



COLLECTIVE INVESTMENT SCHEMES

QUARTERLY REPORT

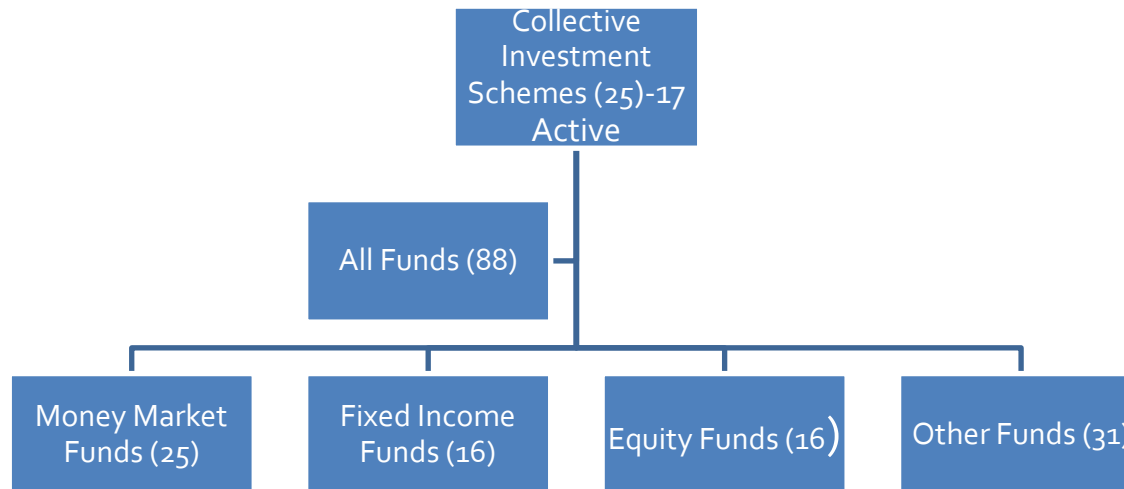
FOR THE PERIOD ENDED MARCH 31, 2019



1.0 OVERVIEW

There are 25 approved Collective Investment Schemes (CIS) made up of 88 funds. The most popular fund is the Money Market Fund; other funds include Fixed Income Funds, Equity Funds, Managed Funds, Balanced Funds, Income Funds, Growth Funds, Wealth Funds, Diversified Funds, Iman Funds and East Africa funds

Figure 1: Approved collective investment schemes





2.0 PERFORMANCE OF THE FUNDS FOR THE QUARTER ENDED MARCH 31ST 2019

2.1 Assets under Management (AUM)

The assets under management increased steadily over the past two years from Ksh 55 billion as at 31st March 2017 to Ksh 64 billion as at 31st March 2019

Figure 2: Assets under management

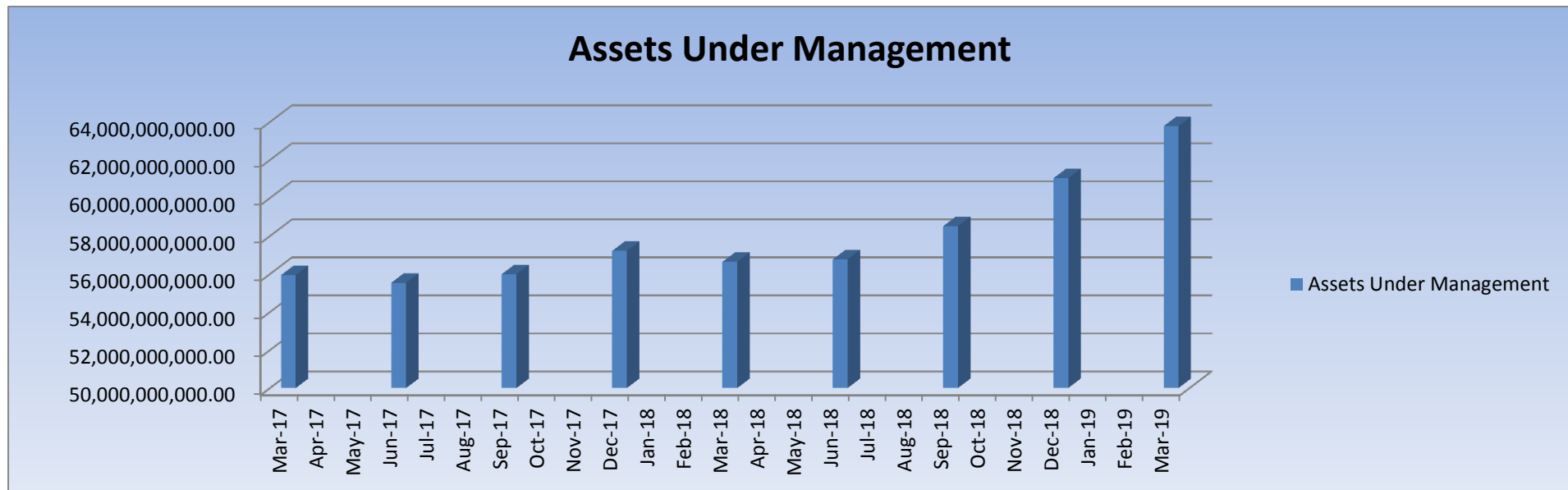




Table 1: Percentage growth of assets under management

Assets under management			
Period		Ksh	Percentage growth
	Mar-18	56,642,056,226.72	-1.01%
	Jun-18	56,771,038,621.28	0.23%
	Sep-18	58,518,320,339.29	3.08%
	Dec-18	61,038,764,434.77	4.31%
	Mar-19	63,779,326,870.23	4.49%

2.2 Spread of Investments among different funds

Money Market Funds accounted for 84% of all the funds under management by Collective Investment Schemes for the quarter ended 31st March 2019.

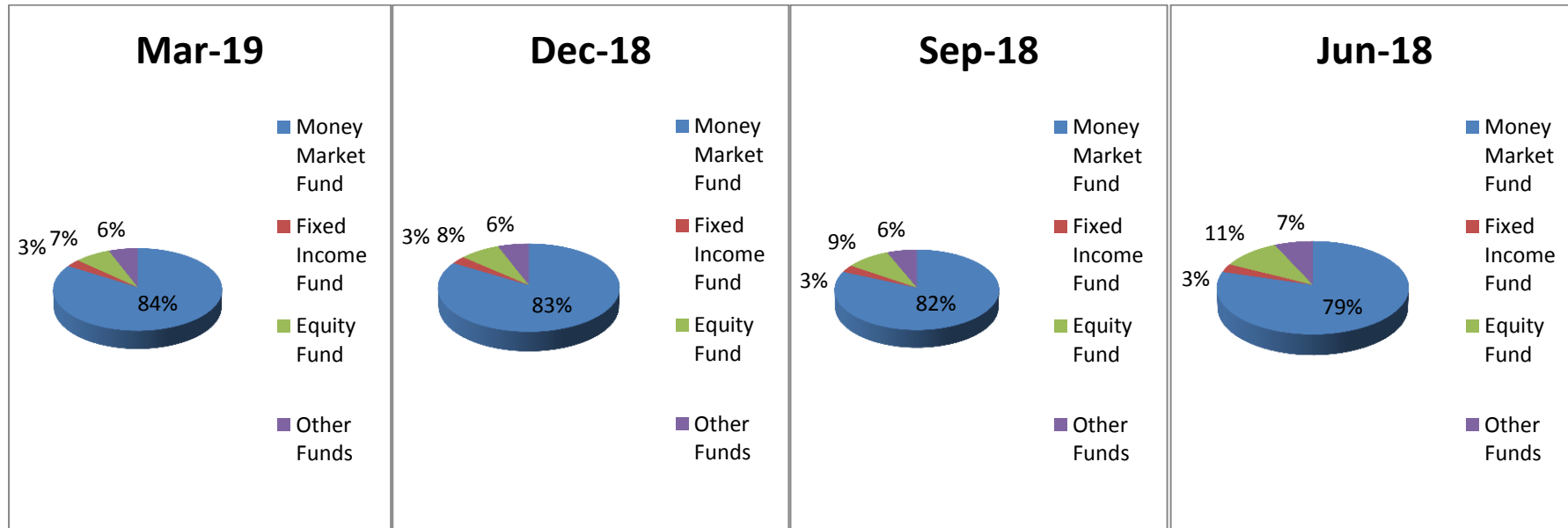


Table 2: Assets under management in various funds

INVESTMENTS IN DIFFERENT FUNDS				
	Jun-18	Sep-18	Dec-18	Mar-19
	Ksh	Ksh	Ksh	Ksh
Money Market Fund	45,160,074,242.74	47,750,892,228.11	51,019,498,734.59	53,489,232,333.90
Fixed Income Fund	1,655,677,691.88	1,713,415,804.95	1,741,105,684.54	1,873,851,085.91
Equity Fund	6,023,092,801.34	5,410,019,716.56	4,695,075,836.45	4,658,258,533.08
Other Funds	3,932,193,885.32	3,643,992,589.68	3,583,084,177.19	3,757,984,917.34
	56,771,038,621.28	58,518,320,339.29	61,038,764,432.77	63,779,326,870.23

Investments in money market funds have been growing steadily in the last four quarters compared to the other funds as seen in the graphs below

Figure 4: Percentage of investments per category of fund



2.3 Trend in Investments by Unit Trust Funds

Investment in Government Securities accounts for 50% of all investment of Unit Trust Funds.



Table 3: Distribution of Investments in Ksh 'billions'

<i>Distribution of Investments</i>								
Asset Class	Mar-19	%	Dec-18	%	Sep-18	%	Jun-18	%
Securities Issued by the govt of Kenya	32.91	51.6%	30.37	49.7%	30.37	51.9%	28.85	50.8%
Fixed Deposits	12.92	20.3%	14.88	24.4%	11.90	20.3%	9.09	16.0%
Shares and Corporate bonds listed at NSE	5.99	9.4%	5.76	9.4%	6.94	11.9%	8.34	14.7%
Cash and demand deposits	7.44	11.7%	4.31	7.1%	3.22	5.5%	5.67	10.0%
Any other security not listed at the NSE	2.30	3.6%	2.69	4.4%	2.95	5.0%	1.56	2.7%
Other collective investment schemes	1.53	2.4%	2.28	3.7%	2.46	4.2%	2.57	4.5%
Off-shore investments	0.69	1.1%	0.76	1.2%	0.68	1.2%	0.69	1.2%



2.4 Size of scheme based on assets under management

Table 4: Market share of Collective Investment Schemes

Firm	Year of Incorporation	CIS Market share (%)
CIC Unit Trust Scheme		35.10%
Britam Unit Trust Scheme		13.60%
ICEA Unit Trust Scheme		11.44%
Old Mutual Unit Trust Scheme		10.51%
CBA Unit Trust Scheme		9.25%
Stanlib Unit Trust Scheme		3.45%
African Alliance Unit Trust Scheme		3.42%
Sanlam Unit Trust Scheme		2.65%
Madison Asset Unit Trust Funds		2.16%
Dry Associates Unit Trust		1.97%
Zimele Unit Trust Scheme		1.47%
Nabo Capital Ltd		1.40%
Amana Unit Trust Funds		1.03%
Equity Investment Bank		1.00%
Genghis Unit Trust Funds		0.72%
Apollo Unit Trust Scheme		0.39%
Cytonn Money Market Fund		0.29%
Alpha Africa		0.16%



2.5 Bank concentration

Collective Investment Schemes invested 20% of bank deposits in Co-operative Bank of Kenya Ltd

Table 5: Bank Concentration on Investments in fixed deposits and demand deposits by various funds

Bank	Ksh	Percentage
Co-operative Bank of Kenya	4,185,861,517.23	20.48%
NIC Bank Plc	2,947,352,387.53	13.54%
Equity Bank of Kenya	2,905,885,662.11	10.28%
I & M Bank	1,763,974,750.62	9.20%
Stanbic Bank Kenya	987,529,265.23	5.15%
Victoria Commercial Bank	966,361,779.27	5.04%
Gulf African Bank Ltd	745,993,979.52	3.89%
UBA Kenya Bank Ltd	705,082,274.99	3.68%
Faulu Microfinance Bank Ltd	682,587,853.31	3.56%
HFC Limited	669,538,472.36	3.49%
Other Banks	4,157,783,269.03	21.68%

2.6 Yield of Money Market Funds

Table 6: Average Yield of Money Market Funds

<i>Yield of Money Market Funds on 8th April 2019</i>		
Yields	Daily Yield	Effective Annual Rate
Average Money Market Funds KES	8.13%	8.38%
Average Money Market Funds USD	2.92%	2.97%

Data Source: Quarterly submissions by Collective Investment Schemes