

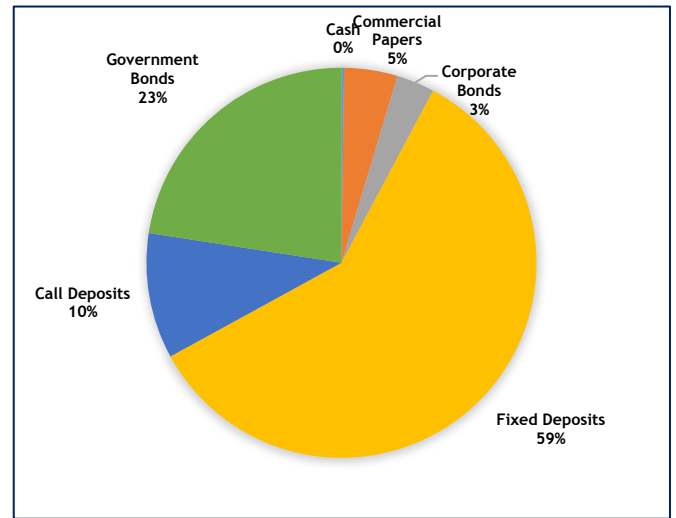
## Fund Objective

Hela Imara Money Market 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:** Zero
- **Annual Management Fee:** 2.00%
- **Minimum Investment:** Kshs 500
- **Trustees:** Kenya Commercial Bank
- **Custodian:** Stanbic Bank Kenya
- **Benchmark:** 91-Day T-Bill
- **Assets Under Management:** Kshs 602.4 mn

## Asset Allocation



Fund Performance	2024 May	2024 April	FY'2023	3 Year
Hela Imara Money Market Fund	15.44%	14.88%	11.00%	9.76%
Benchmark (91-Day T-bill)	15.91%	16.02%	12.26%	9.18%

\*Performance is net of Management Fee but Gross of Withholding Tax

## Market Review and Outlook

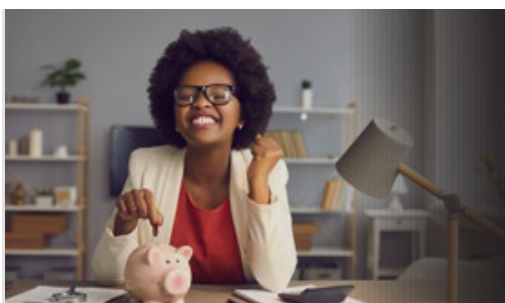
In the month of May 2024, liquidity in the money market increased with the average interbank rate decreasing to 13.57%, from 13.71% in April 2024.

The average yields on the government papers resumed their upward trajectory, with the average yields on the 91-day, 182-day and 364-day papers increasing by 0.12%, 0.10% and 0.13% to 15.95%, 16.56% and 16.62% from 15.82%, 16.46% and 16.49% in May 2024 respectively. Furthermore, there was an increase in the oversubscription of T-bills with the overall average subscription rate coming in at 156.67%, from 128.58% recorded in April 2024. The average subscription rate for the 91-day decreased to 494.5% from 514.6% in May 2024. The average subscription rate for the 182-day and 364-day paper increased to 51.3% from 44.0% and 48.4% from 42.1% recorded in April 2024.

Inflation in the month May 2024 increased to 5.1%, from the 5.0% recorded in April 2024. Headline inflation in May 2024 was driven most significantly by increases in the prices of the following commodities: electricity, food and non-alcoholic beverages.

Stanbic bank released the May edition of its monthly Purchasing Manager's Index (PMI). The index for the month of May came in at 51.8, up from 50.1 in April 2024. This indicated a marginal improvement in overall business conditions, with output increasing at its fastest pace in 20 months. The private sector is benefiting from easing inflation and a stable exchange rate. As input costs fell for the second consecutive month, firms saw strengthened new order volumes due to improved customer purchasing power. Although most sectors experienced output growth, the agriculture and construction sectors saw declines, as ongoing flooding negatively impacted their productivity.

As inflation continues to ease, both industries and consumers benefit from improved purchasing power. Industries see better sales margins as costs decline, while consumers enjoy a broader selection of products thanks to increased disposable income. However, the potential for growth remains constrained due to high interest rates, which limit access to credit. This is occurring at a time when loan defaults are at an 18-year high, prompting banks to tighten lending standards and restrict investment funding for both industries and individuals. Although we anticipate further improvement in macroeconomic conditions, significant changes are unlikely until the CBK enacts rate cuts.



Grow your wealth by investing from as little as KES 500 with Gencap Hela Imara Money Market Fund.



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