

**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.

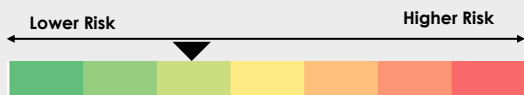
The fund aims to offer investors diversified exposure to fixed-income securities while targeting benchmark-beating performance.

### 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.

### RISK RATING: Moderately Conservative



### FUND INFORMATION

Inception Date: **November 2024**

Base Currency: **USD**

Fund Size: **USD 14.50 million**

Benchmark: **Composite Benchmark**

Fund Manager: **NCBA Investment Bank**

Investment Advisor: **Riscura Solutions Limited**

Custodian: **Mauritius Commercial Bank**

Trustees: **KCB Bank Kenya Limited**

Auditor: **Deloitte**

### FEES (calculated as a % of fund value)

Initial & Redemption Fee: **0%**

YTD Total Expense Ratio: **1.73%**

### DEALING INFORMATION

Minimum Investment: **USD 1,000**

Minimum Top-Up: **USD 1,000**

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

### PORTFOLIO CHARACTERISTICS

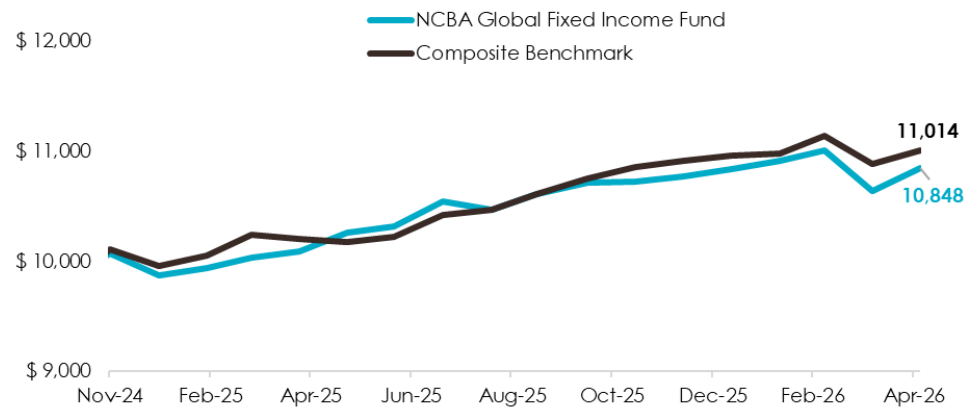
Sharpe Ratio (Since Inception): **-0.06**

Maximum Drawdown (Since Inception): **-3.34%**

### FUND PERFORMANCE

	1 Month	3 Months	6 Months	1 Year	Since Inception (Annualized)
<b>Fund</b>	1.95%	-0.66%	1.16%	5.67%	5.91%
<b>Benchmark</b>	1.19%	0.30%	1.42%	8.23%	7.06%

### Cumulative Growth of \$10,000



The chart illustrates a hypothetical investment of USD 10,000, assuming reinvestment of interest.

### PORTFOLIO MANAGER COMMENTARY

The fund delivered a return of 1.95% in April, outperforming its benchmark return of 1.19%. Performance was driven by positioning in higher-yielding segments, with the largest contributions from global high yield corporate bonds and emerging market bonds, while global government bonds and Africa Eurobonds also added positively.

Market conditions improved during the month, with investors rotating back into risk assets despite ongoing geopolitical tensions and elevated oil prices. This supported credit markets through tighter spreads and strong carry, while government bond returns remained more subdued as yields stayed elevated amid persistent inflation concerns.

Looking ahead, elevated inflation, geopolitical risks, and evolving central bank policy are likely to keep interest rate volatility high. Income should remain the main driver of returns, with selective opportunities in credit markets. The portfolio remains focused on generating income while managing duration risk and maintaining flexibility to adjust positioning as conditions evolve.

**Daniel C Ndung'u**  
Portfolio Manager

### 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

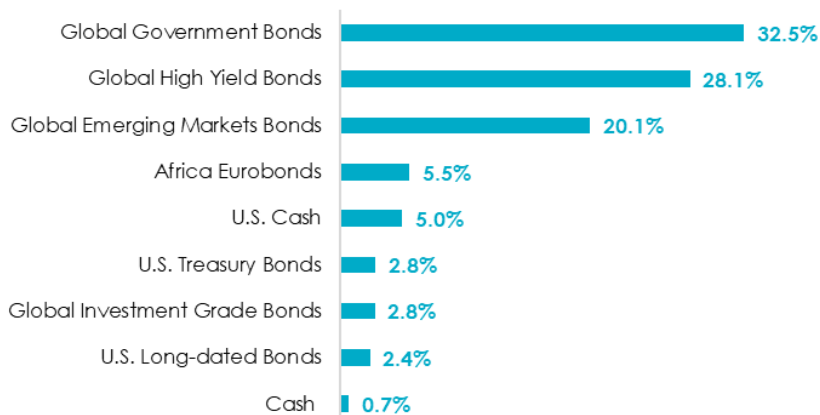
**Moderate** - Appropriate for investors with medium risk tolerance and a time horizon not longer than 5 years

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

### Disclaimer

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**NCBA Global Fixed Income Fund Asset Allocation**

**PERFORMANCE ATTRIBUTION**

Global Fixed Income	Weight	April Performance	Year-to-Date Performance	Weighted Performance April	Weighted Performance Year-to-Date
Global Government Bonds	32.68%	0.87%	(0.31%)	0.28%	(0.10%)
Global High Yield Corporate Bonds	28.34%	2.96%	(2.12%)	0.84%	(0.60%)
Global Emerging Markets Bonds	20.20%	2.64%	(1.36%)	0.53%	(0.27%)
Africa Eurobonds	5.58%	4.07%	2.98%	0.23%	0.17%
U.S. Cash	5.07%	0.01%	0.29%	0.00%	0.01%
U.S. Treasury Bonds	2.86%	1.29%	(1.37%)	0.04%	(0.04%)
Global Investment Grade Bonds	2.83%	1.42%	(2.23%)	0.04%	(0.06%)
U.S. Long-dated Treasury Bonds	2.44%	(1.23%)	(1.77%)	(0.03%)	(0.04%)
<b>Global Fixed Income benchmarks</b>					
Barclays Global Aggregate Bond Index	65.00%	0.11%	0.07%	0.07%	0.04%
Bloomberg USD Aggregate Emerging Markets Index	20.00%	2.11%	0.74%	0.42%	0.15%
Standard Bank ex South Africa Sovereign Bond Index	15.00%	4.55%	1.92%	0.68%	0.29%
				<b>1.19%</b>	<b>0.48%</b>

**Contact Us**

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### Global Fixed Income Markets in April 2026

#### Central Bank Policy

Major central banks kept rates on hold in April, as uncertainty around the Middle East conflict and rising oil prices complicated the outlook.

In the U.S., the **Federal Reserve** held rates at 3.50%–3.75% for a third consecutive meeting. However, the 8–4 voting split highlighted growing disagreement among policymakers. Economic data painted a mixed picture: growth slowed (Q1 GDP at 2.0%), while inflation rose sharply (core PCE at 4.3%). Although the labor market remains strong, high inflation and elevated oil prices limit the Fed's ability to cut rates, leaving policy in a difficult position.

In Japan, the **Bank of Japan** also held rates at 0.75%, but struck a more hawkish tone. Inflation forecasts were revised higher, while growth expectations were lowered. Markets are now pricing in further rate increases, reflecting rising inflation pressures and the impact of higher energy costs.

The **European Central Bank** kept its deposit rate at 2.0%, despite inflation rising to 3.0%, largely driven by energy prices. The ECB highlighted increasing risks to both inflation and growth, maintaining a cautious, data-dependent stance.

Similarly, the **Bank of England** held its base rate at 3.75%, citing uncertainty around energy prices and signaling readiness to act if needed.

#### Fixed Income Instruments

**Global bonds** delivered modest gains, with the Bloomberg Global Aggregate Bond Index returning 1.3% over the month. However, rising yields, driven by higher oil prices, inflation concerns, and fiscal pressures continued to weigh on government bonds.

**Japanese** government bonds were among the weakest performers, declining 0.7% as markets brought forward expectations of further rate hikes. **UK gilts** also fell (-0.5%), reflecting persistent inflation and uncertainty around monetary policy.

**U.S.** Treasuries were relatively more stable, declining slightly by 0.1%. As a net energy exporter, the U.S. is less exposed to rising oil prices. During the month, the 30-year Treasury yield briefly touched 5%, a key level that tends to tighten financial conditions and weigh on broader markets.

**European** government bonds were mixed. Yields rose earlier in the month due to inflation concerns and weaker growth data but eased later following the ECB's decision to hold rates. Peripheral markets, such as Italy, were supported by higher yields and improving spreads relative to Germany.

In **credit markets**, sentiment improved alongside the broader risk-on environment. Credit spreads tightened, supported by strong corporate earnings. High-yield bonds performed well, with Eurozone high yield returning 3.8% and emerging market high yield gaining 3.0%, benefiting from attractive yields and a stable U.S. dollar.

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