

## 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
- **Risk Profile:** Conservative
- **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 during the month of December, with the average interbank rate rising to 5.1% from the 3.2% recorded in November. Yields on Treasury Bills rose, with the 91-day, 182-day and 364-day T-Bills rising by 20 bps each to close at 6.9%, 7.4%, and 8.4% for the 91-day, 182-day and 364-day T-Bills, respectively.

During the month, the Central Bank of Kenya (CBK) re-opened 2 bonds, FXD1/2012/15 and FXD2/2019/15, looking to raise Kshs 40.0 bn for Budgetary support. The bonds were undersubscribed, with the government receiving bids worth Kshs 24.3 bn, translating to a subscription of 60.8%. The yields came in at 11.5% and 12.8% for the FXD1/2012/15 and FXD2/2019/15 bonds, respectively.

The inflation rate for the month of December came in at 5.6%, higher than the 5.3% recorded in November, while month on month inflation rose by 1.0%. The m/m increment was driven by a 2.5% increase in the food & non-alcoholic beverages index, owing to higher food prices, and a 1.2% increase in the transport index, attributed to higher diesel and petrol prices that rose by 1.2% and 0.9%, respectively.

Yields on Treasury bills and bonds increased slightly during the month of December, as the yield curve corrected following the steep decline earlier in the year. The money markets remained 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

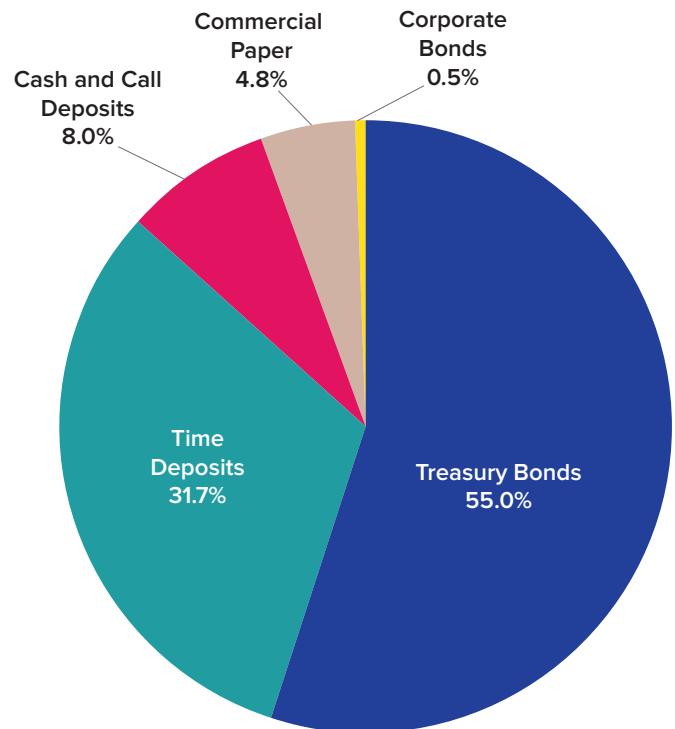
tenured bonds. We expect a pickup in economic activity in the second half of the year supported by the easing of COVID-19 containment measures, and the fiscal support from government measures to cushion businesses and households.

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

	Dec - 20	Δ in AUM YTD
<b>GenCap Hela Imara Fund</b>	<b>9.20%</b>	<b>+134%</b>

## Asset Allocation



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