



NCBA Global Fixed Income Special Fund is a USD-denominated collective investment scheme that invests in global fixed-income exchange-traded funds and mutual funds sourced from global financial markets to generate sustainable medium-term returns.

The fund aims to offer investors diversified exposure to fixed-income securities while targeting benchmark-beating performance.

FUND PHILOSOPHY

1. Investment Focus: The fund invests in benchmark-tracking fixed income funds, using strategic allocation and security selection to outperform its benchmark.

2. Subscriptions and redemptions: The fund offers monthly subscriptions based on a NAV determination date, while maintaining c.5% of funds to meet redemption needs.

KEY FACTS

Inception Date: **November 2024**

Base Currency: **USD**

Fund Size: **USD 2.67 million**

Benchmark: **Composite Benchmark**

Fund Manager: **NCBA Investment Bank**

Investment Advisor: **RisCura Solutions Limited**

Custodian: **NCBA Bank Kenya Limited**

Trustees: **KCB Bank Kenya Limited**

Auditor: **Deloitte**

FEES

Initial & Redemption Fee: **0%**

YTD Total Expense Ratio: **1.74%**

DEALING INFORMATION

Minimum Investment: **USD 10,000**

Minimum Top-Up: **USD 10,000**

Pricing: **Monthly Net Asset Value (NAV)**

PORTFOLIO CHARACTERISTICS

Monthly Yield: **1.69%**

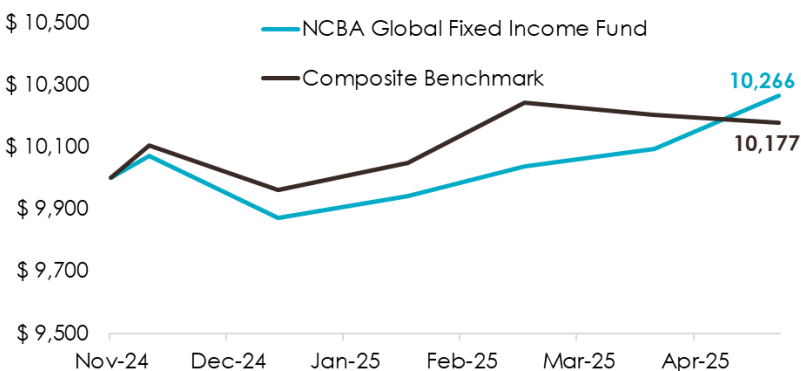
Sharpe Ratio (since inception): **0.10**

Maximum Drawdown (since inception): **-1.98%**

Performance

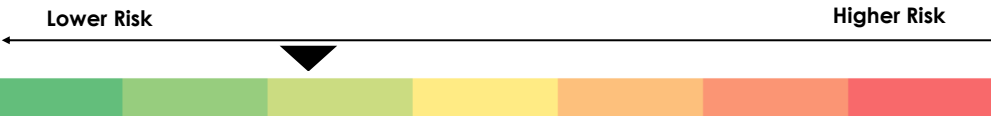
	Fund		Composite Benchmark	
	Cumulative Return	Annualized Return	Cumulative Return	Annualized Return
1 month	1.69%	22.28%	-0.27%	-3.17%
3 months	3.27%	13.73%	1.27%	5.17%
Year-to-date	4.00%	12.48%	2.16%	6.62%
Since Inception	2.66%	6.16%	1.77%	4.08%

Cumulative Growth of US \$10,000



The chart illustrates a hypothetical investment of USD10,000, assuming reinvestment of interest.

Risk Rating: Moderately Conservative**



** - The risk indicator reflects the volatility of expected returns from the underlying assets. It may change over time, and returns are not guaranteed.

Glossary of Terms

Maximum Drawdown measures the largest percentage decline in value that an investment experiences from its highest point to its lowest point.

Sharpe Ratio measures the return of an investment per unit of risk. The higher the ratio the higher the risk-adjusted return.

Conservative - Appropriate for investors with a low-risk tolerance and a time horizon less than or equal to 3 years

Moderate - Appropriate for investors with medium risk tolerance and a time horizon not longer than 5 years

Aggressive - Appropriate for investors with a high-risk tolerance and a longer time horizon (at least 5 years)

The content of this document and any other materials is for information purposes only and should not be construed as financial, investment, legal or tax advice.

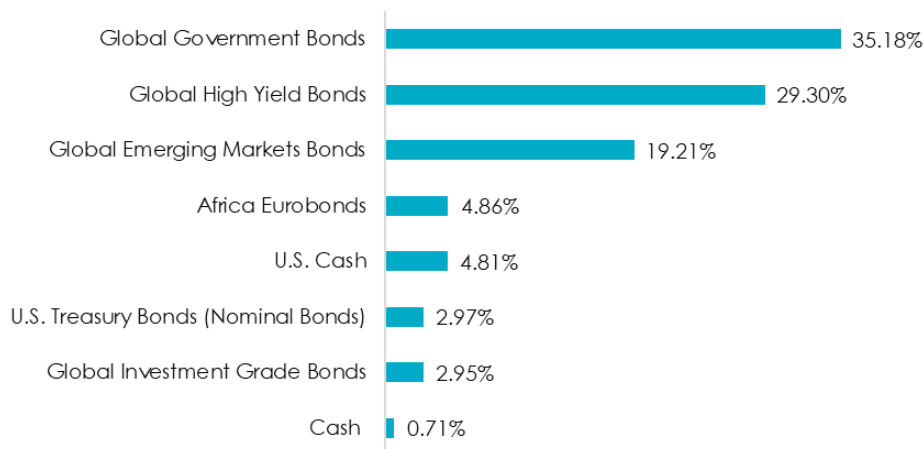
The returns are not guaranteed, and past performance is not a guarantee of future investment results.

There are risks involved in investing in securities, and in certain circumstances, the right to redeem units may be suspended with possible loss of principal.

The Capital Markets 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.

NCBA Investment Bank is licensed as a Fund Manager by the Capital Markets Authority.

Asset Allocation



ETF Holdings

Fixed Income	Weight	April	Year-to-Date	Weighted Average Performance	
				April	Year-to-Date
iShares Global Government Bond Index Fund	35.18%	3.17%	5.64%	1.12%	1.98%
iShares Global High Yield Corp Bond UCITS ETF USD	29.30%	3.40%	6.38%	1.00%	1.87%
iShares J.P. Morgan USD EMD Bond ETF	19.21%	0.05%	2.07%	0.01%	0.40%
Old Mutual African Frontiers Flexible Income Fund Class D	4.86%	(3.42%)	(1.51%)	(0.17%)	(0.07%)
iShares 0-3 Month Treasury Bond ETF	4.81%	0.36%	1.40%	0.02%	0.07%
iShares Global Corp Bond UCITS ETF USD	2.97%	1.86%	4.24%	0.06%	0.13%
The SPDR® Portfolio Aggregate Bond ETF	2.95%	2.87%	5.14%	0.08%	0.15%
Benchmark	Weight	April	Year-to-Date	Weighted Average Performance	
				April	Year-to-Date
Barclays Global Aggregate Bond Index	65.00%	0.39%	3.18%	0.26%	2.07%
Bloomberg USD Aggregate Emerging Markets Index	20.00%	(0.05%)	2.29%	(0.01%)	0.46%
Standard Bank ex South Africa Sovereign Bond Index	15.00%	(3.42%)	(2.38%)	(0.51%)	(0.36%)
Total Weighted Average Performance				-0.27%	2.16%

Weights are as of the date indicated and may be adjusted at the discretion of the investment team in response to market dynamics, macroeconomic conditions, and portfolio optimization considerations.

Conservative - Appropriate for investors with a low-risk tolerance and a time horizon less than or equal to 3 years

Moderate - Appropriate for investors with medium risk tolerance and a time horizon not longer than 5 years

Aggressive - Appropriate for investors with a high-risk tolerance and a longer time horizon (at least 5 years)

The content of this document and any other materials is for information purposes only and should not be construed as financial, investment, legal or tax advice.

The returns are not guaranteed, and past performance is not a guarantee of future investment results.

There are risks involved in investing in securities, and in certain circumstances, the right to redeem units may be suspended with possible loss of principal.

The Capital Markets 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.

NCBA Investment Bank is licensed as a Fund Manager by the Capital Markets Authority.

Inflation Trends

The April 2nd tariff announcements rattled the U.S. economy, triggering a sharp deterioration in business sentiment and consumer confidence as fears of resurgent inflation set in. U.S. GDP contracted 0.3% in Q1 2025, falling short of a 0.3% growth forecast - the first contraction since Q2 2022. A surge in pre-tariff imports shaved 4.83 percentage points off growth, while consumer spending also declined.

While March inflation eased - headline at 2.4% (from 2.8%), core at 2.8% (from 3.1%) - April data will be closely watched for early signs of tariff-driven price pressures or supply chain disruptions.

In contrast, Europe faces disinflationary effects. With global demand slowing and the U.S. effectively shutting out Chinese goods, Europe could absorb more of China's cheap exports. A stronger euro would reinforce the downward pull on inflation. ECB wage tracker also shows wage growth continuing to moderate.

Still, upside risks persist. Rising defence budgets and German fiscal stimulus could support demand, while any EU tariff retaliation in July could materially shift the inflation trajectory.

Interest Rates & Central Bank Policy

With the Fed meeting scheduled for early May, policymakers may lack enough inflation data to shift from their current "wait-and-see" stance. Their decision to leave rates unchanged aligns with their cautious stance amid rising risks to the economy. President Trump has openly criticized Fed Chair Jerome Powell, calling for rate cuts - raising concerns about central bank independence. Any attempt to replace Powell before his term ends in 2026 with someone more compliant would undermine the Fed's credibility and risk de-anchoring inflation expectations. While easing could support slowing growth, the Fed may be compelled to remain restrictive to avoid reigniting inflation.

In China, the PBOC unveiled fresh stimulus, including a 10bps rate cut and a 50bps reserve requirement ratio (RRR) reduction, injection ~1 trillion yuan (~\$138B) into markets. Meanwhile, the ECB has pivoted from its March pause narrative. A 25bps rate cut was unanimously backed this month, with even a 50bps cut floated. Policymakers are increasingly concerned about rising downside risks to growth across the eurozone.

Yield Curve Movements

Global bond yields dipped sharply in early April following Trump's "Liberation Day" tariff announcements, with average 10-year yields falling by 25bps. However, euro-area sovereign bonds outperformed, with 10-year yields rising ~26bps, compared to just 6bps rise in U.S. treasuries, which initially dipped on safe-haven demand before rebounding amid a post-announcement sell-off. In the U.S., bond markets sold off after President Trump cast doubt on the Fed's leadership, raising concerns over policy credibility and further unsettling markets.

UK assets performed somewhere between U.S. and eurozone peers; gilts rallied, though yield declines were less pronounced than in German bunds. The Bank of England responded cautiously, delaying a planned quantitative tightening long gilt sale to avoid exacerbating market anxiety.

In Japan, where yields saw the sharpest recent drop, the tariff shock was felt most acutely. Meanwhile, in Europe, the downward pressure on yields from tariffs was offset by upward pressure from Germany's sizable fiscal stimulus plan.

Credit Conditions & Spreads

Credit spreads widened meaningfully through April, reflecting elevated risk aversion amid heightened tariff tensions and slowing growth. In the U.S., high yield spreads peaked at 461bps before tightening to 360bps by month-end, driven by a softening in the Trump administration's tariff rhetoric and hopes for resumed trade talks. Despite this recovery, the weakest segments of the U.S. credit market continue to show strain, with signs of stress emerging among lower-rated borrowers.

While risk premiums have risen, spreads remain below long-term averages. Issuers are still benefiting from strong interest coverage ratios and proactive refinancing ahead of the last rate cycle. This cushion, combined with continued investor appetite for yield, has kept broader credit conditions from tightening sharply.

Over the medium term, we expect investment grade credit to offer modest excess returns over sovereign bonds, with high yield outperforming both, supported by favourable carry and resilient fundamentals - so long as the macro backdrop doesn't deteriorate materially.

Contact Us

NCBA Investment Bank - Wealth Management

NCBA Annex, Hospital road – Upper Hill,

P.O. Box: **44599 – 00100 Nairobi, Kenya**

Tel: **+254 020 2884444**

Email: unitrustsfunds@ncbagroup.com



[Join our WhatsApp Channel](#)

