

## Britam Imarika Fund Commentary 30 November 2017

### Markets Review

- **Annual inflation fell to 4.73% in November 2017 from 5.72% recorded in October 2017**, the lowest level since May 2013. The Food and Non-Alcoholic Drinks' Index decreased by 2.68% between October and November 2017 to close the month at 5.79%.
- **Short-term interest rates as indicated by the 91-Day, 182-Day and 364-Day Treasury bill rates remained flat during the month.** The 91-Day remained unchanged at 8.011%. The 182-Day rate rose 0.092% to settle at 10.481% while the 364-Day Treasury bill rose to close the month at an average of 11.019% recording an increase of 0.030%. The average interbank rate, which is the rate at which banks lend to each other over a short timeframe, fell to 8.3377% at the close of November from 8.8124% average recorded at the end of October.
- **Fixed Income markets interest rates were largely unchanged within the month increasing by an average of 0.05%.** The Month's primary Bond auction offered by the Central Bank of Kenya (CBK), witnessed increased interest with a total of KES45.2billion bids against an offer of KES30Billion of IFB1/2017/7. The CBK accepted KES 42.02Bn at an average rate of 12.232%.
- **Equities Markets were on the rise during the months;** the NSE-20 Share Index rose by 75.07 points to close the month at 3,804.69 level marking a 2.01% increase. The index is up 19.04% since the start of the year. The NSE All Share Index (NASI) increased by 10.93 points in November representing an increase of 6.75% in the month. Year to date, the NASI is up 29.68% weathering the political smoke.

### Imarika Fund Performance

The Funds annualized return as at November 2017 stands at 13.60% pa.

### Outlook and Strategy

We see the market remaining attractive to the close of the year. The Equity and Fixed income markets have seen increased inflows boosted by conclusion to the prolonged elections. All asset classes remain appealing and we continue to monitor and take-up favorable investment opportunities to maximize investment return.

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