

Market Commentary

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Portfolio Manager



The major stocks listed on the Nairobi Securities Exchange (NSE) registered month-on-month (m-o-m) price declines. The continued exit of foreign investors from the NSE is largely attributable to growing concerns over a further deterioration in the Russia-Ukraine crisis and expectations of rising interest rates in the United States.

Index	Apr-22	Mar-22	Monthly Chg	Ytd
NASI	150	156	-3.6%	-9.8%
NSE 20	1,801	1,847	-2.5%	-5.4%
NSE 25	3,383	3,565	-5.1%	-9.6%
Equity turnover (USDm)	51	83	-39.2%	-23.4%
Net foreign flows (USDm)	(14)	(13)		

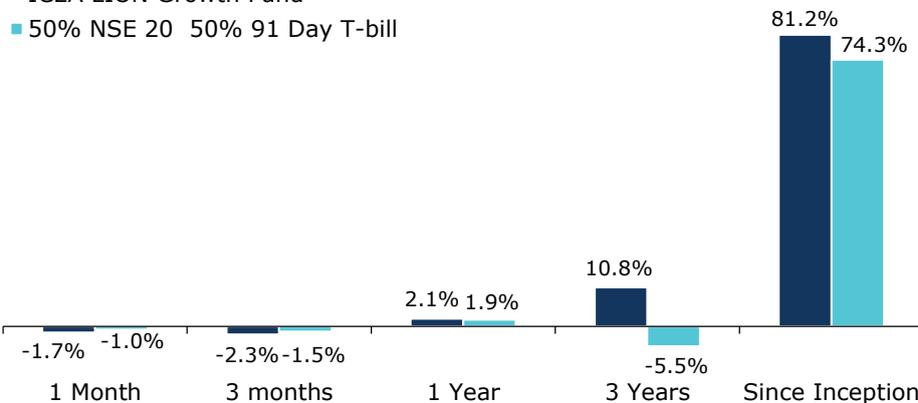
The Central Bank auctioned 5-year and 15-year treasury bonds at interest rates of 11.8% and 13.9% respectively. The bond sale recorded a 95% subscription rate as CBK received investor bids worth KES67bn out of KES70bn on offer. Interest rates on short term, medium term and long term bonds generally rose m-o-m in April.

What does this mean for the Growth Fund?

A decline in the prices of NSE-listed stocks is negative for the fund's equities portion. However, select companies that have solid future prospects continue to trade at attractive entry points in the current bear market. We shall remain vigilant on any further effects of Russian-Ukraine tensions, rising US interest rates and the upcoming elections whilst we scout for opportunities. Our strategy will allow us to deliver competitive long term equity returns. On the fixed income segment, a rise in interest rates would decrease bond prices. Bonds may continue to face pressure from rising inflation and further USD-KES weakness. However, the Central Bank's strategy of maintaining stable interest rates by rejecting highly aggressive investor bids during auctions is likely to avert a spike in bond yields. Therefore, we anticipate stable but increasing bond rates in the near term. We shall bid aggressively for bonds and pursue trading opportunities in a bid to enhance the fixed income return.

Fund Performance

- ICEA LION Growth Fund
- 50% NSE 20 50% 91 Day T-bill



Fund Facts

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Fund Size

KES 305 Million

Inception Date

October 2007

Fund Manager



Custodian



Trustee



Auditor



Minimum Investment

KES 500/=

Minimum Top Up

No Limit

Management Fees
2%



Achieve long term capital growth

Initial Fees

0%

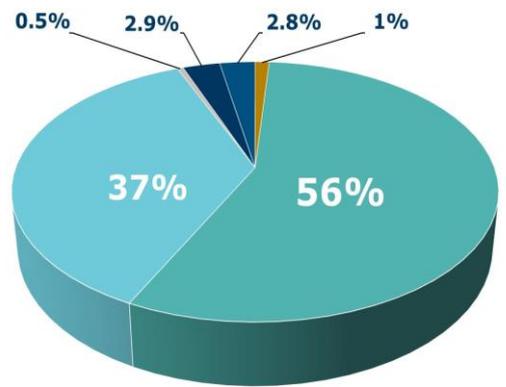
Risk Profile



Benchmark

50% NSE 20 Share Index 50% 91 day T-bill

Fund Assets



■ Corporate bonds ■ T- bonds ■ Equities ■ Deposits ■ T-bills ■ Cash

Disclaimer: Past performance is not necessarily a guide to future performance. There are no guarantees on the investor's capital as the value of investments can fall as well as rise depending on the performance of underlying investments.

All returns are inclusive of distribution income, net of fund management fees and gross of withholding tax.