KCB FIXED INCOME FUND

1. **What is a Fixed Income Fund?**

A Fixed Income Fund is a type of collective investment scheme that pools money from investors and invests in high quality fixed income securities such as Treasury Bills, Treasury Bonds, Commercial Paper, Corporate Bonds, and bank deposits. The fund scheme aims to maximize unit holders returns while protecting investors capital. The fund is regulated by the Capital Markets Authority (CMA), ensuring investor protection and compliance with investment guidelines.

2. **How does a Fixed Income Fund work?**

Your money pooled together with funds from other investors and managed by professional investment managers. They allocate the pooled funds into high-quality fixed-income instruments. Returns are earned from interest generated by these instruments.

3. **What is the minimum investment amount?**

We have a low entry amount of Kshs. 1,000,000.00 only.

4. **What are the key benefits of investing in a Fixed Income Fund?**
    - Capital preservation
    - Stable and predictable returns.
    - Liquidity: you can withdraw your money within short notice (2–5 working days).
    - Diversification: your money is spread across several fixed-income securities.
    - Professional fund management.
    - Competitive yield backed by a solid brand (KCB).

5. **Who should invest in a Fixed Income Fund?**

It is suitable for individuals seeking low-to-moderate risk investments, Investors looking for regular and stable returns, People saving for short to medium-term goals, First-time investors entering the market, Corporates, Saccos, NGOs, and institutions needing liquidity with a return.

6. **What returns can I expect?**

Returns vary depending on market interest rates, government securities performance, and fund manager strategy. Fixed Income Funds in Kenya typically offer moderate and stable returns, generally higher than bank savings accounts but lower than riskier funds like equity funds.

7. **Is my capital guaranteed?**

No. As with all market-based investments, returns are not guaranteed. However, Fixed Income Funds are considered lower risk, especially because they invest heavily in government securities.

8. **How liquid is the fund? Can I withdraw my money anytime?**

Yes. Withdrawals take 2–5 Working days processing time. However, there is a six-month lock in period from inception date.

9. **What are the fees and charges involved?**

The fund has an annual management fee of 2%. Any interest income earned through the fund is subject to withholding tax of 15%.

(All fees are disclosed in the fund's information memorandum).

10. How do I track the performance of my investment?

You can track performance through monthly statements sent by the 5th of each subsequent month. We will soon also be able to track performance through the KCB Mobile app or portal access.

11. How do I join a Fixed Income Fund?

i. Complete an application form (online or physical).
ii. Provide identification documents (ID/Passport, KRA PIN).
iii. Fund your investment via bank transfer, mobile money, or cheque.
iv. Receive confirmation and begin earning returns.

11. Can I set up a standing order or top-up regularly?

Yes. You can schedule periodic contributions through M-Pesa, bank standing orders, or direct transfer.

12. How long should I invest in a Fixed Income Fund?

Fixed Income Funds are ideal for short to medium-term goals, typically 1 to 3 years. However, investors can stay longer depending on their goals.

13. What is the difference between a Money Market Fund and a Fixed Income Fund?

Money Market Fund invests in shorter-term (below 1 year), more liquid investments, offers lower risk and returns.

Fixed Income Fund invests in longer-term securities, may offer higher returns but with slightly more price fluctuation.