



Cytonn Financial Services Fund Fact Sheet
October 2017



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Fund Summary Description

The Cytonn Financial Services Fund (the "Fund") seeks long-term capital growth and investment return through investing in financial services stocks in Sub-Saharan Africa (SSA). The companies include banks, insurance companies, and investment companies, with the initial allocation skewed towards banks. This Fund is suited to those investors seeking the growth potential in Africa's financial services sector.

Summary of Investment Objective

The main aim of the fund is to achieve the highest possible return for the investor, principally investing in financial services sector stocks of select SSA countries that possess a high potential return, in the form of capital appreciation and dividend yield. The selection of companies is based on countries with a relatively stable macro-economic environment and possessing a market cap of at least USD 70.0 mn

Fund Overview

Base Currency for the Fund: Kshs

Total Assets (Kshs): 1.3 bn

Fund Inception Date: 21st October 2015

Minimum Investment Amount: Kshs 1.0 mn

Minimum Investment Horizon: 1 year

Custodian: Standard Chartered Securities Services

Custody fees: 0.15% of AUM

Target Rate of Return (p.a.): 25.0%

Weekly unit pricing every Friday

Fund Management Team

The Fund will be Managed by Cytonn Investments Management Plc ("Manager") , comprising of a team with a collective experience of over 80 years. Having raised and committed capital amounting to Kshs 14.0 bn in both the Kenyan and U.S. market, the team possesses the expertise to raise the required capital through a deep local network, and partnerships with global institutional investors

Sales Charge

The Fund shall attract a front-load fee of 2.5%, a management fee of 2.5% p.a. plus a performance fee of 20.0% of the excess total investor returns over the hurdle of 10.0%, in line with market norms

Why Invest with Cytonn Financial Services Fund (CFSF)

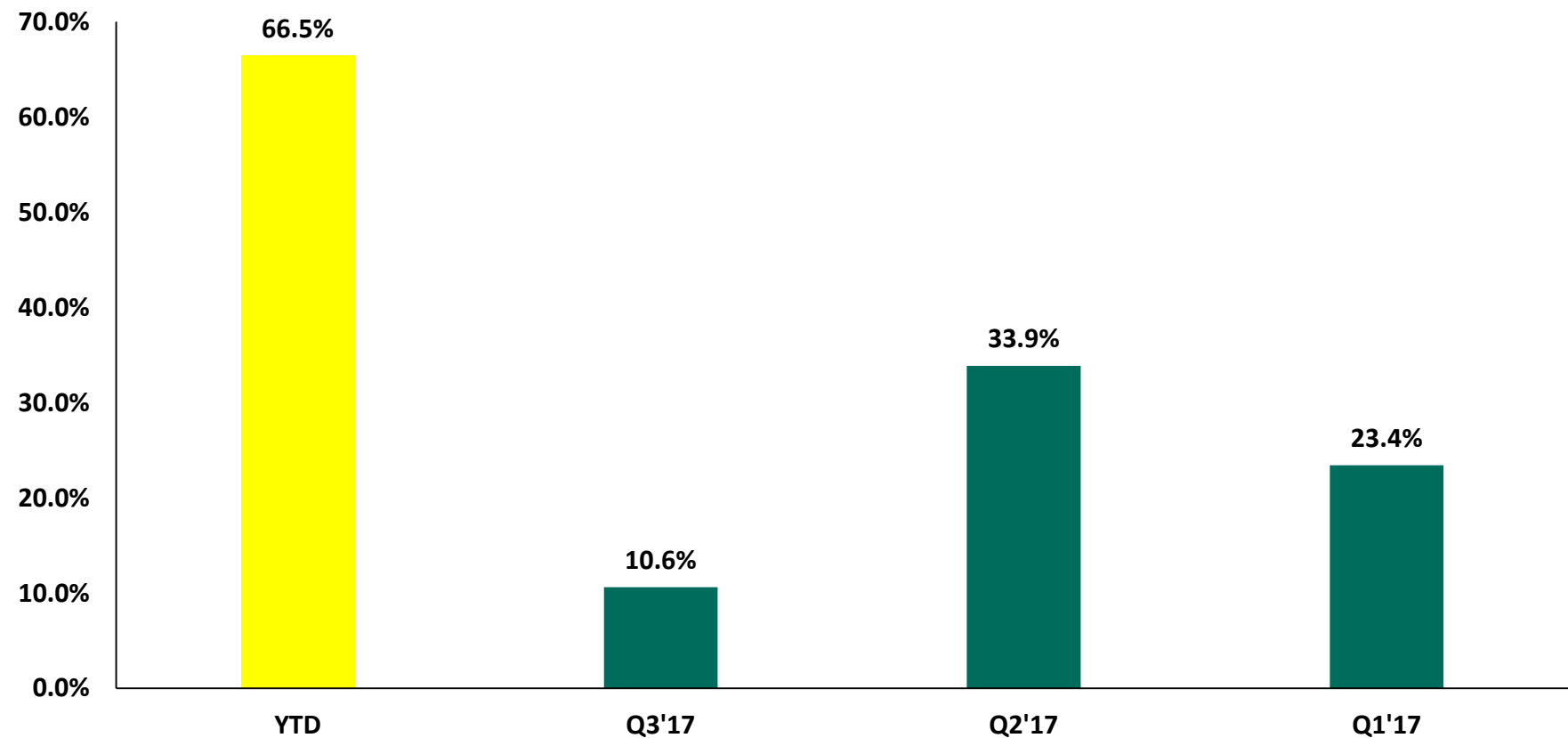
The Fund offers long term investors an opportunity to invest in Africa's financial services sector at cheap valuations. The attractiveness of Africa's financial services sector is also driven by;

- i. The banking sector in Kenya continues to offer investors one of the highest Return on Equity (ROE) across the globe, averaging 18.1% as at H1'2017. The sector is currently offering favorable valuations for long-term investors at a P/B valuation of 1.4x against a 10-year average of 2.0x for the banking sector,
- ii. Kenya has a vibrant economy with a growing middle class that will demand more access to financial services due to increased trade and business activity,
- iii. The growing financial services inclusion in the region through alternative banking channels with Kenya as the business hub, and
- iv. Increased innovation and new product development within the financial services sector.

Disclaimer: Past performance is not a guarantee of future performance and the value of the fund will fluctuate from time to time. Performance may also be affected by currency volatility. This write-up, which is in compliance with Section 2 of the Capital Markets Authority Act Cap 485A, is meant for general information only, and is not a warranty, representation, advice or solicitation of any nature. Investors are advised in all circumstances to seek the advice of a registered investment advisor

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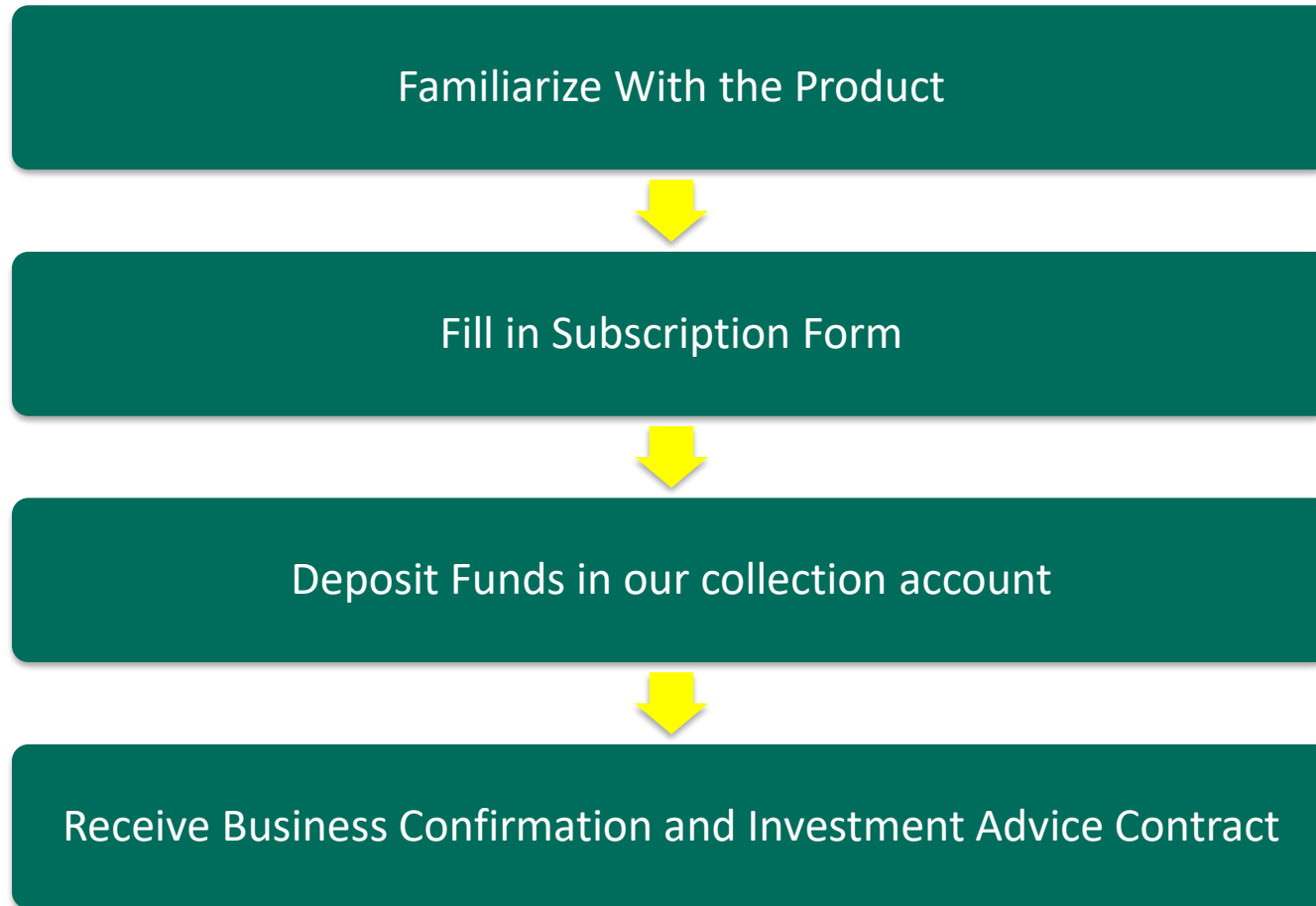
CFSF Performance



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Investing in Cytonn Financial Services Fund

Investing in Cytonn Financial Services Fund is easy and done in four simple steps



For More Details

Contact us on:

Investment@cytonn.com

Q&A