

## ZIMELE UNIT TRUST BALANCED FUND FACT SHEET MAY 2026

### About Unit Trust Balanced Fund

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. 432.06 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	17.763
Maximum NAV	18.0199
Sharpe Ratio	0.23
Expense Ratio	0.01

### Economic Commentary and Market Outlook

#### Macroeconomy

Kenya's economy in May 2026 presented a mixed picture. While inflation accelerated sharply and private-sector activity weakened, the broader economy remained relatively resilient, supported by a stable exchange rate, ongoing infrastructure investment, and expectations of moderate GDP growth during 2026. The main macroeconomic challenge during the month was the resurgence of inflation driven by fuel and transport costs, which threatened household purchasing power and business activity. The Central Bank of Kenya (CBK) maintained the Central Bank Rate (CBR) at 8.75% after a prolonged easing cycle. Earlier in 2026, the CBK reduced rates multiple times to support credit growth and economic activity. Manufacturing was the only major sector showing growth during the month. Kenya's public debt remains elevated to about 70 percent of GDP. Debt servicing continues to consume a substantial share of government revenue. The fiscal deficit has widened to 6.1 per cent, underscoring limited fiscal space as the government balances development spending with rising repayment obligations. The European Bank for Reconstruction and Development warns that higher energy costs, political uncertainty ahead of the 2027 elections, and delays in securing a new International Monetary Fund programme remain key downside risks to Kenya's medium-term outlook.

#### Inflation

Headline inflation increased to 6.68 percent in May 2026 from 5.59 percent in April 2026. Non-core inflation surged to 16.0%, reflecting sharp increases in food and fuel prices in May 2026. Core inflation remained relatively contained at 3.2%, suggesting that underlying price pressures outside food and fuel were moderate. Transport costs increased significantly due to higher fuel prices, while food inflation reached about 9.4% year-on-year.

#### Exchange Rate and Forex Reserve

The **Kenya Shilling** remained stable against major international and regional currencies during the month ending May 31. It exchanged at Ksh 129.55 per US dollar on May 31 while on Apr 30 was 129.19. Overall, in 12 months to May 2026, the Kenya Shilling recorded 0.25 percent lose against the USD, similarly, KSHS weakened against Tshs, Ushs, Euro and STG Pound at 0.5, 1.25, 0.15 and 0.03 percent respectively.

The **usable foreign exchange reserves** remained adequate at USD 13,209 million (5.6 months of import cover) as of May 28. This meets CBK's statutory requirement to endeavour to maintain at least 4 months of import cover.

#### Equity Market

At the **Nairobi Securities Exchange**, the NASI and NSE 25 share price indices decreased by 0.01 percent and 0.39 percent respectively, while NSE 20 increased by 0.17 percent during the week ending May 28, 2026. Market capitalization, total shares traded and equity turnover also decreased by 0.01 percent, 7.30 percent and 8.89 percent, respectively.

#### Global Economic Outlook

Inflation concerns in advanced economies remained elevated in April 2026, with the United States recording core Personal Consumption Expenditure inflation of 3.3 percent up from 3.2 percent, reflecting higher energy and housing costs in March. The U.S. economic growth slowed in quarter one, with annualized GDP growth revised down to 1.6 percent from a previous estimate of 2.0 percent. The U.S. Dollar Index weakened by 0.2 percent during the week, driven by easing safe-haven demand as investors assessed the possibility of a near-term agreement to end the Middle East conflict. Commodity prices declined in the week ending May 28, 2026, amid reports of progress in U.S.-Iran peace talks.

**International oil prices** fell, with murban crude decreasing to USD 88.48 per barrel on May 28 from USD 97.51 per barrel a week earlier. Similarly gold prices eased as safehaven demand weakened, with spot gold declining to USD 4,491.93 per ounce on May 28 from USD 4,544.00 per ounce on May 21, 2026.

### Key Features of the Fund

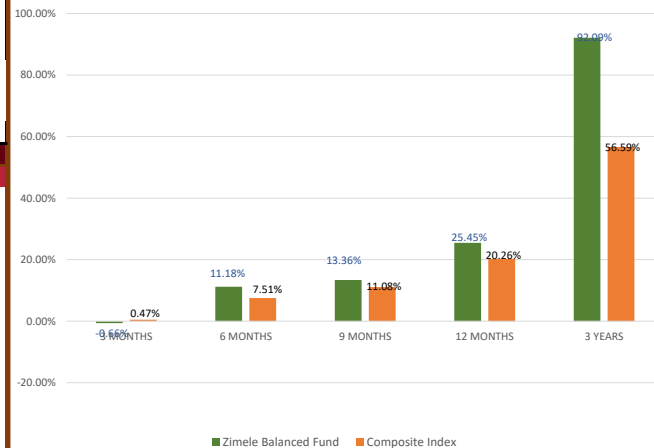
- >Competitive returns
- >No penalties
- >Returns credited to statements is net of tax
- >Enhanced safety of funds
- >Returns based on appreciation of unit prices
- >Deposit and withdrawal via M-Pesa
- >Online statements
- >Professional fund management

### Zimele Balanced Fund is Ideal for:

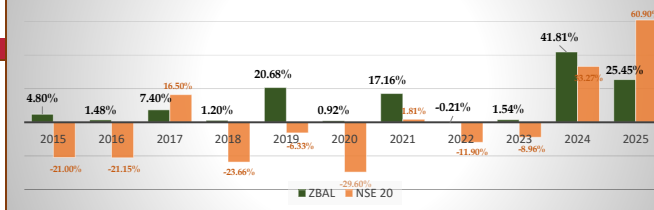
Investors seeking capital appreciation; the price of units will rise and fall based on the performance of underlying investments; the component of listed shares makes it moderately risky and is therefore recommended for investors with medium term or long term goals

### Fund Performance-May 2026

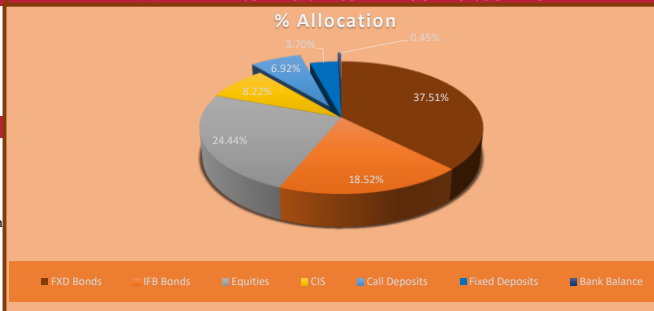
#### ZBALF FUND PERFORMANCE MAY 2026



#### Zimele Balanced Fund Historical 10-Year Performance Chart



#### ZIMELE BALANCED FUND ASSET ALLOCATION SCHEDULE



*Statutory Disclaimer: Past Performance is not an indicator of future performance as investment returns may rise or fall. Zimele Asset Management Firm is regulated by Capital Markets Authority. The Authority does not take responsibility for the financial soundness of the scheme or for the correctness of any statements made or opinions expressed in this regard. For more information on the funds visit <https://www.zimele.co.ke/>*