

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.

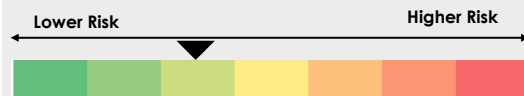
The fund aims to offer investors diversified exposure to fixed-income securities while targeting benchmark-beating performance.

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 13.19 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: **1.95%**

DEALING INFORMATION

Minimum Investment: **USD 1,000**

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

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

PORTFOLIO CHARACTERISTICS

Weighted Duration: **5.80**

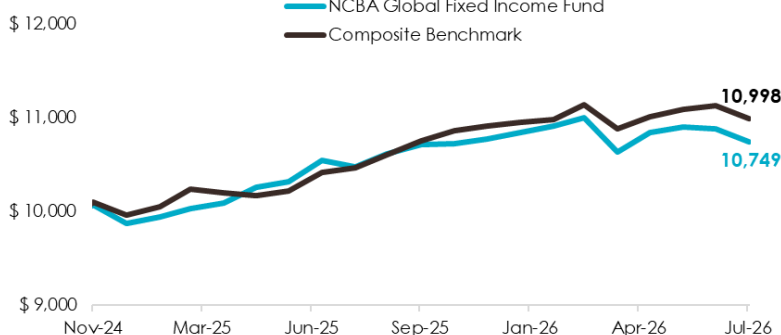
Sharpe Ratio (Since Inception): **-0.08**

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

FUND PERFORMANCE

	1 Month	3 Months	6 Months	1 Year	Since Inception (annualized)
Fund	-1.23%	-0.91%	-1.57%	2.62%	4.21%
Benchmark	-1.18%	-0.15%	0.14%	5.01%	5.59%

Cumulative Growth of US \$10,000



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

HISTORICAL PERFORMANCE

Year/Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Period
2024											0.70%	-1.98%	-1.29%
2025	0.71%	0.98%	0.57%	1.69%	0.49%	2.23%	-0.68%	1.33%	0.99%	0.04%	0.49%	0.62%	9.85%
2026	0.71%	0.81%	-3.34%	1.95%	0.49%	-0.17%	-1.23%						-0.87%

PORTFOLIO MANAGER'S COMMENTARY

The Fund posted a negative return in July as rising developed market sovereign yields weighed on global fixed income markets. The largest detractors were emerging market bonds, U.S. long-dated treasuries and global government bonds. This was reflective of the broad repricing of interest rate expectations amid persistent inflation concerns and renewed energy price volatility.

Credit markets suffered wider spreads as sovereign yields rose, with the investment grade and high yield components indicating this. High-yield corporate bonds were buoyed by higher carry and shorter duration. African Eurobonds and short term instruments remained relatively resilient despite the broader weakness across fixed income markets.

We expect bond markets to remain sensitive to inflation and central bank policy, while elevated yields continue to provide attractive income opportunities and improve long-term return prospects.

Daniel C Ndung'u,
Portfolio Manager

Glossary of Terms

Weighted Duration measures the Fund's sensitivity to changes in interest rates. Generally, the higher the duration, the more the fund is affected by changes in market interest rates.

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

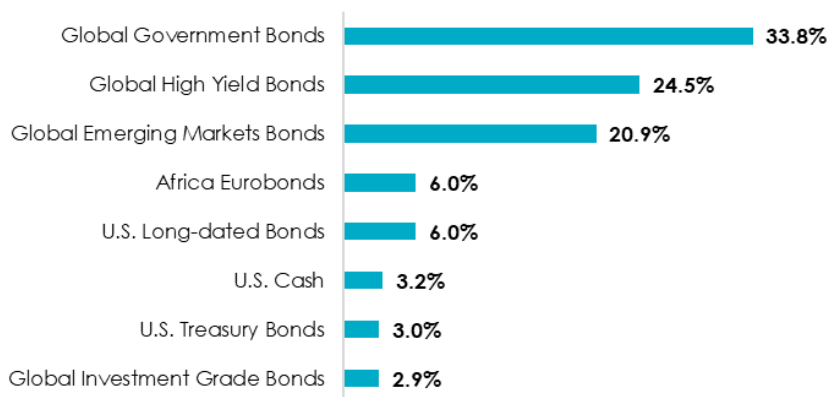
Moderate - Appropriate for investors with medium risk tolerance and a time horizon not longer than 5 years

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	July Performance	Year-to-Date Performance	Weighted Performance July	Weighted Performance
Global Government Bonds	33.72%	(0.75%)	(1.45%)	(0.25%)	(0.49%)
Global High Yield Corporate Bonds	24.39%	(0.42%)	(4.00%)	(0.10%)	(0.98%)
Global Emerging Markets Bonds	20.86%	(2.41%)	(2.91%)	(0.50%)	(0.61%)
Africa Eurobonds	5.98%	(0.49%)	5.67%	(0.03%)	0.34%
U.S. Long-dated Treasury Bonds	5.95%	(4.83%)	(5.63%)	(0.29%)	(0.34%)
U.S. Cash	3.21%	0.04%	0.33%	0.00%	0.01%
U.S. Treasury Bonds	2.96%	(0.71%)	(2.48%)	(0.02%)	(0.07%)
Global Investment Grade Bonds	2.92%	(1.40%)	(3.39%)	(0.04%)	(0.10%)
Global Fixed Income benchmarks					
Barclays Global Aggregate Bond Index	65.00%	(1.30%)	(0.69%)	(0.85%)	(0.45%)
Bloomberg USD Aggregate Emerging Markets Index	20.00%	(1.30%)	0.70%	(0.26%)	0.14%
Standard Bank ex South Africa Sovereign Bond Index	15.00%	(0.45%)	4.32%	(0.07%)	0.65%
				(1.18%)	0.34%

Contact Us

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Global Fixed Income Markets in July 2026

Central Bank Policy

Major central banks maintained policy rates in July while adopting a cautious, data-dependent stance amid persistent geopolitical uncertainty and inflation risks.

Federal Reserve: The Fed left rates unchanged at 3.50% - 3.75%, with markets continuing to price a 25bps hike in September as resilient labor markets and elevated energy prices cloud the inflation outlook despite moderating core inflation. We expect the Fed to remain cautious, with policy direction dependent on incoming inflation and labor market data.

European Central Bank: The ECB held rates at 2.25% but is expected to resume tightening should higher energy prices continue to lift inflation. Markets increasingly anticipate a further 25bps rate hike in the September meeting.

Bank of England: The BoE maintained rates at 3.75%, signaling that policy will remain restrictive while inflation is expected to rise from the current 2.6% to 3.2% towards year-end. Although growth remains subdued, policymakers appear in no rush to ease monetary conditions.

Bank of Japan: The BoJ left rates unchanged at 1.00% while retaining a hawkish bias. With core inflation expected to exceed the 2.0% target from September, further policy normalization remains likely, with markets pricing another 25 to 50bps rate hike before year-end, depending on whether global supply disruptions persist.

Global Government Bonds

Government bond markets weakened during July as renewed energy price pressures, resilient economic data and persistent fiscal borrowing concerns pushed developed market yields higher. U.S. Treasury yields rose across the curve despite the Fed holding rates steady, reflecting higher term premia and expectations that policy will remain restrictive for longer. German Bund yields also moved higher as resilient euro area growth and rising inflation strengthened expectations of further ECB tightening, while UK gilt yields rose amid persistent inflation concerns despite weaker growth.

In contrast, Japanese government bonds outperformed over the month despite elevated volatility, as markets balanced expectations of further Bank of Japan policy normalization against renewed fiscal stimulus announcements.

Higher long-term yields continue to present attractive income opportunities, although elevated term premia and uncertainty around the policy outlook are expected to keep bond market volatility elevated.

Credit Markets

Credit market performance during the month was driven primarily by duration rather than credit fundamentals. Rising sovereign bond yields weighed on credit markets, although high-yield bonds outperformed investment-grade credit, supported by their higher carry and shorter duration. Within Investment-grade credit, spreads widened modestly as elevated debt issuance by U.S. technology companies to finance continued AI infrastructure investments increased bond supply. As a result, technology spreads underperformed the broader market index.

Despite the rise in yields, corporate fundamentals remain supportive, underpinned by resilient earnings, stable balance sheets and healthy credit metrics. However, expectations of higher government bond yields and elevated interest rate volatility are likely to limit further spread compression.

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