

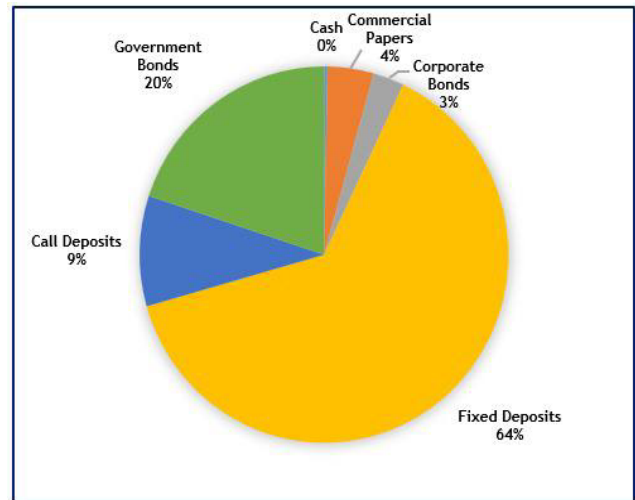
Fund Objective

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 577.2 mn

Asset Allocation



Fund Performance	2024 July	2024 June	FY'2023	3 Year
Hela Imara Money Market Fund	16.20%	14.88%	11.00%	9.76%
Benchmark (91-Day T-bill)	16.00%	16.68%	12.26%	9.18%

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

Market Review and Outlook

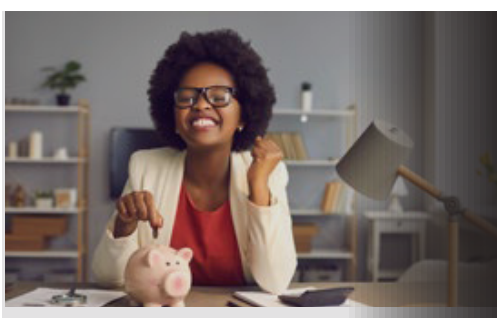
In the month of July 2024, liquidity in the money market contracted with the average interbank rate increasing to 13.18%, from 13.14% in June 2024.

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 0.03%, 0.11%, and 0.17% to 16.00%, 16.85%, and 16.93% from 15.97%, 16.74% and 16.75% in June 2024 respectively. Furthermore, there was an increase in the oversubscription of T-bills with the overall average subscription rate coming in at 120.25%, from 111.32% recorded in June 2024. The average subscription rate for the 91-day decreased to 478.0% from 482.1% in June 2024. The average subscription rate for the 182-day and 364-day paper increased to 58.6% from 55.2% and 51.6% from 50.0% recorded in June 2024.


Inflation in the month of July 2024 declined to 4.3%, from the 4.6% recorded in June 2024. Headline inflation in July 2024 was driven most significantly by decreases in the prices of food and fuel products.

Stanbic Bank also released the July edition of its monthly Purchasing Manager's Index (PMI). The index for the month of July came in at 43.1, down from 47.2 in June 2024. This indicated a significant decline in overall business conditions, with output decreasing to its greatest extent since April 2021. The decline was caused by the continued political instability that led to a reluctance among customers to commit to new orders, while protests themselves blocked access to businesses and prevented them from opening. We expect this to continue being the case moving forward if the instability persists.

With political instability that started in June and persisting through July, albeit with reduced intensity, the impact on business activities continues to affect the economy. The ongoing protests have led to a slowdown in business operations, with companies having to temporarily close on a bi-weekly basis to prevent potential damage and looting. Economic activity is expected to remain subdued in the coming month, with the protests likely to continue. Additionally, a resurgence in geopolitical tensions has sparked concerns about inflation following the assassination of key figures in the Israel-Hamas conflict. Analysts warn that oil prices could exceed \$100 per barrel if the situation escalates into a full-scale war, potentially leading to higher local fuel prices and renewed inflationary pressures. However, with the annulment of the Finance Bill 2023, fuel prices are expected to decrease in the near term as the VAT rate is reduced from 16% to 8%.



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.