

**NOVEMBER 2024**

**1. FUND PERFORMANCE**

AVERAGE	2023	NOVEMBER 2024 (ANNUALIZED RETURN)	*PERFORMANCE SINCE INCEPTION (01-NOVEMBER-2017)
Cytonn Money Market Fund	12.5%	18.1%	11.9%
Benchmark ( Average 91 day T- Bill + 1.0% point)	12.2%	13.7%	10.1%

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

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

**Fund Objective**

The Cytonn Money Market Fund is a low-risk fund that seeks to obtain a high level of current income while protecting investor's capital and liquidity.

**Portfolio Strategy**

The portfolio objective will be to outperform the income yield available on money market call accounts and fixed deposit accounts by investing in interest-bearing securities and other short-term money market instruments. These securities are usually available to wholesale or institutional clients. The Fund will also be managed conservatively with active management of duration, credit and liquidity risks.

**Economic Report**

According to the Kenya National Bureau of Statistics (KNBS) Q2'2024 Quarterly Gross Domestic Product Report, the Kenyan economy recorded a 4.6% growth in Q2'2024, slower than the 5.6% growth recorded in Q2'2023. The main contributor to Kenyan GDP remains to be the Agriculture, Fishing, and Forestry sector which grew by 4.8% in Q2'2024, lower than the 7.8% expansion recorded in Q2'2023. All sectors in Q2'2024, except Mining and Quarrying and Construction recorded positive growths, with varying magnitudes across activities. Most sectors recorded declining growth rates compared to Q2'2023 with Accommodation and Food Services, Financial & Insurance and Construction Sectors recording the highest declines of 16.2%, 8.1%, and 5.6% points, respectively. Other sectors that recorded a contraction in growth rate, from what was recorded in Q2'2023 were Financial Services Indirectly Measured, Agriculture and Forestry, and Real Estate sectors, of 4.0%, 3.0%, and 2.1% points respectively.

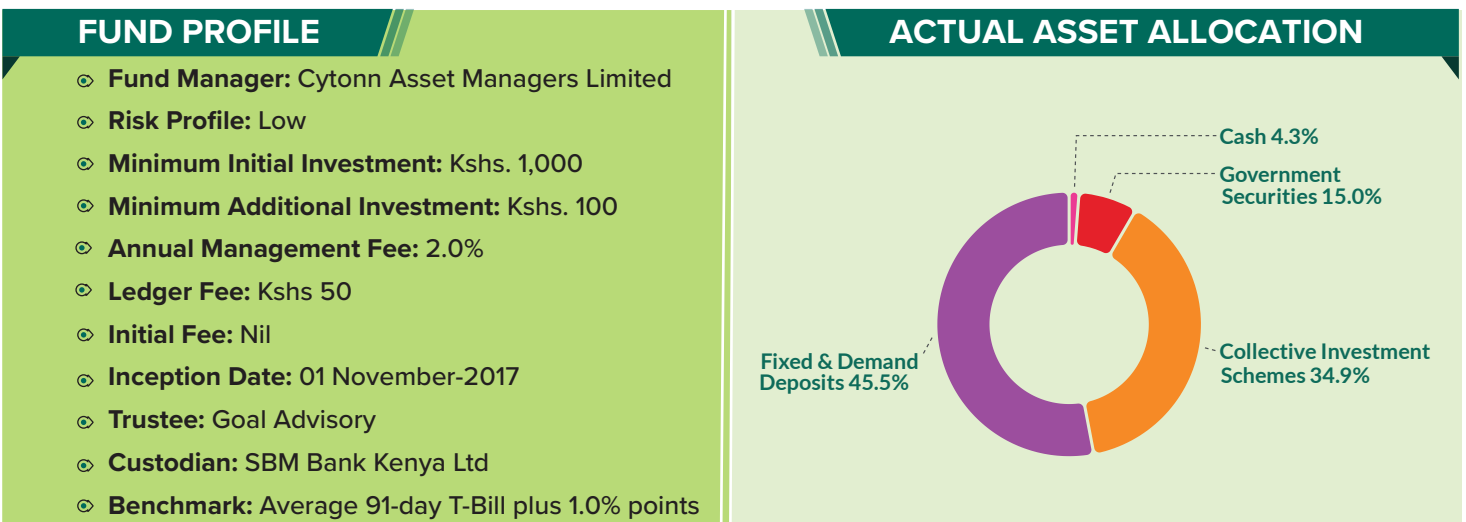
During the month, yields on the government papers were on a downward trajectory, with the 91-day, 182-day, and 364-day papers yields decreasing by 190.8 bps, 243.7 bps, and 196.0 bps to 13.1%, 13.4%, and 14.2% respectively from 15.0%, 15.8%, and 16.1% recorded the previous month. Additionally, the Kenya Shilling depreciated marginally by 0.4% against the US Dollar, to close the month at Kshs 129.7 from Kshs 129.2 recorded at the end of October 2024.

The November 2024 y/y inflation rate increased marginally by 0.1% points to 2.8%, from the 2.7% recorded in October 2024. Notably, inflation has remained within the CBK target range of 2.5%-7.5% for the past seventeen months.

**Portfolio Performance**

The Cytonn Money Market Fund successfully delivered high returns in November 2024, averaging 18.1% p.a. Going forward, Cytonn Asset Managers Limited (CAML) expects the Cytonn Money Market Fund to deliver returns above its benchmark of 91-day T-Bill+1.0% points leveraging on optimal asset allocation in line with the Fund's Investment Policy Statement.

As at 30th November 2024, Cash, bank deposits and government securities constituted 65.0% of the portfolio.



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