



OLDMUTUAL

UMBRELLA TRUST FUND FACT SHEET

MAY 2024



INVESTMENT GROUP



FUND INFORMATION

Fund Manager	OLD MUTUAL INVESTMENT GROUP - UGANDA	Minimum Top up	UGX 100,000
Portfolio Manager	Kevin Lugonvu, CFA	May Yield	11.25%
Custodian	Standard Chartered Bank	Fund size	UGX 2.051 Trillion
Trustees	Standard Chartered Bank	Initial Fee	0%
Auditors	KPMG	Management Fee	2%
Launch date	20-Aug-13	Risk profile	Low
Minimum Investment	UGX 100,000		

FUND OBJECTIVE

The fund seeks to maximize current income with preservation of capital. The fund invests in interest-bearing securities offered in the market such as treasury bills, treasury bonds, corporate bonds, and fixed deposits with approved financial institutions and other fixed income securities available in the market.

FUND STRATEGY

A disciplined process is followed to arrive at the optimum area of the yield curve we wish to invest in. The fund's returns are further enhanced by the inclusion of selected, highly rated debt, corporate and government paper from across the region and offshore.

The benchmark is a weighted average of the 91 Day T-bill Rate, the average Call Rate and the prevailing Inflation Rate with weights of 40%, 40% and 20% respectively.

FUND FEATURES

- Ideal vehicle for medium to long term investments
- Provides immediate liquidity (T+2)
- Suitable for investors who seek capital preservation with minimal volatility.
- The fund should produce higher returns than money market instruments.
- Offers protection of wealth against inflation.

MACRO STANCE

CURRENCY:

The Uganda shilling traded range bound closing at 3,815.71 despite intra-month volatility on account of the Moody's downgrade for the country sovereign credit rating which bred an onset of negative sentiments among offshore investors.

INTEREST RATES:

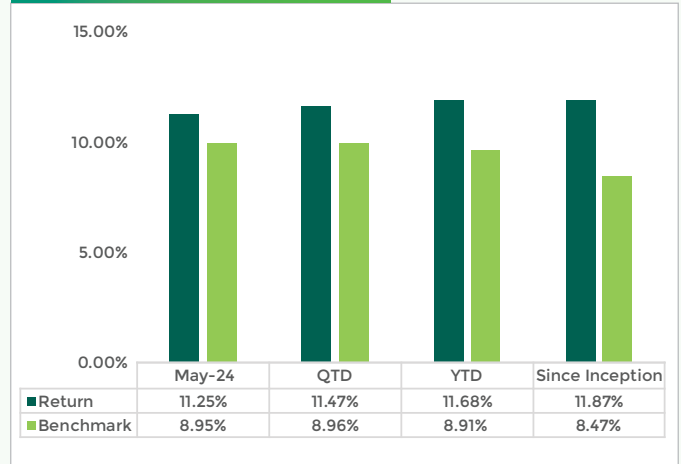
The short-term rates rose marginally intra-month with 91-day, 182-day and 364-day closing at 9.997% (Up 33.7bps), 12.99% (up 59.7bps), and 13.594% (Up 22.8bps), the pickup in rates was on account of several economic and geopolitical surprises augmented by a sustained high rate of treasury security issuances set to cover the funding target. The capital market end of the curve remained level, reflecting the expectation of further policy rate hikes and an upward reversion of inflation in the medium term.

OUTLOOK:

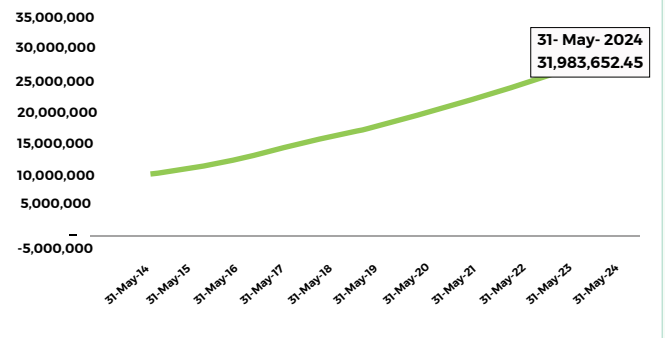
Inflation will moderate to average 3.5% but remain structurally higher with pressure from potential disruption due to extreme weather conditions and on the demand side strong economic growth powered by substantial infrastructure investment and a growing consumer base will apply upward pressure on prices.

From a global monetary policy perspective, In H2 24, we expect policymakers to begin a mild monetary easing cycle, cutting the policy rate by 100 basis points to 9.0% by year end. Yields are set to remain elevated despite a re-bounce in the external funding support, largely because the anti-LGBTQ remains un-determined.

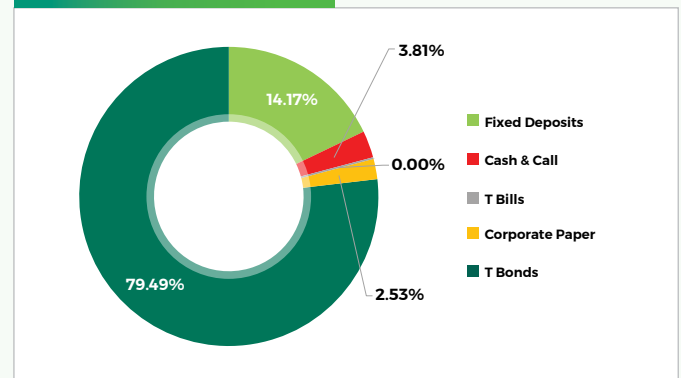
FUND PERFORMANCE



Cumulative Performance since Inception, (August 2013)



ASSET ALLOCATION



MATURITY PROFILE

