

ZIMELE UNIT TRUST BALANCED FUND FACT SHEET DEC 2024

About Unit Trust Balanced Fund

Fund Launch Date	April-07
Initial Fee	0%
Annual Management Fee	2.00%
Currency	Kenya Shillings
Minimum Investment	Kshs. 100
Minimum-Top-up	Kshs. 100
Fund Size	Kshs. 274.6 Million
Fund Manager	Zimele Asset Management Ltd
Fund Trustee	KCB Bank Kenya Ltd
Fund Custodian	Standard Chartered Bank Kenya Limited
Fund Auditor	Louse & Associates
Income Distribution	Monthly
Fund Benchmark	Composite Index (NSE-20 Share Index, FTSE Bond Index)
Risk Profile	Moderate

Economic Commentary and Market Outlook

Macroeconomy

The Kenyan economy grew by 4.0% in Q3 2024, down from 6.0% in Q3 2023, as per KNBS. This slowdown reflects deceleration across most sectors, with contractions in construction and mining. The agricultural sector grew by 4.2%, driven by increased sugarcane and milk production, while the services sector expanded by 5.3%, a decline from 7.8% in 2023. The industrial sector contracted by -0.2% compared to 3.1% growth previously. Average growth for the first three quarters of 2024 was 4.5%, lower than 5.5% in 2023. The 2024 GDP is projected at 4.8%-5.0%, with 2025 expected at 5.0%-5.4%.

Inflation

Overall inflation increased to 3.0 percent in December 2024 from 2.8 percent in November 2024, on account of a modest increase in food and fuel inflation. Food inflation increased to 4.8 percent from 4.5 percent in November, due to an increase in prices of select food items. Fuel inflation edged up marginally to -1.0 percent in December from -1.6 percent in November while NNFN inflation stabilized at 3.2 percent in November and December, reflecting general stability in prices of most components.

Exchange Rate and Forex Reserve

The Kenya Shilling remained stable against major international and regional currencies during the month ending December 31. It exchanged at Ksh 129.29 per US dollar on December 31, while on November 30 was 129.68. Overall, in 12 months to December 2024, the Kenya Shilling recorded 18.03 percent gain against the USD, similarly, KSHS strengthened against Euro at 2.04 percent, TSH at 6.91 and the USH by 0.41 percent.

The usable foreign exchange reserves remained adequate at USD 9,201 million (4.7 months of import cover) as of December 24. This meets the CBK's statutory requirement to endeavor to maintain at least 4 months of import cover

Equity Market

At the Nairobi Securities Exchange, the NSE 20, NSE 25 and NASI share price indices increased by 8.02 percent, 10.71 percent and 11.08 percent respectively during the month ending December 31. Similarly, market capitalization increased by 10.99 percent while equity turnover and total shares traded declined by 82.0 percent and 62.8 percent, respectively. Meanwhile, the Zimele Balanced Fund recorded 3.80% gain during the month.

Global Economic Outlook

Concerns about inflation in advanced economies rose during the week ending January 2, 2025. Spain's headline inflation rate increased to 2.8 percent in December 2024 from 2.4 percent in November 2024, on account of rise in energy prices and leisure cost, while core inflation rose to 2.6 percent. The global manufacturing sector PMI index contracted to 49.6 in December 2024, compared to an expansion of 50.0 in November 2024, reflecting declines in output and new orders. The US dollar index strengthened by 1.1 percent against a basket of major currencies during the week ending January 2, 2025.74

International oil prices increased during the week ending January 2, 2025, largely reflecting easing of concerns over oil demand in China and draw-down of US oil inventories. The price of Murban oil increased to USD 76.31 on January 2, 2025, from USD 74.19 on December 24, 2024.

Key Features of the Fund

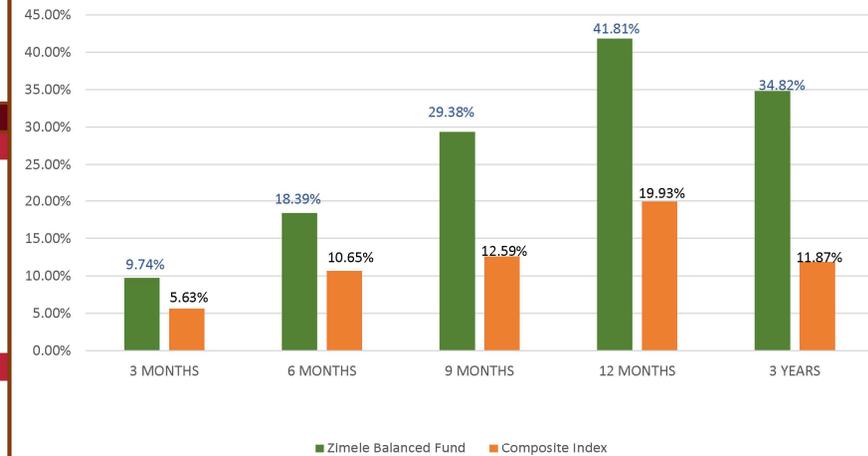
- >Competitive returns
- >No penalties
- >Returns credited to statements is net of tax
- >Enhanced safety of funds
- >Returns based on appreciation of unit prices
- >Deposit and withdrawal via M-Pesa
- >Online statements
- >Professional fund management

Zimele Balanced Fund is Ideal for:

Investors seeking capital appreciation; the price of units will rise and fall based on the performance of underlying investments; the component of listed shares makes it moderately risky and is therefore recommended for investors with medium term or long term goals

Fund Performance-Dec 2024

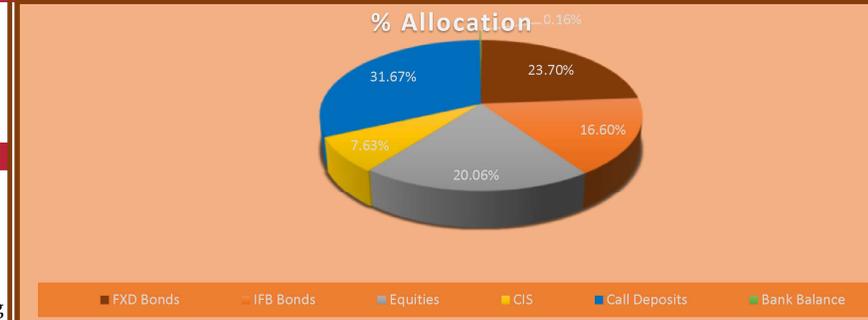
ZBALF FUND PERFORMANCE DEC 2024



Zimele Balanced Fund Historical 10-Year Performance Chart



ZIMELE BALANCED FUND ASSET ALLOCATION SCHEDULE



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