

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 9.48 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

Initial & Redemption Fee: **0%**

YTD Total Expense Ratio: **1.70%**

DEALING INFORMATION

Minimum Investment: **USD 10,000**

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

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

PORTFOLIO CHARACTERISTICS

Monthly Yield: **0.04%**

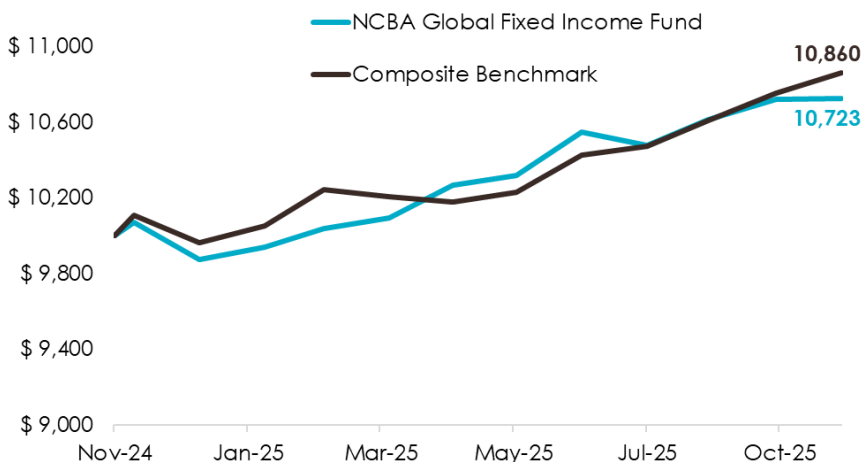
Sharpe Ratio (since inception): **-0.09**

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

Performance

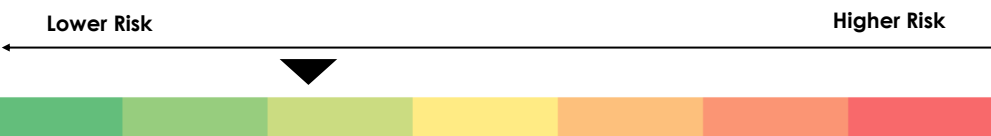
	Fund	Composite Benchmark
	Cumulative Return	Cumulative Return
1 month	0.04%	0.99%
3 months	2.37%	3.69%
6 months	4.45%	6.72%
Year-To-Date	8.64%	9.01%
Since Inception	7.23%	8.60%

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.

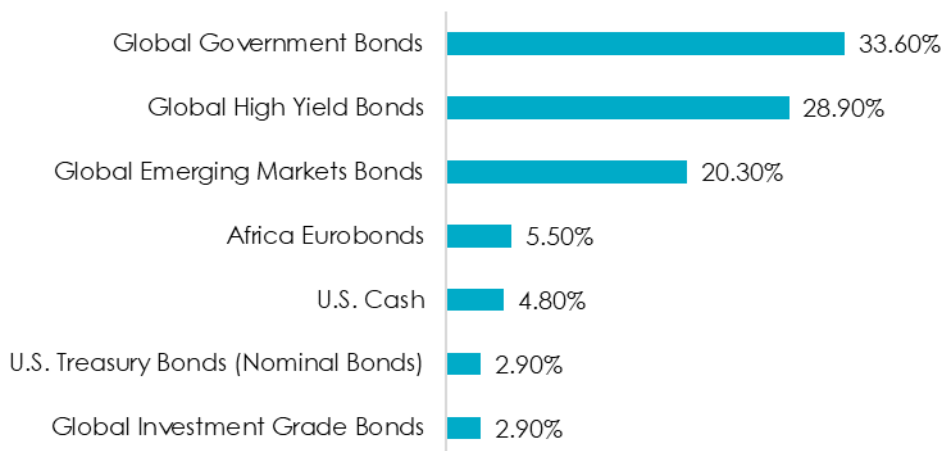
The returns are not guaranteed, and past performance is not a guarantee of future investment results.

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.

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Asset Allocation



ETF Holdings

Fixed Income	Weight	October Performance	Year-to-Date Performance	Weighted Performance October	Weighted Performance Year-to-Date
iShares 0-3 Month Treasury Bond ETF	4.80%	0.02%	0.40%	0.00%	0.02%
iShares Global Government Bond Index Fund	33.60%	(0.32%)	6.54%	(0.11%)	2.20%
iShares Global Corp Bond UCITS ETF USD	2.90%	(0.19%)	4.93%	(0.01%)	0.14%
iShares Global High Yield Corp Bond UCITS ETF USD	28.90%	(0.99%)	6.46%	(0.29%)	1.87%
iShares J.P. Morgan USD EMD Bond ETF	20.30%	1.37%	6.97%	0.28%	1.41%
The SPDR® Portfolio Aggregate Bond ETF	2.90%	(0.25%)	4.30%	(0.01%)	0.12%
Old Mutual African Frontiers Flexible Income Fund Class D	5.50%	2.13%	21.96%	0.12%	1.21%
Benchmark					
Barclays Global Aggregate Bond Index	65.00%	0.62%	6.80%	0.41%	4.42%
Bloomberg USD Aggregate Emerging Markets Index	20.00%	1.72%	10.37%	0.34%	2.07%
Standard Bank ex South Africa Sovereign Bond Index	15.00%	1.62%	16.77%	0.24%	2.52%
				0.99%	9.01%

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.

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U.S. Inflation Trends

October was marked by disruptions from the prolonged government shutdown – which began on 1st October and entered its fourth week by month-end - delaying the release of key employment and inflation data.

When finally released, September's CPI print came in cooler than expected at 0.3%, down from 0.4% in August, offering a potential tailwind for the Fed's inflation outlook. Year-on-year, headline inflation edged up slightly to 3%, while core inflation, which excludes volatile food and energy prices, eased modestly.

Interest Rates & Central Bank Policy

In light of a softer inflation backdrop and the need to support a weakening labor market, the Fed brought rates down by a further 25bps to 3.75% - 4.00% at its October meeting, in line with broad expectations.

The European Central Bank reaffirmed its neutral stance, holding rates steady at 2%, confident that inflation will remain anchored near the 2% target. In contrast, the Bank of England, grappling with inflation of about 4%, is expected to maintain current rates at the November 6th policy meeting.

Meanwhile, the Bank of Japan maintained its ultra loose policy stance despite rising domestic price pressures as energy subsidies were phased out. The resulting narrowing of policy divergence, once a key driver of dollar weakness, lent additional support to the greenback's stabilization.

Yield Curve Movements

U.S. treasury yields eased across the curve, with yields dipping by an average of 6bps amid heightened uncertainty stemming from the government shutdown and the recent Fed rate cut. What spooked treasuries was the hawkish tone in Powell's remarks, tempering expectations for a December rate cut. Interest rates moved higher from their monthly lows following his address, with market-implied odds of a December cut slipping to around 70%.

UK gilts were the standout performer among developed government bond markets in October. The 10-year yield fell ~30 bps to around 4.41%, after fiscal volatility earlier in the month and buoyed by stronger fiscal stability commentary from the Treasury. Government bond yields in Japan rallied after BoJ Governor acknowledged ongoing recovery, while cautioning against risks from global trade tensions. Expectations of a more fiscally expansive agenda under the new prime minister raised concerns about increased bond supply.

The Global Aggregate Bond Index lost 0.3% over the month, weighed down by the credit and securitized segments of bond markets. Emerging market debt outperformed in October, supported by a combination of higher real yields and a weaker dollar. While most central banks began tightening before their developed market peers, this presents a meaningful rate differential that remains attractive.

Credit Conditions & Spreads

Volatility resurfaced in credit markets, triggered by the recent bankruptcies of subprime auto lender Tricolor and auto parts manufacturer First Brands. Sentiment worsened after U.S. regional banks Zion and Western Alliance disclosed exposure to alleged fraud tied to a commercial real estate fund. While the fallout appears contained, financials within the S&P 500 lost 2.8% amid renewed concerns over asset quality in smaller banks.

Credit spreads, particularly high yield, initially widened but retraced much of the move by month-end as markets stabilized. Global high yield credit markets (+0.2%) outperformed investment grade (-0.1%) over the month, as higher yields were sufficient to offset a modest widening in spreads in both markets.

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