

# FACT SHEET

## Nabo Balanced Fund

March 2022

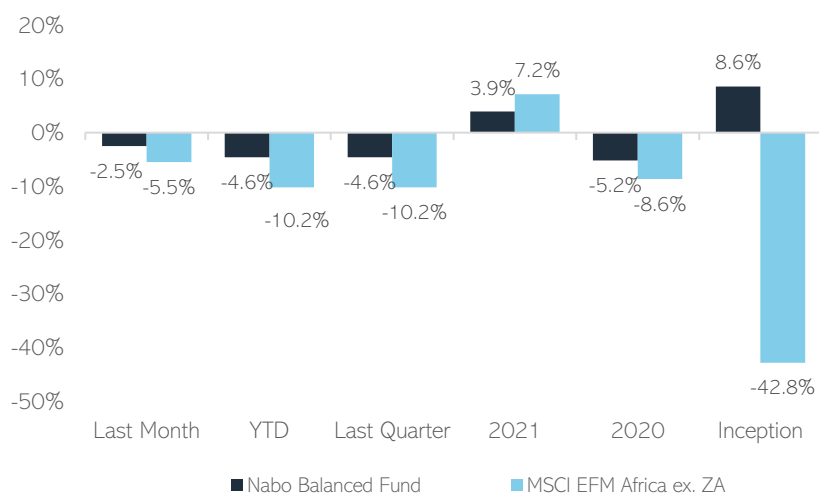


### Fund Description

The fund seeks to generate maximum total return by investing in a diversified portfolio of securities offering current income and long-term capital growth.

- Seeks to invest in equity and fixed income securities in various African countries with the exception of entities operating primarily in South Africa.
- Minimizes risk through Country and Stock Selection and bond selection.
- Manages Volatility and Liquidity through allocations to Cash.

### Fund Performance (%)



### Risk Profile



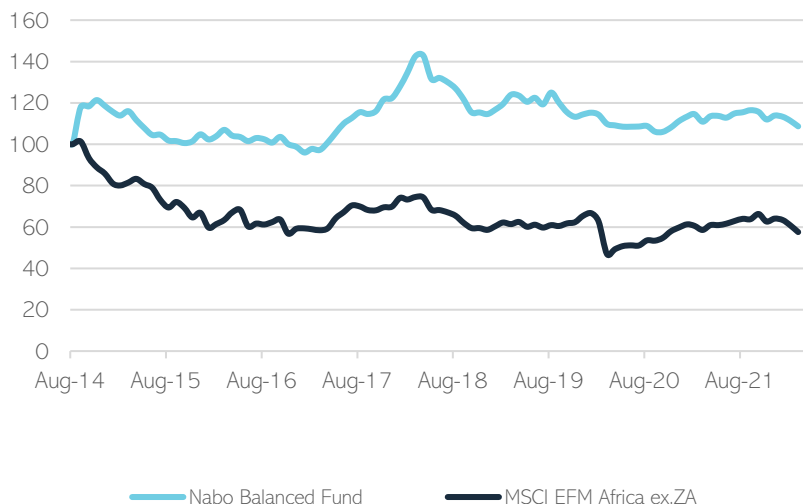
### Fund Features

|                    |                             |
|--------------------|-----------------------------|
| FundStructure      | Unit Trust                  |
| Inception Date     | August 2014                 |
| Fund Size          | USD 0.70 M                  |
| Reporting Currency | USD                         |
| Benchmark          | MSCI EFM Africa ex- ZA Fund |
| Manager            | Nabo Capital Ltd.           |
| Portfolio Manager  | Damitha Pathmalal, MBA      |
| Assistant          | Caleb Mugendi               |
| Portfolio Manager  |                             |
| Trustee            | KCB                         |
| Auditor            | Ernst & Young               |
| Custodian          | Stanbic Bank Ke             |

### Investment Terms

|                                  |   |
|----------------------------------|---|
| Minimum Investment               | USD 10,000                              |
| Top- Ups                         | USD 1,000 minimum                       |
| Investor Reporting               | Monthly Statement<br>Monthly Fact Sheet |
| Initial Fee                      | Up to 2.00%                             |
| Management Fee                   | Up to 2.75%                             |
| Redemption Fee                   | Up to 0.25%                             |
| Performance Fee                  | 15.0%                                   |
| Performance Fee Hurdle Rate      | 12.0%                                   |
| Best Month over Tracking period  | 17.8%                                   |
| Worst Month Over Tracking Period | -7.9%                                   |
| Correlation                      | 0.44                                    |

### Fund Cumulative Return Versus Benchmark Cumulative Return



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Fund Performance is net of fees gross of tax. Past performance is no guarantee of future results.

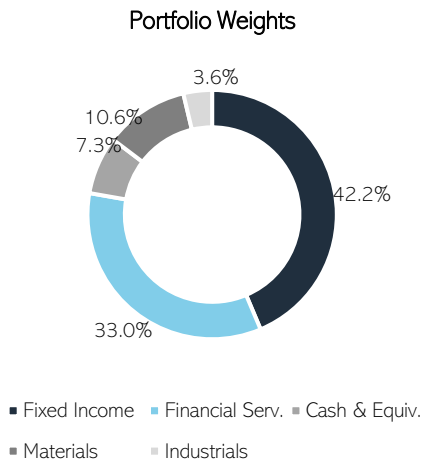
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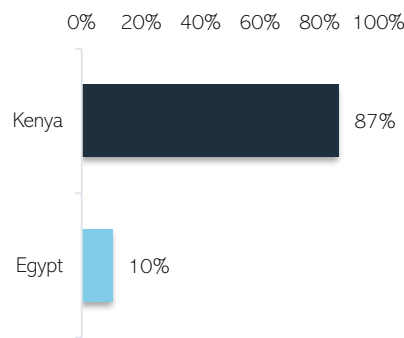


### Portfolio Distribution



*The fund aims to maximize returns by compounding gains at a meaningful rate – while minimizing volatility by diversifying Asset classes and geographies.*

### Geographical Distribution



### Portfolio Distribution

| Security     | Country | %     |
|--------------|---------|-------|
| KCB          | Kenya   | 16.7% |
| Platinum     | Kenya   | 14.8% |
| FXD1/2021/25 | Kenya   | 12.4% |

### Commentary

The fund declined mainly because of its exposure to the Financial Services Sector that contributed (1.91%) towards the investment performance. Fixed income exposure provided a boost to performance. The fund outperformed its benchmark, having declined by 2.5% month on month, against a benchmark performance of -5.5%, bringing the fund's YTD performance to (4.6%). Going forward, we expect the investment considerations will be driven by the sustainable Sub-Saharan Africa's economic growth rebound in 2022, as well as higher corporate earnings growth. We have thus positioned the fund to take advantage of the higher dividend payouts following the release of the FY 2021 results. We therefore expect improved performance from pockets of value in the market trading at attractive low valuations relative to developed and emerging markets.

### Disclosures

#### Track Record: Gross of Fees

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| 2014 | -   | -   | -   | -   | -   | -   | -   | 0%  | 18% | 0%  | 3%  | -2% | 19%   |
| 2015 | -2% | -2% | 2%  | -4% | -4% | -3% | 0%  | -3% | 0%  | -1% | 1%  | 3%  | -12%  |
| 2016 | -2% | 2%  | 3%  | -3% | -1% | -2% | 1%  | -1% | -2% | 3%  | -3% | -2% | -6%   |
| 2017 | -3% | 2%  | -1% | 4%  | 5%  | 4%  | 2%  | 3%  | -1% | 1%  | 5%  | 0%  | 24%   |
| 2018 | 5%  | 5%  | 6%  | 0%  | -8% | 0%  | -2% | -2% | -4% | -5% | 0%  | -1% | -6%   |
| 2019 | 2%  | 2%  | 4%  | 0%  | -2% | 2%  | -3% | 5%  | -4% | -4% | -2% | 1%  | 0%    |
| 2020 | 1%  | -1% | -4% | -1% | -1% | 0%  | 0%  | 0%  | -3% | 0%  | 2%  | 3%  | -3%   |
| 2021 | 2%  | 1%  | -3% | 2%  | 1%  | -1% | 2%  | 0%  | 1%  | -1% | -3% | 2%  | 4%    |
| 2022 | -1% | -2% | -3% |     |     |     |     |     |     |     |     |     | -5%   |

#### Risks

- (1) Changes in interest rates and differences in taxation policies for different securities can raise or lower return.
- (2) Some securities may cause some volatility in return with potential constraints on liquidity.

N/A The portfolio management team is cognizant of these risks and looks to minimize impact of risk exposures on the portfolio where such may arise.

#### Disclaimer

Investment returns and price of an investment will fluctuate and past performance is not necessarily a guide to future performance. The portfolio and holdings are subject to change and should not be considered recommendations to purchase or sell a particular security.