

ZIMELE UNIT TRUST BALANCED FUND FACT SHEET DEC 2025

About Unit Trust Balanced Fund

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|-----------------------|---|
| Fund Launch Date | April-07 |
| Admin Fee | 3% |
| Annual Management Fee | 2.50% |
| Currency | Kenya Shillings |
| Minimum Investment | Kshs. 100 |
| Minimum-Top-up | Kshs. 100 |
| Fund Size | Kshs. 374.61 Million |
| Fund Manager | Zimele Asset Management Ltd |
| Fund Trustee | KCB Bank Kenya Ltd |
| Fund Custodian | Standard Chartered Bank Kenya Limited |
| Fund Auditor | Louse & Associates |
| Income Distribution | Monthly |
| Fund Benchmark | Composite Index (NSE-20 Share Index, FTSE Bond Index) |
| Risk Profile | Moderate |
| Minimum NAV | 13.2608 |
| Maximum NAV | 16.5022 |
| Sharpe Ratio | 0.23 |
| Expense Ratio | 0.01 |

Economic Commentary and Market Outlook

Macroeconomy

The economy grew by 4.9 percent in the third quarter of 2025 (Q3 2025), compared to 4.2 percent in Q3 2024. The industrial sector continued to rebound strongly in Q3 2025 expanding by 4.8 percent compared to a contraction of -0.4 percent in the same quarter of 2024. Services sector maintained robust growth of 5.5 percent, supported by strong growth in accommodation and food services, real estate, finance and insurance, and transport and storage sectors. Agriculture sector grew by 3.2 percent compared to 4.0 percent Q3 2024, on account of increase in milk production and exports of cut flowers.

The Monetary Policy Committee (MPC) meeting held on December 9, 2025, decided to lower the Central Bank Rate (CBR) by 25 basis points to 9.00 percent from 9.25 percent. The Committee noted that overall inflation was expected to remain below the midpoint of the 5±2.5 percent target range in the near term, and growth in commercial banks' lending to the private sector continued to improve in line with declining lending interest rates.

Central banks in major economies had remained cautious in lowering interest rates, depending on their inflation and growth outlooks. The Committee also noted that the revised banking sector Risk-Based Credit Pricing (RBCP) model, which will be fully operational by March 2026, will improve the transmission of monetary policy decisions to commercial banks' lending interest rates and enhance transparency in the pricing of loans.

Inflation

Headline inflation remained stable at 4.5 percent in November and December 2025. Core inflation declined to 2.0 percent from 2.3 percent in November 2025, while non-core inflation increased to 11.2 percent from 10.1 percent over the same period, on account of increased prices of fresh vegetable and energy items.

Exchange Rate and Forex Reserve

The Kenya Shilling remained stable against major international and regional currencies during the month ending Dec 31. It exchanged at Ksh 129.01 per US dollar on Dec 31 while on Nov 30 was 129.82. Overall, in 12 months to Dec 2025, the Kenya Shilling recorded 0.22 percent gain against the USD, similarly, KSHS strengthened against Ushs at 0.49 percent also strengthened against TSH at 0.32 and weakened with the Euro by 0.84 percent also weakened against S1G Pound at 1.06 percent. The **usable foreign exchange reserves** remained adequate at USD 12,394 million (5.3 months of import cover) as of December 31. This meets CBK's statutory requirement to endeavor to maintain at least 4 months of import cover.

Equity Market

At the Nairobi Securities Exchange, the NSE 20, NSE 25 and NASI share price indices increased by 2.83 percent, 5.72 percent and 3.05 percent respectively during the month ending Dec 31. Similarly, Market capitalization, also increased 1.41 percent while equity turnover and total shares traded decreased by, 83.57 percent and 70.85 percent respectively. Meanwhile, the Zimele Balanced Fund recorded 1.83% gain during the month.

Global Economic Outlook

Inflation concerns in advanced economies eased with headline inflation in the Euro area falling to 2.0 percent in December from 2.1 percent in November due to moderation in energy prices. Core inflation also fell to 2.3 percent from 2.4 percent. The U.S. Dollar Index strengthened by 0.62 percent during the week ending January 8, 2026, largely due to safe-haven demand and thin market liquidity, as investors favored the dollar amid subdued end-year trading conditions.

International oil prices edged downwards as end-year supply-demand conditions normalized.

Murban crude oil traded at USD 62.51 per barrel on December 31, down from USD 62.90 per barrel on December 23.

Key Features of the Fund

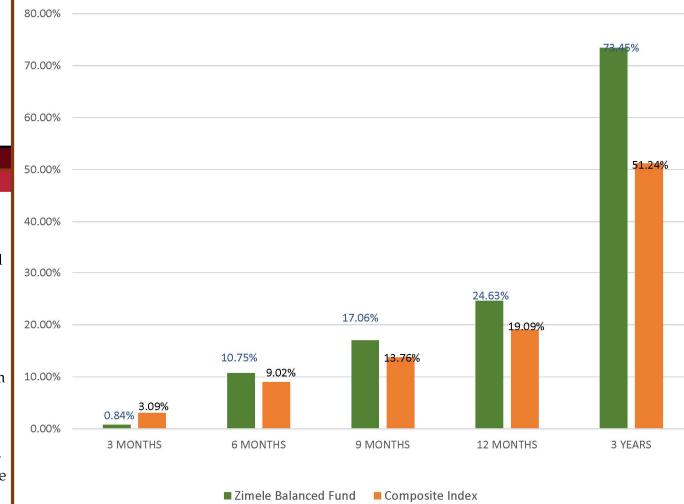
- >Competitive returns
- >No penalties
- >>Returns credited to statements is net of tax
- >Enhanced safety of funds
- >>Returns based on appreciation of unit prices
- >Deposit and withdrawal via M-Pesa
- >Online statements
- >Professional fund management

Zimele Balanced Fund is Ideal for:

Investors seeking capital capital appreciation; the price of units will rise and fall based on the performance of underlying investments; the component of listed shares makes it moderately risky and is therefore recommended for investors with medium term or long term goals

Fund Performance-Dec 2025

ZBALF FUND PERFORMANCE DEC 2025



Zimele Balanced Fund Historical 10-Year Performance Chart



ZIMELE BALANCED FUND ASSET ALLOCATION SCHEDULE

% Allocation

