

JULY 2024

1. FUND PERFORMANCE

AVERAGE	2023	JULY 2024 (ANNUALIZED RETURN)	*PERFORMANCE SINCE INCEPTION (01-NOVEMBER-2017)
Cytonn Money Market Fund	12.5%	18.3%	11.6%
Benchmark (Average 91 day T- Bill + 1.0% point)	12.2%	17.0%	9.8%

*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. The Accommodation and Food Services sector recorded the highest growth rate in FY'2023 growing by 33.6%, faster than the 26.8% growth recorded in FY'2022.

During the month, yields on the shorter-dated Government papers were on an upward trajectory, with the 364-day, 182-day, and 91-day papers yields increasing by 11.7 bps, 12.4 bps, and 2.7 bps to 16.9%, 16.8% and 16.0% respectively from 16.8%, 16.7%, and 16.0% recorded the previous month. Additionally, the Kenyan Shilling depreciated by 0.3% against the US Dollar to close the month at Kshs 129.9, from Kshs 129.5 recorded at the end of June 2024.

The July 2024 inflation rate decreased by 0.3% points to 4.3%, from the 4.6% recorded in June 2024. Notably, inflation has remained within the CBK target range of 2.5%-7.5% for the past thirteen months.

Portfolio Performance

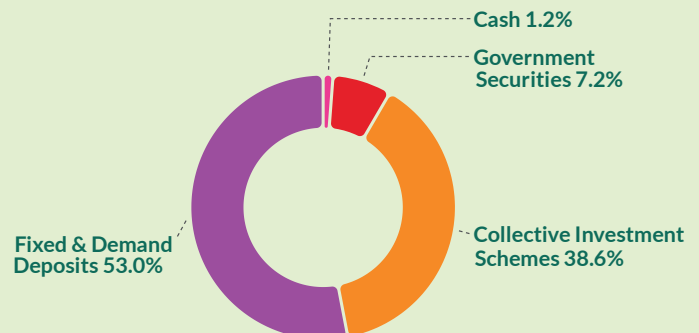
The Cytonn Money Market Fund successfully delivered high returns in July 2024, averaging 18.3% p.a. Going forward, Cytonn Asset Managers Limited (CAML) expects the Cytonn Money Market Fund to deliver returns above its benchmark of 91-day T-Bill+1.0% points leveraging on optimal asset allocation in line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

As at 31th July 2024, Cash, bank deposits, and government securities constituted 61.4% 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.