Zimele Unit Trust

Investment Outlook

2009 Annual General Meeting

Global Economy

- Global economy expected to shrink by 2.9% in 2009
- Worst global recession since WW2
- Mild recovery expected from 2010
- Stock markets yet to recover to mid-2008 levels
- Massive stimulus packages expected to speed up economic recovery

Economic Growth Outlook

	2008	2009	2010 F
World	3.2%	-1.3%	1.9%
Advanced Economies	0.9%	-3.8%	0.0%
Developing Asia	5.5%	-5.1%	1.2%
Africa	5.2%	2.0%	3.9%
Kenya	1.7%	3.0%	4.0%

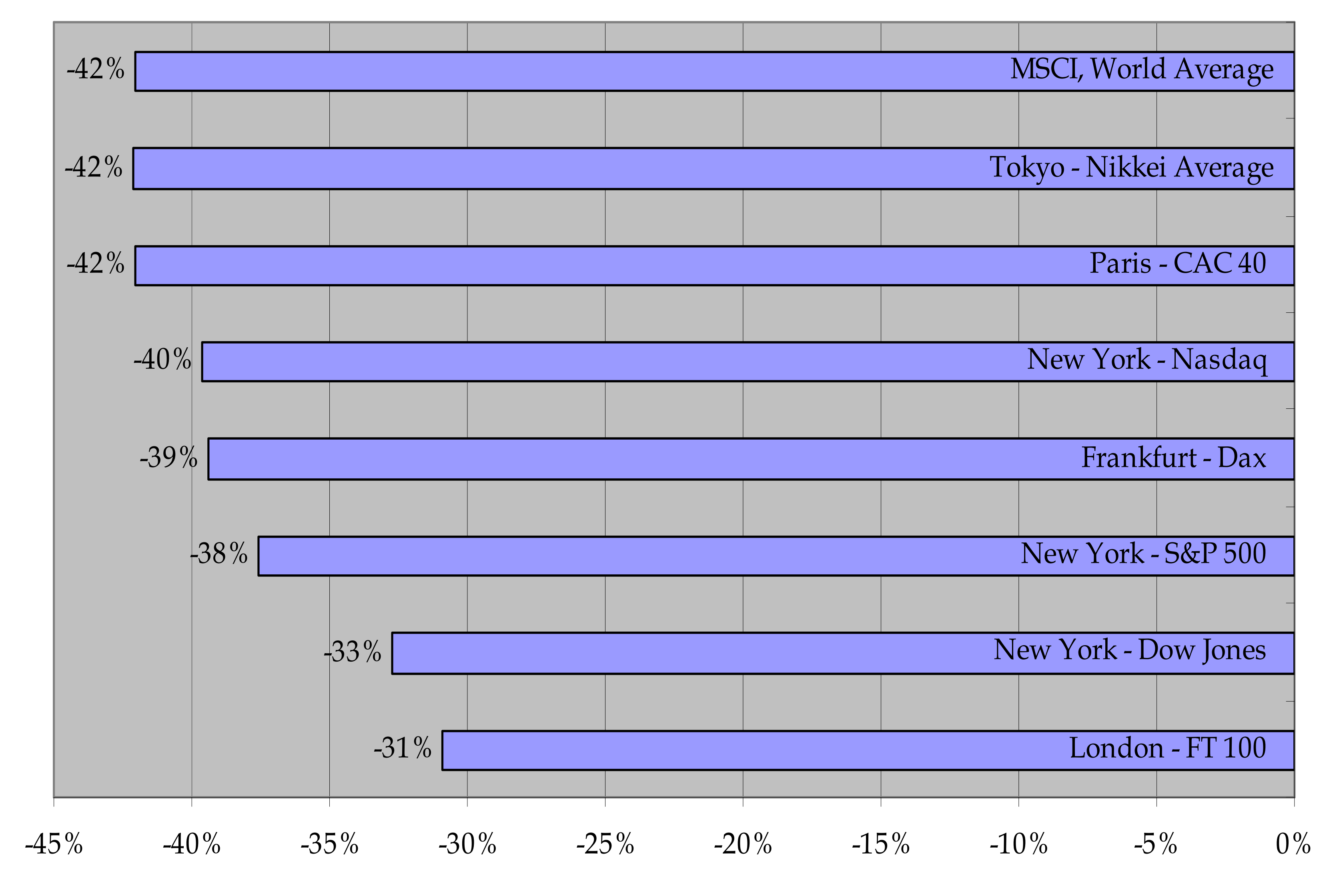
Source: IMF World Economic Outlook April 2009

ZIMELE

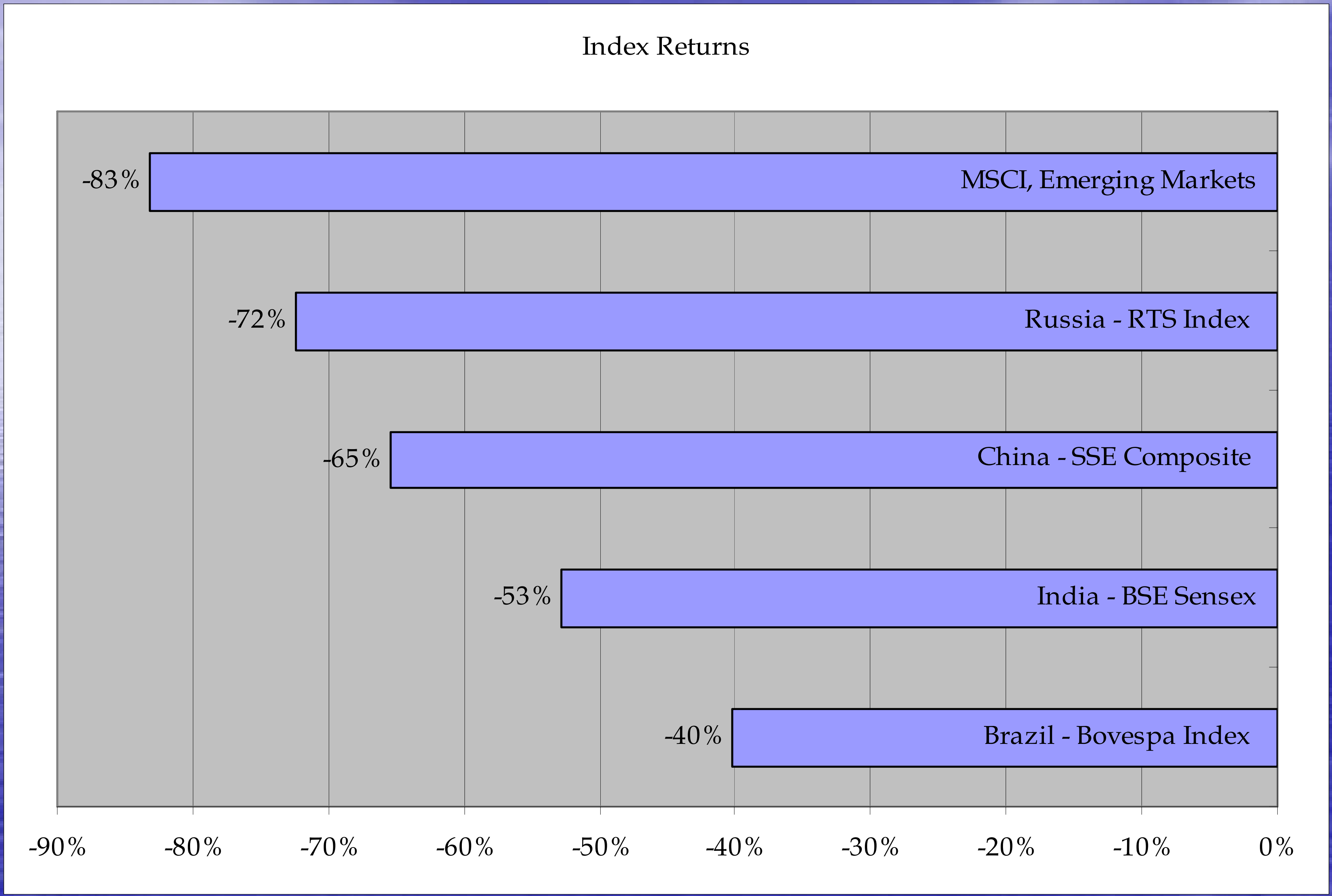
Investment Environment in 2008

- Low economic growth of 1.7% (7.1% in 2007)
- High inflation, averaged 26.2% (9.8% in 2007)
- Weak consumer demand
- Declining corporate profits
- Reduced investor confidence
- Declining share prices (Bear Market)
- Yields on fixed income investments below inflation rate
- Similar conditions in most offshore markets

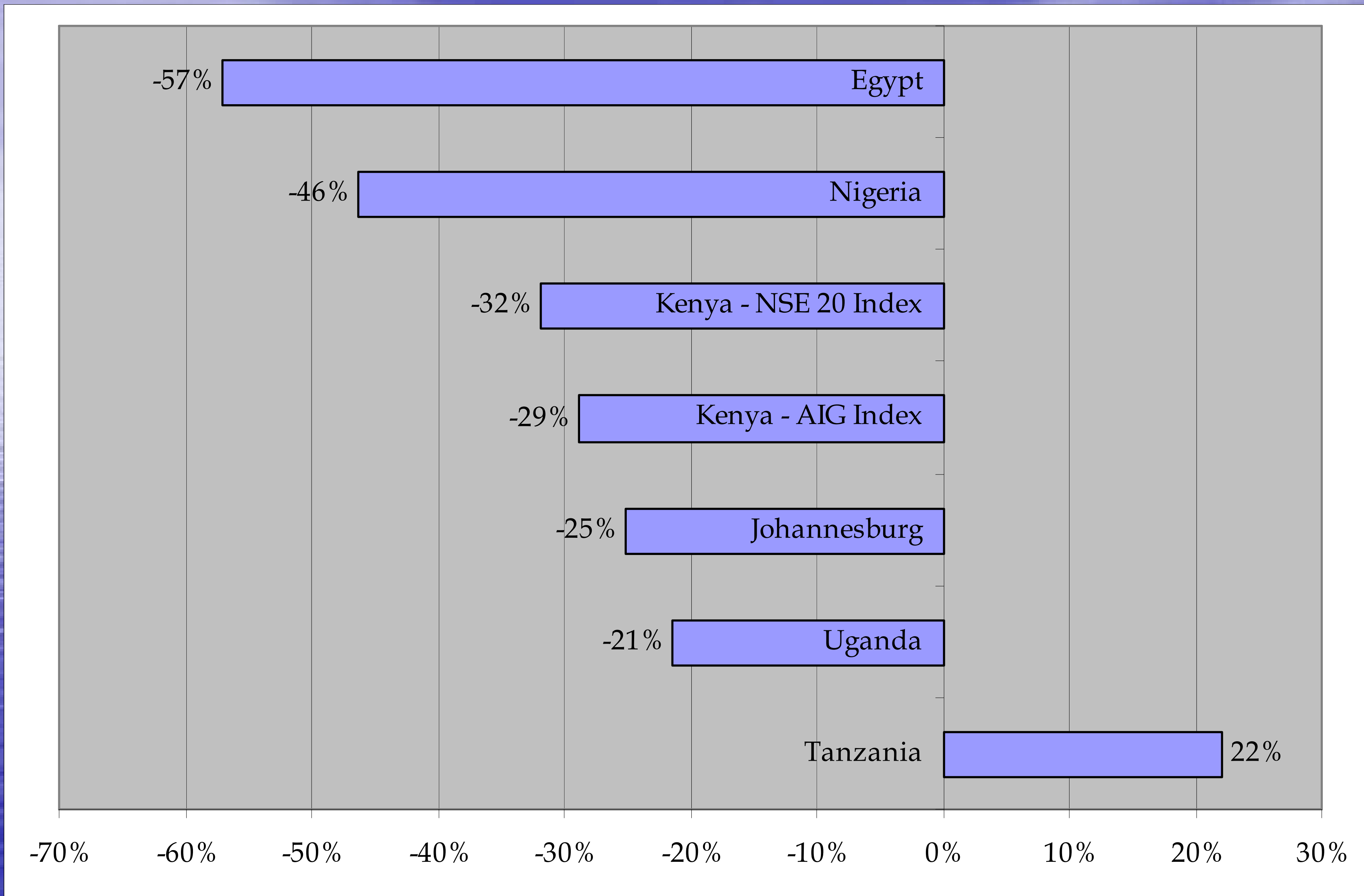
Stock Markets Performance 2008: Developed Markets



Stock Markets Performance 2008: Emerging Markets



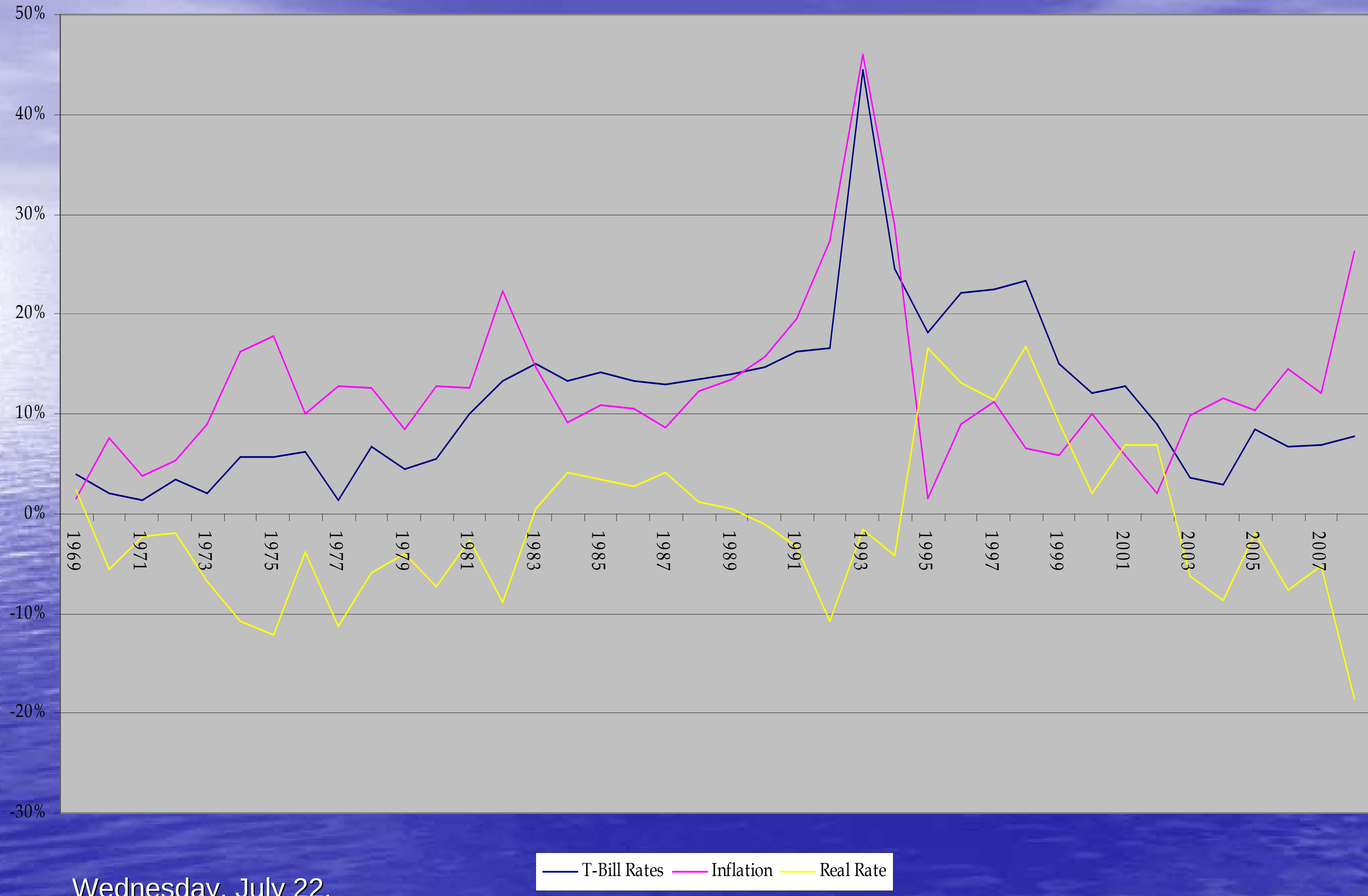
Stock Markets Performance 2008: African Markets



Future Prospects

- Economy expected to grow by 3%in 2009
- Major threats to growth include global recession and insufficient rainfall
- Expansionary budget expected to boost consumer demand, especially at the grassroots level
- Direction of short term interest rates to be influenced by maturity profile of new debt & absorption capacity of development funds in the current budget
- Better prospects for corporate earnings in 2010
- Gradual recovery of share prices expected to persist into 2010, with high chances of a bull run

Historic T-Bill Rates & Overall Inflation



NSE Index: Jan 2000 to Jun 2009