



INCOME FUND FACT SHEET

UGX

Date: April 2026

FUND NAME CORNERSTONE SHILLING INCOME FUND	FUND TRUSTEE & CUSTODIAN KCB Bank Uganda	INCEPTION DATE 24 TH DECEMBER 2024
FUND MANAGER CORNERSTONE ASSET MANAGERS LTD	AUDITOR BDO East Africa	CURRENCY UGX
REGULATORY AUTHORITY Capital Markets Authority (CMA), Uganda	PORTFOLIO MANAGER Simon Kusiima Mwebaze, CFA	MANAGEMENT FEE 2% per annum

FUND OBJECTIVE:

The Cornerstone Income Fund aims to deliver a balanced combination of steady current income and long-term capital appreciation by investing in a carefully diversified portfolio of fixed income instruments. To achieve this objective, the fund strategically allocates capital across a range of high quality, assets including treasury bills, government bonds, fixed deposits, call account deposits, corporate bonds, commercial paper, structured interest-bearing approved securities, and cash equivalents. This diversified approach is designed to optimize yield while managing risk, providing investors with a reliable income stream alongside potential growth over time.

Target Investors:

Investors who seek to invest in a portfolio offering exposure to a diversified portfolio of fixed income instruments.

Investment Risk Profile:

The fund has a low to medium-sized investment risk profile.

KEY FACTS

Minimum Investment

100,000 UGX

Benchmark

91-day T-Bill + 1%

Risk Profile



Fund Size
(As at 30th April 2026)

UGX 149.30 bn

Average Effective Annual
Yield (As at April 2026)

15.25%

Recommended Investment
Term

1 YEAR

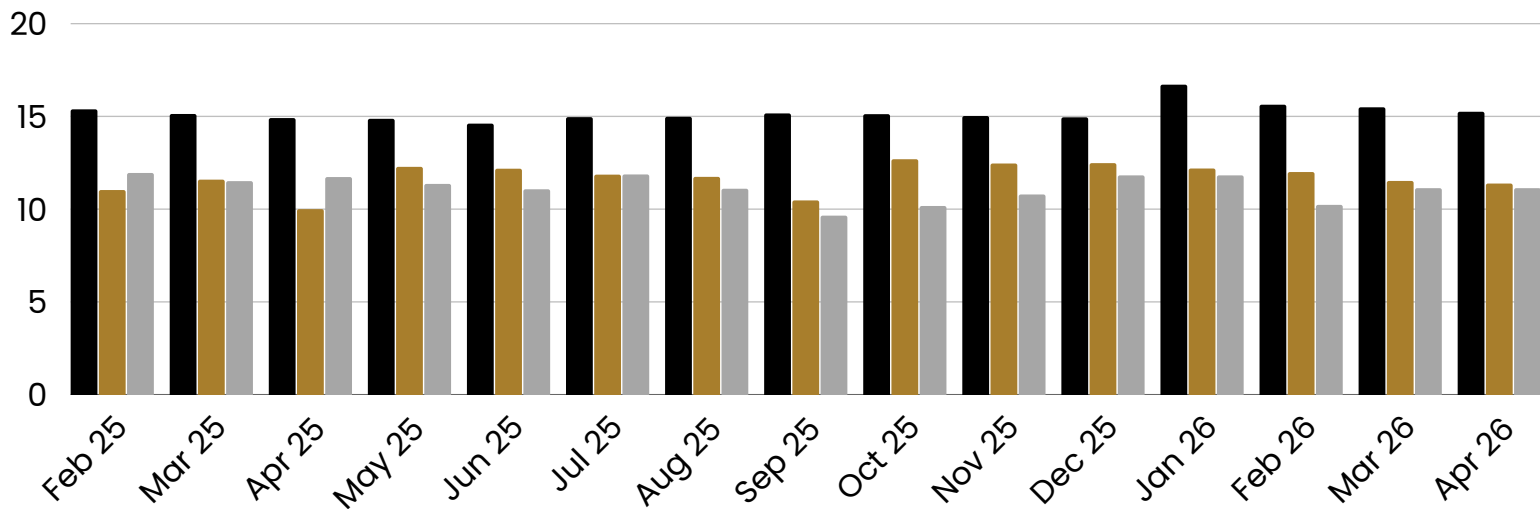
Total Expense Ratio (TER)

PER ANNUM
2.6%

FUND PERFORMANCE

Month	Fund Yield (Effective Annual Yield) %	Benchmark (91-day T-Bill + 1%)	Commercial Banks Time Deposits (7-12 months) %
April 2025	14.91	10.00	11.73
May 2025	14.87	12.28	11.36
June 2025	14.61	12.18	11.07
July 2025	14.96	11.86	11.87
August 2025	14.98	11.74	11.10
September 2025	15.16	10.47	9.65
October 2025	15.12	12.69	10.17
November 2025	15.02	12.46	10.79
December 2025	14.95	12.48	11.82
January 2026	16.71	12.19	11.82
February 2026	15.63	12.00	10.23
March 2026	15.49	11.52	11.13
April 2026	15.25	11.38	11.13

Fund Yield (Effective Annual Yield)
 Benchmark (91-day T-Bill + 1%)
 Commercial Banks Time Deposits (7-12 months)



Portfolio Manager's Commentary – April 2026

Macroeconomic Environment

Uganda's macroeconomic environment remained stable in April 2026, supported by sustained economic activity and continued price stability. Growth momentum continues to be underpinned by resilient agricultural output, steady expansion in the services sector, and ongoing public and private infrastructure investment. High-frequency indicators suggest that FY 2025/26 growth remains on track within the projected 6.3–6.5% range, supported by domestic demand conditions and oil-sector-related capital inflows.

Monetary policy conditions remained unchanged, with the Central Bank Rate (CBR) maintained at 9.75%, reflecting the Bank of Uganda's confidence in well-anchored inflation expectations and the adequacy of the current policy stance amid persistent global uncertainty. The Monetary Policy Committee continues to emphasize caution, given the balance of risks surrounding fiscal developments and external conditions.

On the fiscal side, domestic borrowing pressures persist, driven by elevated financing needs, though these remain manageable within the broader macroeconomic framework. External sector performance continues to benefit from export receipts and remittance inflows, which have supported foreign exchange market liquidity and helped moderate exchange rate volatility.

Inflation and Price Stability

Inflation outcomes edged slightly higher in April 2026, though overall price stability remained intact. Headline inflation increased modestly to 3.0% year-on-year from 2.8% in March, while core inflation rose marginally to 3.0% from 2.9% previously. Both measures remain comfortably below the 5% medium-term inflation target.

The low and broadly stable inflation environment continues to support consumer purchasing power and provides the central bank with space to maintain a cautious but steady monetary stance. However, inflation risks remain moderately tilted to the upside, particularly from energy price pressures, potential exchange rate volatility, global commodity price fluctuations, and fiscal-driven liquidity expansion.

Despite the depreciation, exchange rate volatility remained contained, and the shilling continues to play a stabilizing role in anchoring inflation expectations and preserving investor confidence. Uganda's near-term macroeconomic outlook remains stable but cautiously balanced. Inflation is expected to remain within the target band in the coming months, supported by adequate domestic food supply, prudent monetary policy, and moderate exchange rate pass-through.

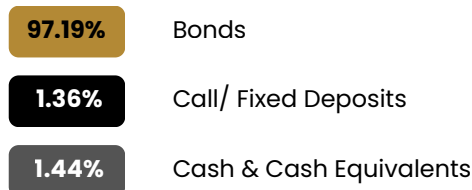
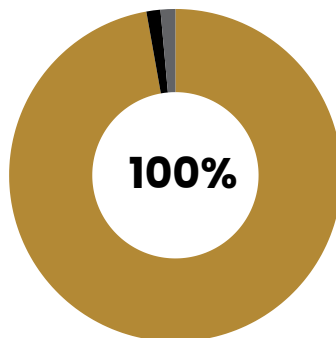
The exchange rate is projected to remain broadly stable, though with some sensitivity to external shocks, fiscal flows, and global financial conditions. Continued export performance and remittance inflows should provide structural support to the shilling.

In the fixed income market, real yields remain highly attractive in a low-inflation environment, supporting continued investor demand for government securities. Nonetheless, fiscal financing needs and global monetary conditions remain key risks to monitor.

Overall, April 2026 data reinforce a broadly stable macroeconomic backdrop, characterized by contained inflation, manageable though slightly weaker exchange rate dynamics, and still-supportive conditions for fixed income investments.

Portfolio Allocation (30/04/2026)

Instrument	Percentage (%)
Bonds	97.19%
Call/ Fixed Deposits	1.36%
Cash & Cash Equivalents	1.44%
Total	100%



Interest Rates and Government Securities Market

Interest rate conditions in April 2026 remained relatively tight but stable. With inflation anchored around 3%, real interest rates remain strongly positive, sustaining robust investor appetite for government securities.

Treasury bill yields remained attractive across all tenors, while government bond yields continued to show signs of stabilization following strong subscription levels in recent auctions. The persistent low-inflation environment has reinforced demand for longer-dated instruments, as investors seek to lock in elevated real returns.

Commercial lending rates remain elevated, reflecting structural liquidity conditions and continued government financing requirements, which continue to exert mild crowding-out effects on private sector credit growth.

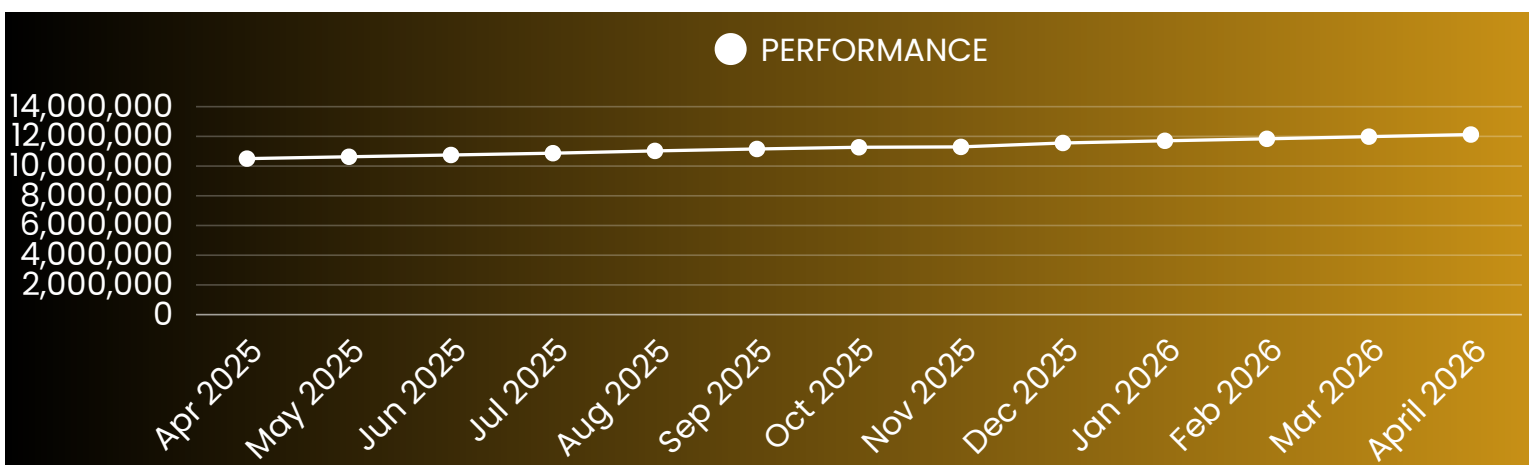
Exchange Rate Developments

The Uganda Shilling experienced a modest depreciation bias in April 2026, though overall movements remained orderly. The exchange rate traded within a range of approximately UGX 3,700–3,800 per US dollar, with the month closing near UGX 3,780 per US dollar. This represents a continuation of the gradual weakening observed in March, consistent with seasonal import demand and portfolio flow dynamics.

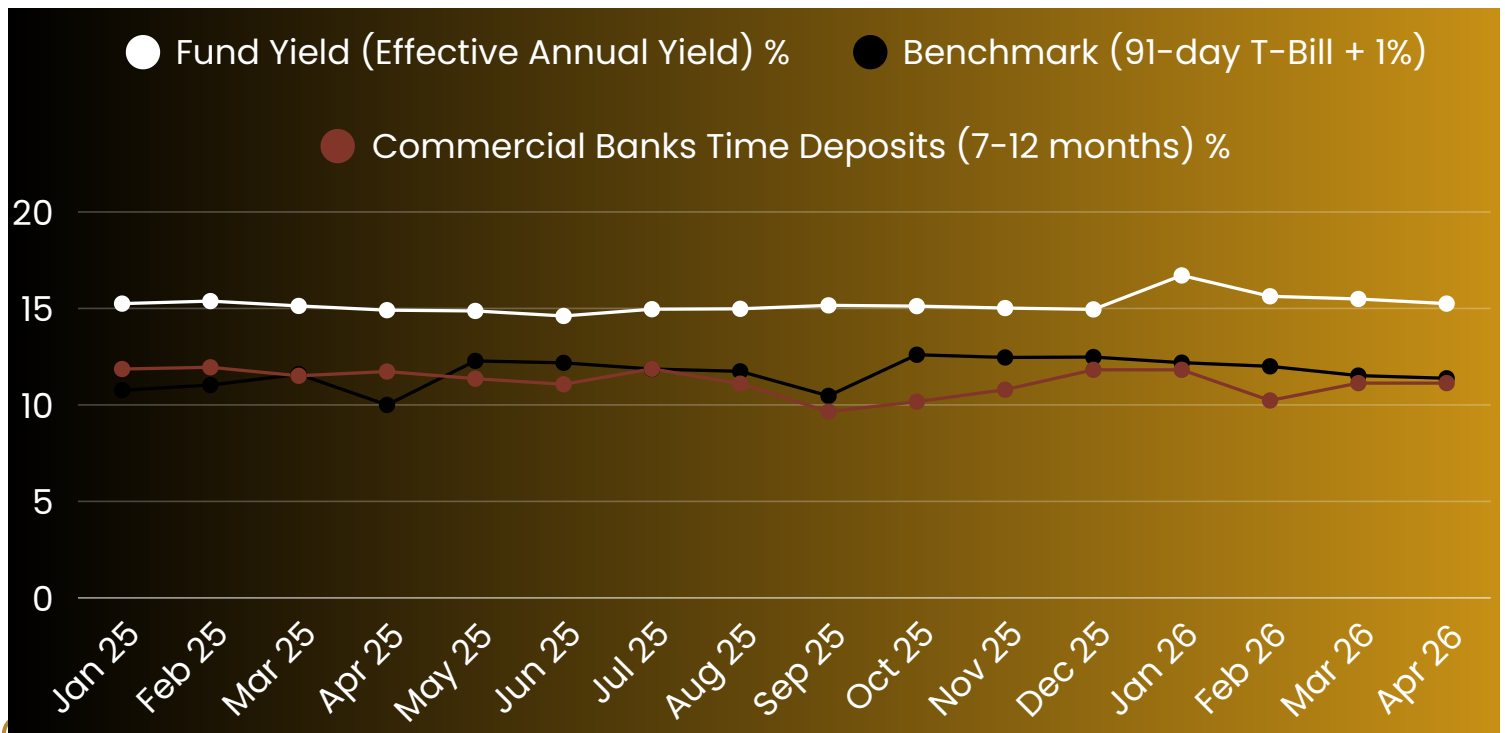
The depreciation largely reflects increased dollar demand linked to import payments and some energy-related pressures. Foreign exchange inflows from exports and remittances continued to provide underlying support, while central bank liquidity operations helped contain excessive volatility.

VALUE OF 10 MILLION UGX SINCE INCEPTION

Date	Value
Saturday, May 31, 2025	10,626,171
Monday, June 30, 2025	10,746,641
Wednesday, July 30, 2025	10,867,237
Sunday, August 31, 2025	11,021,870
Tuesday, September 30, 2025	11,151,225
Friday, October 31, 2025	11,265,798
Sunday, November 30, 2025	11,290,561
Wednesday, December 31, 2025	11,554,380
Saturday, January 31, 2026	11,702,122
Saturday, February 28, 2026	11,834,910
Tuesday, March 31, 2026	11,981,423
Thursday, April 30, 2026	12,122,862



Performance Vs Benchmark



Risk Measures	Fund	Benchmark (91-day T-Bill + 1%)	Commercial Banks Time Deposits (7-12 months)
Percentage Positive Months	100%	100%	100%
Highest Annual Return	16.71%	12.69%	11.95%
Lowest Annual Return	13.86%	10.00%	9.65%

Risk Notice

Investment in the Cornerstone Income Fund should be regarded as a medium-term investment. The Fund's investments are subject to normal market fluctuations and risks inherent in all investments.

Interest rates may, from time to time, go down as well as up. For this reason, the price of units of any Fund and the income from them can go down as well as up. Any investor who is in any doubt about the risks of investing in the Fund should consult his or her own Financial Advisor. Past performance is not a reliable indicator of future results.

Disclaimer

Past performance does not guarantee future results. Investments in collective investment schemes are subject to market risks. Please consult an investment advisor before investing. For more information, visit www.cornerstone.co.ug.

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