Fund Objective

- Dividend Plus Fund (DPF) aims to provide a periodic cash flow income that is higher than long term fixed deposits alongside moderated capital growth of the fund.
- The fund has a medium risk profile relative to the balanced fund.

Why choose this fund?

- This fund pays out income quarterly.
- The fund should give higher returns than average banks’ fixed and call deposits.
- This fund is ideal as a source of consistent regular income and capital growth.

Fund Information

Classification: Dividend Plus Fund
Risk profile: Moderate
Benchmark:
- 1-month average 182 - day T- bill (money market, 10%)
- FTSE Government Bond Index (fixed income, 65%)
- NASI (equity 25%)
Inception Date: 18th November 2014
Minimum Investment: KES 2,500
Portfolio size: KES 16.3 million
Last two distributions: 30th June, 31st March
Income dist. frequency: Quarterly
Income price dates: Daily excl. holidays & weekends
Valuation time of fund: 15h00
Trading closing Time: 15h00

Asset Allocation (%)
- Cash & Bank Deposits: 0%
- Treasury Bills: 9%
- Treasury Bonds: 9%
- Corporate Debt: 56%

Maturity Profile (%)
- Interest Bearing 0-3 years: 38%
- Interest Bearing 3-7 years: 25%
- Interest Bearing 7-12 years: 21%
- Interest Bearing 12+ years: 17%

Portfolio Manager’s Monthly Comment

The Dividend Plus Fund was up 9.5% for the 12 months up to 31st August 2019. The positive performance of government securities continued to support the overall return of the fund.

The bond trading declined during the month of August compared to July 2019. According to the Nairobi Securities Exchange (NSE), the average daily traded bonds declined from Kshs.19.1 billion to Kshs.8.3 billion. This has been largely attributed to lower liquidity and reduced investor appetite by the banking sector due to the expectation of a change in the interest rate cap.

The Kenya Shilling gained 0.7% in August after depreciating 1.8% against the US Dollar in July. Robust diaspora remittances and intervention Central Bank of Kenya has underpinned the Shilling performance by moderating the pressure from increased US Dollar demand.