

Fund Objective

GenCap Hela Imara Fund is a low risk, highly liquid fund that seeks to obtain a high level of current income while protecting investors' capital.

Fund Profile

- **Fund Manager:** Genghis Capital Ltd
- **Launch Date:** June 2017
- **Initial Fee:** Nil
- **Annual Management Fee:** 2.0%
- **Minimum Investment:** Kshs 500
- **Minimum Top Up:** Kshs 500
- **Trustees:** Kenya Commercial Bank
- **Custodian:** Stanbic Bank Kenya

Market Review & Outlook

Liquidity in the money markets tightened slightly during the month of August, with the average inter-bank rate increasing to 2.4% from the 2.2% recorded in July. Yields on the 91-day, 182-day and 364-day Treasury bills increased by 20 bps, 10 bps and 10 bps, respectively during the month, to close at 6.3%, 6.6% and 7.5% for the 91-day, 182-day and 364-day T-Bills, respectively.

During the month, the Central Bank of Kenya (CBK) issued a new infrastructure bond IFB1/2020/11, looking to raise Kshs 70.0 bn for infrastructure projects. The bond was oversubscribed, with the government receiving bids worth Kshs 101.5 bn, translating to a subscription of 145.0%, while the yield came in at 11.3%.

The inflation rate for the month of August came in at 4.4%, similar to the 4.4% recorded in July, while month on month inflation increased by 0.2%. The increase was driven by a 2.1% increase in the transport index, owing to higher fuel prices during the month, following the 3.0% and 3.4% increase in diesel and petrol prices, respectively.

Yields on Treasury bills and bonds increased slightly during the month of August, as the yield curve corrected on the short end following the month of July's steep decline. The money markets remains liquid during the month, while the CBK remained disciplined in rejecting expensive bids in the market, while also lengthening the government's debt profile by issuing longer tenured bonds.

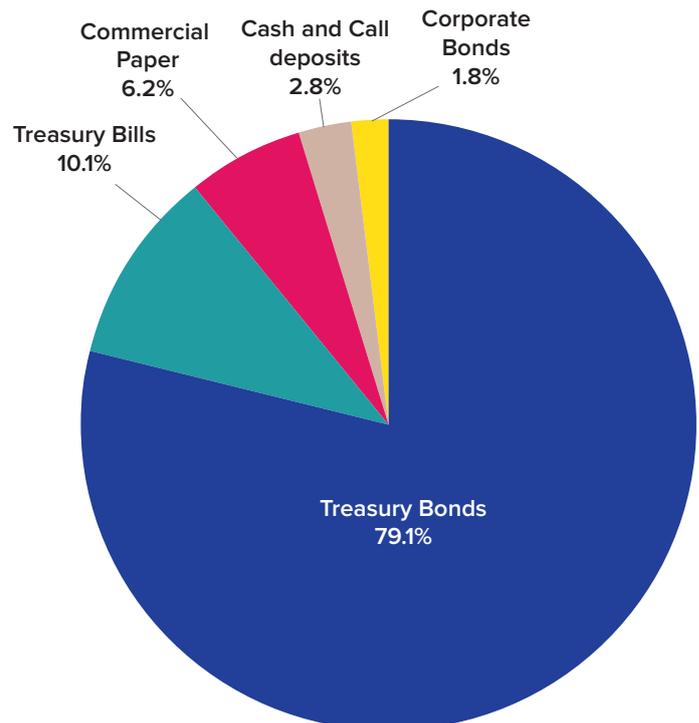
We expect a pickup in economic activity in the second half of the year supported by the easing of COVID-19 containment measures, and the fiscal support from government measures to cushion businesses and households.

Going forward, the GenCap Hela Imara Fund is well positioned through its optimal asset allocation to continue delivering a high level of current income whilst protecting investors' capital.

Fund Performance

	AUG - 20	Δ in AUM YTD
GenCap Hela Imara Fund	10.37%	+53.2%

Asset Allocation



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