

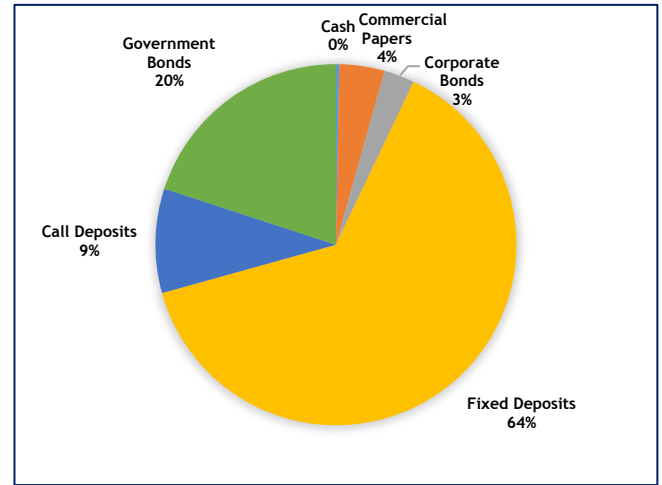
## Fund Objective

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 664.3 mn

## Asset Allocation



Fund Performance	2024 June	2024 May	FY'2023	3 Year
Hela Imara Money Market Fund	15.48%	15.44%	11.00%	9.76%
Benchmark (91-Day T-bill)	15.97%	15.91%	12.26%	9.18%

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

## Market Review and Outlook

In the month of June 2024, liquidity in the money market increased with the average interbank rate decreasing to 13.14%, from 13.57% in May 2024.

The average yields on the government papers continued on their upward trajectory, with the average yields on the 91-day, 182-day and 364-day papers increasing by 0.02%, 0.18% and 0.13% to 15.97%, 16.74% and 16.75% from 15.95%, 16.56% and 16.62% in June 2024 respectively. Furthermore, there was a decrease in the oversubscription of T-bills with the overall average subscription rate coming in at 111.32%, from 156.67% recorded in May 2024. The average subscription rate for the 91-day decreased to 482.1% from 494.5% in June 2024. The average subscription rate for the 182-day and 364-day paper increased to 55.2% from 51.3% and 50.0% from 48.4% recorded in May 2024.

Inflation in the month June 2024 declined to 4.6%, from the 5.1% recorded in May 2024. Headline inflation in June 2024 was driven most significantly by decreases in the prices of the following commodities: gas/LPG, Kerosene, Petrol and Diesel.

Stanbic bank released the June edition of its monthly Purchasing Manager's Index (PMI). The index for the month of June came in at 47.2, down from 51.8 in May 2024. This indicated a significant decline in overall business conditions, with output decreasing at its fastest pace in 7 months. The decline was caused by the likely introduction of new punitive taxes announced in the 2024 finance bill, which would have impacted many private sector industries, along with the ensuing protests. Both input and output prices rose in anticipation of the new taxes, however, the upside was limited as inflationary pressures continue to subside and the exchange rate remain stable.

The month of June has seen unexpected headwinds subdue the recovery of the macroeconomic environment. This began with the announcement of the Finance Bill 2024, which proposed a series of tax changes that would have caused an increase in production costs. Consequently, nationwide protests erupted, causing the business environment to come to a halt on certain days, further exacerbating the economic challenges. Despite the withdrawal of the Finance Bill, these protests have continued, leaving the macroeconomic future more uncertain. The ongoing protests are expected to keep limiting economic activity in the market and we anticipate that if the protests persist, economic output will continue to decline further affecting both consumers and businesses.



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.