

# MADISON FIXED INCOME FUND

## Factsheet April 2023

### Fund Objective

The objective of Madison Fixed Income Fund is to achieve capital growth while earning a steady income stream from investing in fixed income securities in the local and international markets. The Scheme will invest in Government of Kenya securities, fixed deposits with selected banks, other collective investment schemes, offshore investments and other investments.

### Fund Features

Registration Date:	15th June 2022
Structure:	Open ended, Unit Trust Fund
Fund Manager:	Madison Investment Managers Ltd
Trustees:	KCB Bank Kenya Ltd
Custodian:	Equity Bank Kenya Limited
Auditors:	Deloitte & Touche LLP
Regulator:	Capital Markets Authority

### General Information

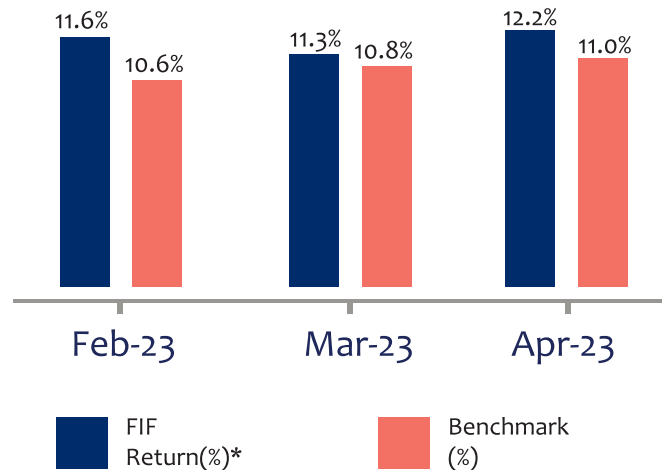
Min. Initial Investment:	KES 5,000.00
Min. Top Up:	KES 1,000.00
Investment Horizon:	Less than one year
Risk Profile:	Moderate
Benchmark Return:	Average 91 Day T Bill + 1%
Income distribution:	30th June & 31st December
Management fees:	2%
Lock-in Period:	6 Months

### Asset Allocation

Cash & Equivalents	7.3%
Commercial Paper	15.6%
Fixed Deposits	26.3%
Treasury Bonds	50.8%

**Fund Size: KES 9.7 Million**

### Fund Performance



\*FIF return is net of fees, gross of withholding tax.

### Market Commentary

In the month of April 2023, headline inflation dipped to a 10-month low of 7.9%, from the 9.2% reported in March 2023. The inflationary pressures were abated by declining food and fuel prices. In the month, the annual food index fell from 13.4% to 10.1% on account of favourable weather conditions - which saw a diminution in the prices of vegetables. Similarly, the annual fuel index retreated to 13.2% as international fuel prices continued to decline.

April 2023 saw short term interest rates on the 91-day, 182-day and 364-day treasury bills rise by an average of 0.27%, 0.17% and 0.16%, respectively, and closed the month at 10.16%, 10.48% and 11.06%, respectively.

The Kenya Shilling depreciated by 2.70% against the US dollar within the month of April to close at KES 135.91 from KES 132.33 in March. This was partly attributable to increased dollar demand from manufacturers and importers, especially oil and energy sectors against a slower supply of hard currency.

*Disclaimer: Past performance is not an indicator of future investment performance, and current fund performance may differ from the figures shown. The fund return is an effective annual yield, quoted net of fees and gross of withholding tax. Unit trust values are calculated on a net asset value basis which is the total of all assets in the portfolio including any income accrual, less any permissible deduction from the portfolio. The funds are held at a custodian account and the activities of the fund are overseen by a trustee. The fund expense ratio reflect the proportion of the fund used to cover expenses. The lower the expense ratio, the better. The Sharpe ratio is used to evaluate the risk-adjusted performance of the fund. A higher Sharpe ratio indicates better return yielding capacity of a fund for every additional unit of volatility.*