CBK target range of 2.5%-7.5% for the past fourteen months.

Portfolio Performance

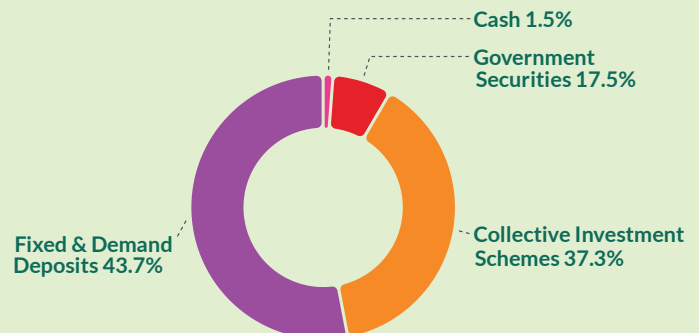
The Cytonn Money Market Fund successfully delivered high returns in July 2024, averaging 18.3% p.a. Going forward, Cytonn Asset Managers Limited (CAML) expects the Cytonn Money Market Fund to deliver returns above its benchmark of 91-day T-Bill+1.0% points leveraging on optimal asset allocation in line with the Fund's Investment Policy Statement.

As at 31th August 2024, Cash, bank deposits and government securities constituted 62.7% of the portfolio.

FUND PROFILE

- ◉ **Fund Manager:** Cytonn Asset Managers Limited
- ◉ **Risk Profile:** Low
- ◉ **Minimum Initial Investment:** Kshs. 1,000
- ◉ **Minimum Additional Investment:** Kshs. 100
- ◉ **Annual Management Fee:** 2.0%
- ◉ **Ledger Fee:** Kshs 50
- ◉ **Initial Fee:** Nil
- ◉ **Inception Date:** 01 November-2017
- ◉ **Trustee:** Goal Advisory
- ◉ **Custodian:** SBM Bank Kenya Ltd
- ◉ **Benchmark:** Average 91-day T-Bill plus 1.0% points

ACTUAL ASSET ALLOCATION



Disclaimer: Past performance is not a guarantee of future performance and the value of the fund will fluctuate from time to time.