

## AUGUST 2025

### 1. FUND PERFORMANCE

AVERAGE	2024	AUGUST 2025 (ANNUALIZED RETURN)	*PERFORMANCE SINCE INCEPTION (07-OCTOBER-2019)
Cytonn High Yield Fund (CHYF)	21.9%	21.9%	16.4%
Benchmark (182 day T- Bill + 5.0% points)	20.7%	13.2%	15.3%

*\*Historical Percentage you can expect to earn with the fund during one year of investment on basis of the so far realized monthly returns*

### 2. FUND MANAGER'S REPORT AND OUTLOOK

#### Fund Objective

The Cytonn High Yield Fund is a specialized Collective Investment Scheme with exposure skewed towards investment in real estate assets. The Fund aims at capital preservation while earning high returns and maintaining sufficient liquidity. The Fund aims to achieve above average returns that not only beat inflation but are also better than the yields offered by both government securities and fixed deposits.

#### Portfolio Strategy

The fund will largely be invested in fixed income and real estate related securities. Being a specialized Fund, the Fund can invest up to 80.0% in Real Estate funds, but to ensure sufficient diversification, no single investment should be more than 25.0% of the portfolio unless in special cases.

#### Economic report and outlook

According to the Kenya National Bureau of Statistics (KNBS) Q1'2025 Quarterly Gross Domestic Product Report, the Kenyan economy recorded a 4.9% growth in Q1'2025, at par with the 4.9% growth recorded in Q1'2024. The main contributor to Kenyan GDP remains to be the Agriculture, fishing and forestry sector which grew by 6.0% in Q1'2025, higher than the 5.6% expansion recorded in Q1'2024. All sectors in Q1'2025 recorded positive growths, with varying magnitudes across activities. Most sectors recorded contraction in growth rates compared to Q1'2024 with Accommodation & Food Services, Financial Services Indirectly Measured and Professional Administration recording growth rate declines of 34.0%, 13.4% and 4.8% points to 4.1%, 9.0% and 4.6% from 38.1%, 15.4% and 9.4% respectively. Other sectors recorded an expansion in growth rates, from what was recorded in Q1'2024, with Mining and Quarrying, Taxes on products and Construction recording the highest growths in rates of 26.0%, 2.8% and 2.6% points, to 10.0%, 5.7% and 0.4% from (16.1%), 2.9% and 3.0% respectively.

During the month, yields on the government papers were on a downward trajectory, with the 91-day, 182-day and 364-day paper yields decreasing by 8.3 bps, 24.2 bps and 7.4 bps to 8.1%, 8.2% and 9.6% respectively, from 8.1%, 8.4% and 9.7% recorded the previous month. Additionally, the Kenya Shilling depreciated marginally by 0.2 bps against the US Dollar, to close the month at Kshs 129.2, remaining relatively unchanged from end of July.

The August 2025 y/y inflation rate increased by 0.4% points to 4.5%, from the 4.1% recorded in July 2025. Notably, inflation has remained within the CBK target range of 2.5%-7.5% for the past twenty-six months.

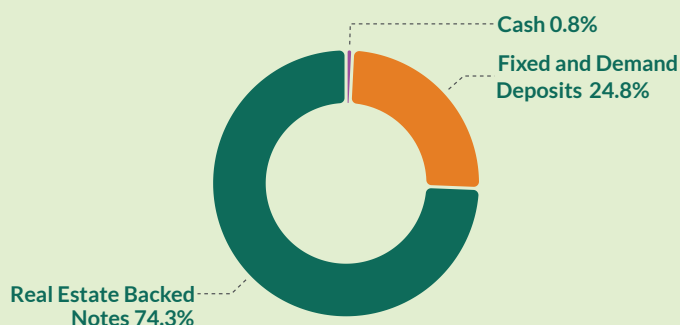
#### Portfolio Performance

The Cytonn High Yield Fund delivered an average return of 21.9% p.a. beating the inflation rate of 4.5% in the month of August to deliver positive real returns.

#### FUND PROFILE

- ◉ **Fund Manager:** Cytonn Asset Managers Limited
- ◉ **Risk Profile:** This is a medium to high risk investment fund
- ◉ **Minimum Initial Investment:** Kshs. 100,000
- ◉ **Minimum Additional Investment:** Kshs. 10,000
- ◉ **Annual Management Fee:** 2.0%
- ◉ **Initial Fee:** Nil
- ◉ **Trustee:** Goal Advisory
- ◉ **Custodian:** SBM Bank Kenya Ltd
- ◉ **Benchmark:** Average 182-day T-Bill + 5.0% points

#### ACTUAL ASSET ALLOCATION



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