

ENWEALTH
FIXED INCOME FUND
FACT SHEET



May 2026



FUND OBJECTIVE

The objectives of Enwealth Fixed Income Fund are to:

1. Generate regular interest income
2. Long term stability and capital growth
3. Low liquidity

Universe of investments includes:

- Government Securities
- Call & fixed deposits

FUND DETAILS

Risk Profile: Moderate

Investment Horizon: Medium Term – Minimum 3 years.

Minimum Initial Investment: KES 100

Annual Management Fee: 2%+ VAT

Initial Fee: Nil

Suitability: Investors with a medium risk appetite, desiring competitive income yield and capital appreciation, with low liquidity needs.

Trustee: Co-operative Bank of Kenya Ltd

Custodian: SBM Bank Kenya Ltd

Fund Administrator: Enwealth Capital Limited

Fund Manager: Old Mutual Investment Group

Benchmark Returns: 182-day T-bill

FUND MANAGER COMMENTARY

On a year-to-date basis, the fund registering a return of **4.0%** driven by positive returns from the fixed income book, specifically bonds. The Fund Manager increased its liquidity in order to take advantage of the attractive yields in the primary and secondary bond auctions.

In the month, the yield curve moved higher by an average of 0.21% driven by the primary auction outcomes and secondary trading. The yield curve continues to face upside risks emanating from increasing domestic borrowing appetite by the government and its need to tame the steep rise in inflation.

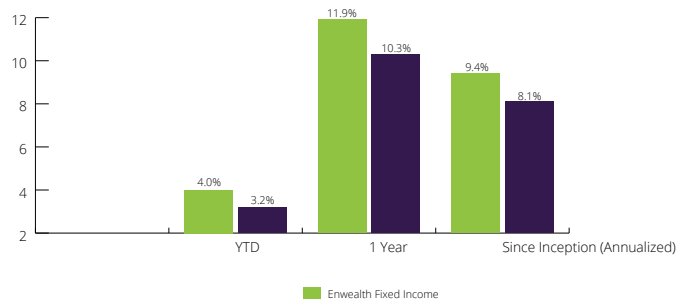
Kenya's year on year inflation rose steeply for the second consecutive month to **6.7%** in May from **5.6%** in April driven by higher food and fuel prices. This fuel price increase had a ripple effect on items of the inflation basket with transport prices increasing by **6.1%** in the month. Year on year core inflation (Non-Food-Non-Fuel) jumped to **3.2%**, from **2.8%** having been muted since November 2025.

Due to increased expenditure and Government's demand for domestic debt, the 91, 182, 364-day Treasury Bill yields increased by an average of **0.42%** to close the month at **8.34%, 8.21% & 8.56%** respectively from **7.78%, 7.89% & 8.27%** in the previous month

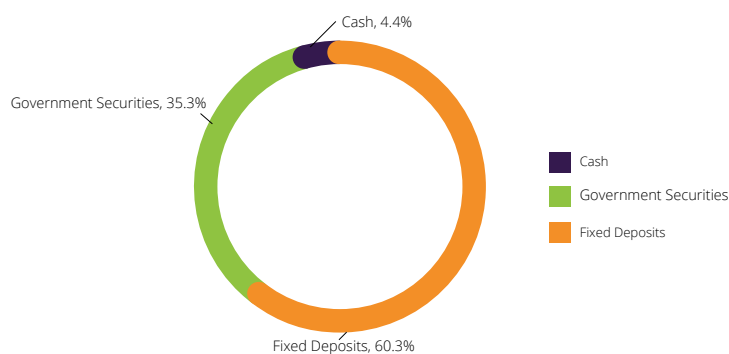
OUTLOOK:

The risk of second-round fuel price rise and potential supply constraints effects remain. These effects should filter through in the economy in Junel pushing headline inflation further upwards. However, we believe that Inflation will likely remain below the Central Bank's upper limit of **7.5%** but will breach **7%** in the next month. Despite the market remaining relatively liquid, we expect yields to tick up further as the government relies more on domestic borrowing to cover the fuel subsidies and contain inflation. We expect investors to demand higher yields in the upcoming primary auctions with government accepting aggressive bids.

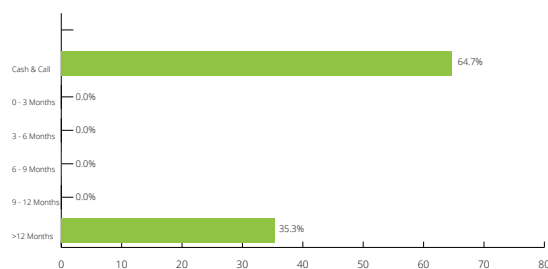
ENWEALTH FIXED INCOME FUND VS BENCHMARK-MAY 2026



ASSET ALLOCATION



DURATION ALLOCATION



CUMULATIVE GROWTH



Source: OMIG