

ZIMELE UNIT TRUST BALANCED FUND FACT SHEET SEPTEMBER 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. 495.28 Million
Fund Manager	Zimele Asset Management Ltd
Fund Trustee	KCB Bank Kenya Ltd
Fund Custodian	Standard Chartered Bank Kenya Limited
Fund Auditor	Louise & Associates
Income Distribution	Monthly
Fund Benchmark	Composite Index (NSE-20 Share Index, FTSE Bond Index)
Risk Profile	Moderate
Minimum NAV	19.9359
Maximum NAV	20.754
Sharpe Ratio	0.23
Expense Ratio	0.01

Economic Commentary and Market Outlook

Macroeconomy

Kenya ended September 2026 with solid growth, a very stable currency and healthy foreign reserves, but with inflation at its highest level in more than two and a half years. The global energy shock, with Brent crude above \$100 a barrel, is the main source of pressure. It is feeding into transport and food costs and has put the Central Bank of Kenya (CBK) in a difficult position ahead of its October 7 meeting. The CBK held the Central Bank Rate at 8.75% on August 11, its fourth consecutive hold and the longest pause since 2020. It said the stance remains appropriate to keep inflation expectations anchored and the exchange rate stable. The Committee said it would keep watching oil prices and second-round effects on inflation, and stands ready to act if needed. Gross non-performing loans fell to 14.6% of loans in July from 17.6% in August 2025. September inflation has weakened the case for any cut, and the central question is whether the CBK holds or turns hawkish. Major central banks have been tightening. The ECB raised its policy rate to 2.50% on September 10, and the Fed hiked in September, with forecasters expecting rates to stay higher for longer. Domestic yields barely moved, which means the market is not pricing in a rate cut. Eurobond yields rose by an average of about 25 basis points in the week reported on September 11. EPRA left maximum pump prices unchanged for September 15 to October 14, 2026, despite Brent crude above \$100. Earlier in the year, pump prices rose sharply, and September prices remain well above September 2025 levels. Gross domestic debt reached Ksh7.78 trillion by September 25, up from Ksh7.73 trillion a week earlier. Treasury bonds were Ksh6.47 trillion and Treasury bills Ksh1.20 trillion. One analyst outlook estimates debt service absorbs about 30% of revenue and warns of fiscal pressure building into the pre-election period. Strong auction demand gives the Treasury room to borrow at stable domestic rates, but heavy borrowing keeps pressure on yields and crowds out private credit if it continues.

Inflation

Overall inflation increased to 6.8 percent in September from 6.6 percent in August 2026 largely driven by core inflation. Core inflation increased to 4.0 percent from 3.4 percent, mainly on account of higher prices of processed food items particularly milk and wheat products. Over the same period, non-core inflation moderated to 14.0 percent from 14.7 percent.

Exchange Rate and Forex Reserve

The **Kenya Shilling** remained stable against major international and regional currencies during the week ending October 1, 2026. It exchanged at KSh 129.79 per U.S. dollar on September 30, compared to KSh 129.45 on August 31. Overall, in 12 months to September 2026, the Kenya Shilling recorded 0.43 percent loss against the USD, similarly, KSHS strengthened against Euro and STG Pound and Tshs by 2.08, 2.07 and 0.64 percent respectively and weakened against Ushs by 3.67 percent.

The **usable foreign exchange reserves** remained adequate at USD 14,930 million (6.1 months of import cover) as of October 1. 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, NSE 25 and NSE 20 share price indices decreased by 0.66 percent, 0.91 percent and 0.95 percent respectively, during the week ending October 1, 2026. Market capitalization, total shares traded and equity turnover also decreased by 0.66 percent, 52.02 percent and 56.43 percent, respectively.

Global Economic Outlook

Inflation concerns remained during the week ending October 1. Germany headline inflation rose to 3.3 percent in September 2026 from 2.9 percent in August 2026, largely driven by high energy prices. The U.S. economy grew at 2.2 percent in the second quarter of 2026, an upward revision from the previous estimate of 1.5 percent, supported by robust consumer spending and strong business investment, particularly in artificial intelligence (AI) investment. The U.S. Dollar Index strengthened by 0.80 percent during the week.

International commodity prices recorded mixed movements, during the week. Murban crude oil prices declined to USD 95.76 per barrel on October 1, from USD 97.36 per barrel on September 24, reflecting easing supply concerns despite persistent Middle East tensions. Spot gold prices declined to USD 4,177.76 per ounce from USD 4,277.98 per ounce in the previous week, as reduced safe-haven demand weighed on prices.

Key Features of the Fund

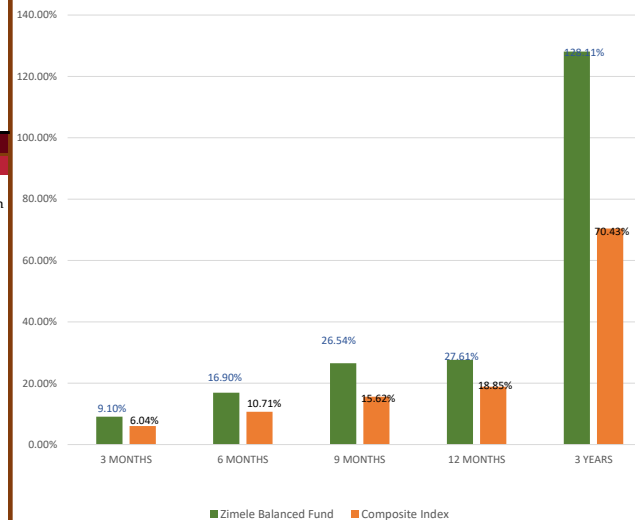
- >Competitive returns
- >No penalties
- >Returns credited to statements is net of tax
- >Enhanced safety of funds
- >Returns based on appreciation of unit prices
- >Deposit and withdrawal via M-Pesa
- >Online statements
- >Professional fund management

Zimele Balanced Fund is Ideal for:

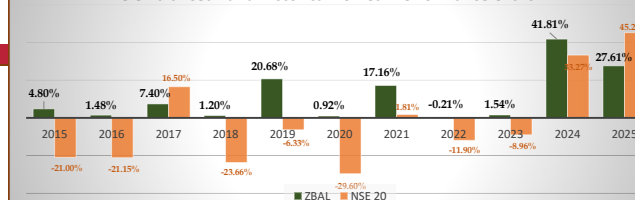
Investors seeking capital capital appreciation; the price of units will rise and fall based on the performance of underlying investments; the component of listed shares makes it moderately risky and is therefore recommended for investors with medium term or long term goals

Fund Performance-Sept 2026

ZBALF FUND PERFORMANCE SEPTEMBER 2026

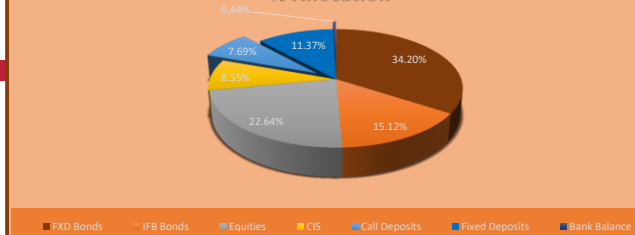


Zimele Balanced Fund Historical 10-Year Performance Chart



ZIMELE BALANCED FUND ASSET ALLOCATION SCHEDULE

% Allocation



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/>