

STANLIB Kenya Bond Fund

Fund information update at 31 December 2019

STANLIB

What is the fund's objective?

The bond fund is a medium-term collective investment scheme that invests in a diversified spread of fixed-income securities. Its primary objective is income generation and long-term capital growth consistent with moderate investment risk. It aims to outperform short-term interest rates.

What does the fund invest in?

The investment universe includes securities listed on the NSE, government securities and any other security not listed on a recognized securities exchange in Kenya including commercial paper and unlisted corporate bonds.

What possible risks are associated with this fund?

The key risks are interest rate and credit. The fund invests in the full range of Kenyan instruments including government securities and credit appraised financial institutions, which reduces the credit risk.

Risk rating

Conservative	Moderately conservative	Moderate	Moderately aggressive	Aggressive
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What is the suggested investment period for this fund?

Minimum period

1 Month	6 Months	1 Year	3 Years	5 Years	7 Years
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Who should consider investing in this fund?

Individuals: The STANLIB Bond Fund is designed for individuals who have cash available to invest over the medium- to long-term. The fund effectively provides an investment opportunity for individuals who require medium risk and protection against inflation.

Institutions: The STANLIB Bond Fund is designed for investors who traditionally hold large cash balances but need extra returns at moderate risk. Institutional investors benefit from a well-diversified investment at marginal fees. The fund is suitable for institutions who require undivided participation in a well-diversified portfolio of market instruments. The product is also well suited for individual retirement benefits schemes.

Income

Distribution Net income is calculated and accrued daily and is declared and distributed semi-annually.

Declaration 30 June, 31 December

General fund information

Manager(s) Simon Ikua
Size (NAV) KSh 9.29 million
Classification Fixed Interest
Benchmark 91-Day Treasury Bill rate
Regulation 28 Complies

Regulation 28 of the Pension Funds Act sets the limits in terms of the maximum exposure the retirement fund and the individual retirement fund member's savings (i.e. your savings) may have to various asset classes. For more information please refer to the Regulation 28 Guidelines available on our website (www.stanlib.com). This Fund complies with this Regulation.

Class A

Launch 14 April 2011
ISIN number ZAE000152070
Alpha code KIFCA
Minimum investment requirements -
Lump sum KSh 10,000
Monthly KSh 5,000

What are the costs to invest in this fund?

Maximum charges including VAT

	Class A
Initial fee (manager)	0.000%
Initial fee (adviser)	0.000%
Annual fee (manager)	2.691%
Annual fee (adviser)	0.870%
Performance fee	N/A

Annual fee (manager) – this is a service charge (% based) applicable to each class of a fund, that is levied on the value of your portfolio and includes the **Annual fee (adviser)** fee (where applicable). Annual fees are calculated and accrued daily and recovered monthly from the income awaiting distribution in the fund.

Cost ratios (annual) including VAT as at 30 September 2019

	Class A
Based on period from:	01/10/2016
Total Expense	8.38%
Transaction Costs	0.25%
Total Investment Charge	8.63%
1 Year Total Expense	12.16%

Total Expense (TER): This ratio shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over the period shown and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TERs.

Transaction Costs (TC): This ratio shows the percentage of the value of the fund incurred as costs relating to the buying and selling of the fund's underlying assets. TC are a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, investment decisions of the investment manager and the TER.

Total Investment Charges (TIC): This ratio is simply the sum of the TER and TC, showing the percentage of the value of the fund incurred as costs relating to the investment of the fund. It should be noted that performance figures account for all costs included in the TIC ratio, so you should not deduct the TIC from performance figures, the performance is already net of the TIC.

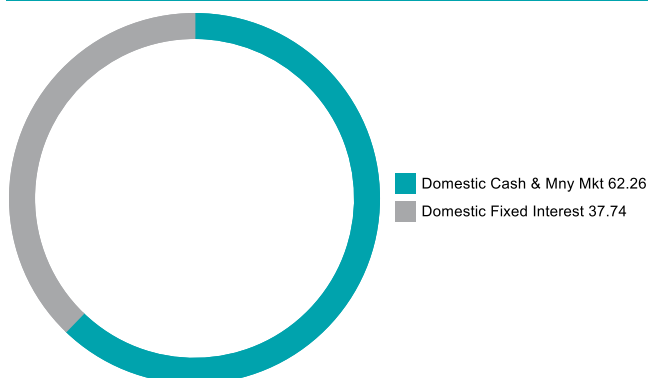
STANLIB Kenya Bond Fund

Monthly update at 31 December 2019

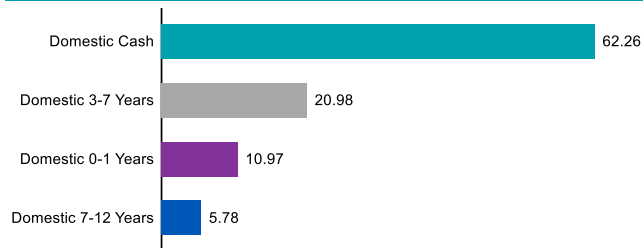
STANLIB

Holdings

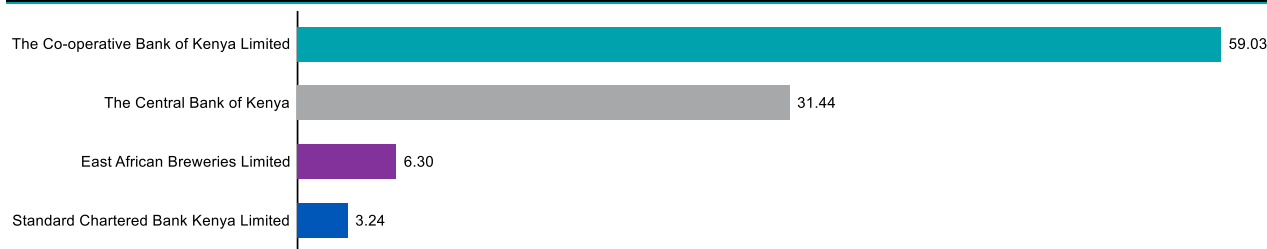
Asset type allocation (%)



Sector allocation (%)



Fixed Interest Top 10 Issuer exposure (%)



Performance and Income

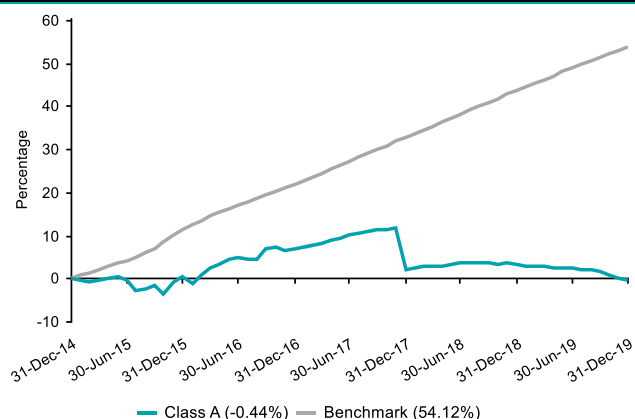
Class A Launch: 14 April 2011

Benchmark: 91-Day Treasury Bill rate

Returns (%)	1yr	3yrs	5yrs	7yrs	Launch
Class A					
Class	-3.63	-2.37	-0.09	1.79	
Benchmark	7.23	8.12	9.03	9.14	

Returns (%) shown are cumulative for all periods shorter than or equal to 1 year and annualised for all periods greater than 1 year.

Cumulative performance (%) over 5 Years



Statistics (%)	1yr	3yrs	5yrs	7yrs	Launch
Class A					
Positive Months	2	20	35	51	61
Max Gain		4.36	15.57	27.70	
Max Drawdown	-3.63	-10.85	-10.85	-10.85	
Highest	0.61	8.43	11.02	16.35	16.35
Lowest	-3.63	-7.26	-7.26	-7.26	-7.26

Highest – this reflects the highest 12 month return during the period.
Lowest - this reflects the lowest 12 month return during the period.

Amount declared (cents per unit)

	Class A
28 June 2019	0.00
31 December 2019	0.00
In last 12 months	0.00
In 2018	0.99

Disclosures

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending.

The STANLIB Kenya Bond Fund is a portfolio of the STANLIB Unit Trust Funds Scheme(the Scheme).

The manager of the Scheme is STANLIB Kenya Limited(the Manager). The Manager is authorised in terms of the Capital Markets Collective Investment Schemes Regulations 2001 Act (CMA) and the Retirement Benefits Act (RBA) 3 of 1997 to administer Collective Investment Schemes (CIS) in Securities. The manager has a right to close a portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate. The Manager does not provide any guarantee either with respect to the capital or the return of a CIS portfolio. A schedule of fees and charges and maximum commissions is available on request from the Manager. STANLIB Kenya is owned by Liberty Holdings who is the principal shareholder of Liberty Kenya Holdings Limited, a company which is listed on the Nairobi Securities Exchange and whose other local subsidiaries are Heritage Insurance and CFC Life Assurance Limited.

The trustee of the Scheme is Kenya Commercial Bank.

The investments of this portfolio are managed, by the Manager, company registration number C.9522, under the Capital Markets (Collective Investment Schemes) Regulations, 2001, CMA Licence 043 and RBA Licence RBA/1/14/001.

Prices are calculated and published on each working day, these prices are available on the Manager's website (<http://ww2.stanlib.com/Kenya>) and in Kenyan printed news media. This portfolio is valued at 16h00. Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 16h00.

This is a portfolio that derives its income primarily from interest-bearing instruments. The yield (if shown) is a current effective yield calculated daily.

All performance returns and ranking figures quoted are shown in KSh and are based on data sourced from Morningstar or Statpro and are as at 31 December 2019.

Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured. These annualised returns provide an indication of the annual return achieved over the period had an investment been held for the entire period. Actual annual figures are available on request from the Manager.

Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Portfolio performance accounts for all costs that contribute to the calculation of the cost ratios quoted, all returns quoted are after these costs have been accounted for.

Statistics - Positive Months: the number of individual 1 month periods during the specified time period where the return was not negative; Max Gain: the maximum gain in a trough-to-peak incline before a new trough is attained, quoted as the percentage between the trough and the peak. It is an indicator of upside risk over a specified time period (quoted for all periods of 1 year or longer); Max Drawdown: the maximum loss in a peak-to-trough decline before a new peak is attained, quoted as the percentage between the peak and the trough. It is an indicator of downside risk over a specified time period (quoted for all periods of 1 year or longer, where blank no loss was experienced); Highest and Lowest: the highest and the lowest 1 year return (%) that occurred during the specified time period (quoted for all relevant classes launched 1 year or more prior to current month end date).

Additional information about this product including, but not limited to, brochures, application forms and annual or quarterly reports, can be obtained free of charge, from the Manager and from the Manager's website (<http://ww2.stanlib.com/Kenya>).

Contact details

Manager

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Investment Manager

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