GLOBAL EQUITY FUND

NCBA Global Equity Special Fund

February 2025 Fact Sheet

NCBA

NCBA Global Equity Special Fund is a USD-denominated collective investment scheme that invests in a diversified portfolio of global equity funds and securities, offering investors efficient exposure to global equities and long-term capital growth.

The fund invests in USD-denominated exchange-traded funds and mutual funds with allocation in U.S., Europe, Emerging Markets, China, Asia Pacific and Japan.

FUND PHILOSOPHY

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

2. Subscriptions and redemptions: The fund offers monthly subscriptions and redemptions based on a NAV determination date, while maintaining a liquidity structure that supports both long-term growth and investor access.

KEY FACTS

Inception Date: **November 2024**

Base Currency: **USD**

Fund Size: **USD 385,596**

Benchmark: **MSCI All Country World Index**

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

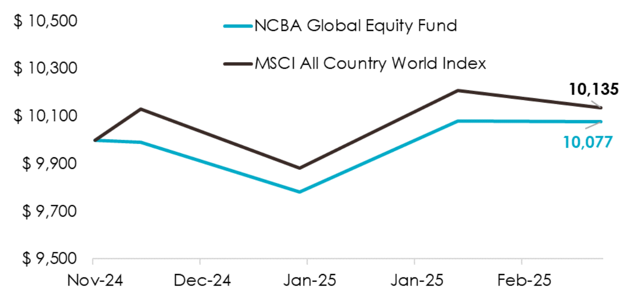
Sharpe Ratio (since inception): **-0.07**

Maximum Drawdown (since inception): **-2.19%**

Fund Performance

	MTD	QTD	YTD	Since Inception
Fund	-0.03%	3.02%	3.02%	0.77%
MSCI All Country World	-0.70%	2.57%	2.57%	1.35%

Cumulative Growth of US $10,000



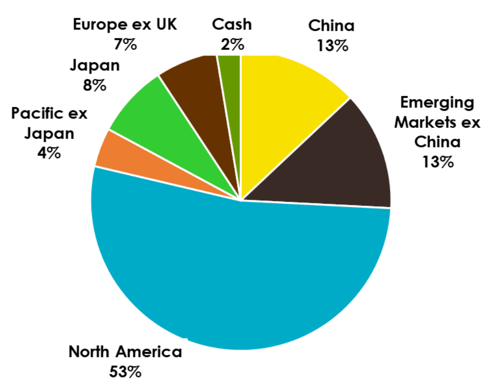
The chart illustrates a hypothetical investment of USD10,000, assuming reinvestment of interest.

Risk Rating: Moderately Aggressive**

Lower Risk — **Higher Risk**

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

Asset Allocation & Regional Exposure



Glossary of Terms

Maximum Drawdown *measures the largest percentage decline in value that an investment experiences from its highest point to its lowest point. It indicates the worst historical loss an investment has experienced over a specified period.*

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 5years)*

North America

Markets remained under pressure amid escalating tariff concerns. The 25% tariffs on Mexican and Canadian goods, postponed for a month to curb fentanyl inflows, are now set to take effect on March 4th, with Trump reiterating plans for additional levies on key trade partners. Market weakness was also driven by underperformance in tech, as reports of Microsoft cancelling some data center leases triggered a selloff in the S&P's largest sector (30% weighting).

Sectors that rallied post-election - Tesla, crypto, tech, oil, and banks - continued unwinding since January 20th (Trump's inauguration). Growth stocks underperformed, with the Magnificent 7 losing $2.2 trillion in market cap from December highs. The Dow led U.S. equities YTD, up 3%, compared to the S&P 500's 1.2% and Nasdaq's –2.4%. The VIX (stocks' fear index) surged to all-time highs, while Nasdaq recorded its worst weekly drop since September, plunging 8.5% post-earnings.

Despite Nvidia's 114% YoY revenue growth, gross margins declined on newer data center products, and Q1 2025 estimates signal further slowing. While the company's earnings impressed, investor bullishness capped the upside, limiting broader market impact.

Asia Pacific

Asian shares gained 1.1% in February, driven by an 11.7% surge (dollar terms) in Chinese equities. Optimism around DeepSeek and high-profile meetings between Xi Jinping and business leaders signalled a more favourable regulatory environment, boosting offshore tech stocks. However, GDP-sensitive domestic equities lagged due to real estate concerns.

Japan was the regional outlier, with the TOPIX down 3.8% as the yen appreciated 2.8% against the dollar, weighing on its export-driven market.

Indian equities extended their decline despite the long-awaited interest rate cut - the first since 2020. Investor sentiment remained weak amid uncertainty over U.S. trade tariffs and future rate cuts. However, Indian consumer stocks rallied following the government's budget announcement.

Meanwhile, South Korean and Taiwanese equities fell under pressure from fresh U.S. tariff threats. South Korean steelmakers were hit particularly hard after the U.S. imposed tariffs on all steel imports. Both central banks revised down their 2025 economic growth forecasts.

Europe

European stocks, which typically trade at a 25 to 30% P/E discount relative to the U.S. entered the year at a steeper 40% discount. This, alongside increased defense spending amid ceasefire negotiations in Ukraine, fuelled a +12% year-to-date rally.

European equities outperformed the U.S. in February, with the MSCI Europe ex-UK index gaining 3.4%, making it the best-performing major equity index. Financials led the surge, continuing to outstrip U.S. counterparts in return on equity, while defence stocks, benefiting from a push for domestic production, returning 9.3%.

Emerging Markets ex-China

Emerging market (EM) equities edged higher in February, with geopolitics and tariff concerns dominating sentiment. While U.S. tariff plans created uncertainty, hopes for a Russia-Ukraine truce initially provided support, potentially easing commodity prices and inflationary pressures. However, weak corporate earnings weighed on Saudi Arabian equities. The MSCI EM index gained 0.50%, outperforming the MSCI World Index, which fell 0.69%.

Contact Us

Client Services Team

NCBA Investment Bank - Wealth Management

NCBA Annex, Hospital road – Upper Hill,

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

Tel: **+254 020 2884444**

Email: **unittrustsfunds@ncbagroup.com**

Join our WhatsApp Channel