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MADISON Investment Managers

MADISON FIXED INCOME FUND

Factsheet September 2026

Fund Objective

The objective of Madison Fixed Income Fund is to achieve capital growth while earning a steady income stream from investing in fixed income securities in the local and international markets. The Scheme will invest in Government of Kenya securities, fixed deposits with selected banks, other collective investment schemes, offshore investments and other investments.

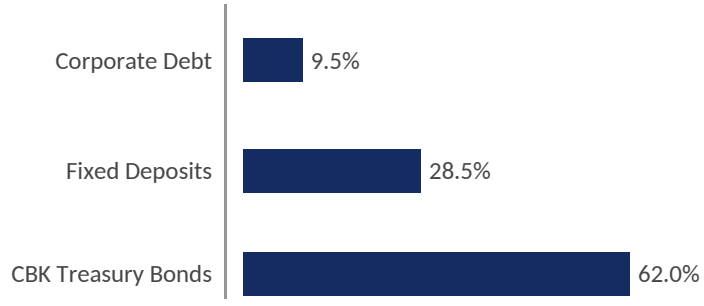
Fund Features

Registration Date:	15th June 2022
Structure:	Open ended, Unit Trust Fund
Fund Manager:	Madison Investment Managers Ltd
Trustees:	Standard Chartered Bank Kenya Limited
Custodian:	Standard Chartered Bank Kenya Limited
Auditors:	Grant Thornton Kenya
Regulator:	Capital Markets Authority

General Information

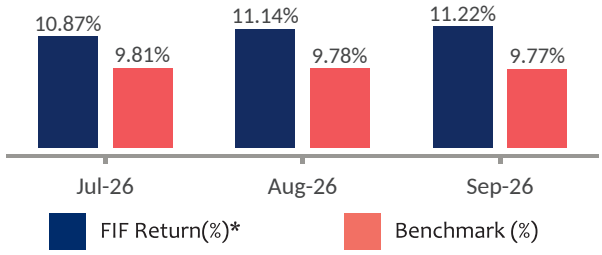
Min. Initial Investment:	KES 5,000.00
Min. Top Up:	KES 1,000.00
Investment Horizon:	Less than one year
Risk Profile:	Conservative
Benchmark Return:	Average 91 Day T Bill + 1%
Income distribution:	Monthly
Management fees:	2%
Lock-in Period:	3 Months

Asset Allocation



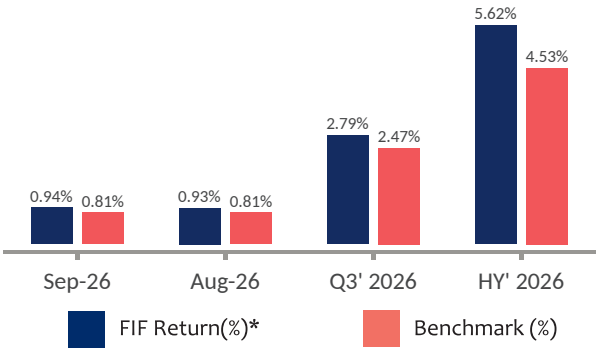
Fund Size: KES 4.21 Billion

Fund Performance



*FIF return is an effective annual yield, net of fees and gross of withholding tax

Periodic Returns



Market Commentary

In September 2026, the Madison Fixed Income Fund posted an effective annualized yield of 11.22%, equivalent to an average daily yield of 10.64%, outperforming the 91-day Treasury bill + 1% benchmark and prevailing inflation. Amid stable monetary policy environment, the Fund continued to deliver positive real returns, supported by prudent portfolio diversification, disciplined liquidity management and consistent income generation.

Kenya's annual inflation rate rose to 6.8% year-on-year in September 2026, from 6.6% in August, but remained within the Central Bank of Kenya's target range of 2.5%–7.5%. The increase was primarily driven by Food and Non-Alcoholic Beverages inflation of 9.5% and Transport inflation of 15.6%, reflecting elevated prices of selected food items, including milk and wheat products, alongside transport costs. Inflation in Housing, Water, Electricity, Gas and Other Fuels stood at 3.2%. Looking ahead, persistent food and transport costs, alongside potential energy-price pressures, remain key upside risks to the inflation outlook.

Short-term Treasury bill yields were broadly stable in September, supported by ample market liquidity and an unchanged Central Bank Rate of 8.75%. Average yields for the month were 8.78% on the 91-day bill, 8.89% on the 182-day and 9.04% on the 364-day. With monetary policy on hold, yields are likely to stay steady in the near term, though liquidity conditions and the government's borrowing needs will determine any movement

In the bond market, investor demand remained firm, supported by attractive yields and continued appetite for longer-dated securities. However, government borrowing requirements and movements in global interest rates remain key determinants of yields at the longer end of the curve. Going forward, sustained investor demand should support the market, although fiscal financing pressures and global rate volatility may create intermittent upward pressure on bond yields, reinforcing the need for selective duration positioning.

The Kenyan shilling remained broadly stable against the US dollar in September, trading at approximately KES 129.79 per US dollar as at 30 September 2026. Foreign exchange reserves remained adequate, supporting external stability and confidence in the currency. The reserve buffer continues to provide protection against external shocks, although exchange-rate movements remain exposed to global dollar strength, international energy prices and domestic foreign exchange demand. In the near term, the shilling is expected to remain relatively stable, supported by adequate reserves, subject to developments in the external environment.

Disclaimer: Past performance is not an indicator of future investment performance, and current fund performance may differ from the figures shown. The fund return is an effective annual yield, quoted net of fees and gross of withholding tax. Unit trust values are calculated on a net asset value basis which is the total of all assets in the portfolio including any income accrual, less any permissible deduction from the portfolio. The funds are held at a custodian account and the activities of the fund are overseen by a trustee.

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