



INCOME FUND FACT SHEET

Date: January 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 USD
REGULATORY AUTHORITY Capital Markets Authority (CMA), Uganda	PORTFOLIO MANAGER Simon Kusiima Mwebaze, CFA	MANAGEMENT FEE 1% per annum

FUND OBJECTIVE:

The Cornerstone Dollar Income Fund Scheme's investment objective is to obtain a high level of current income while preserving investor's capital. The Fund aims to outperform the USD yield available on call and fixed deposits through investing in high quality money markets and fixed income securities with a maturity profile that ensures sufficient liquidity and competitive return.

Target Investors:

Suitable for investors who seek capital preservation with minimal volatility.

Investment Risk Profile:

The fund has a low to medium investment risk profile.

KEY FACTS

Minimum Investment

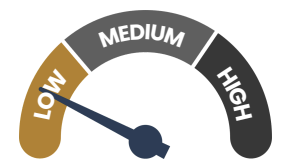
500

USD

Benchmark

Secured Overnight Financing Rate (SOFR)

Risk Profile



Fund Size
(As at 31st January 2026)

USD 1,108,734

Average Effective Annual Yield
(As at January 2026)

5.01%



Recommended Investment Term

1 YEAR

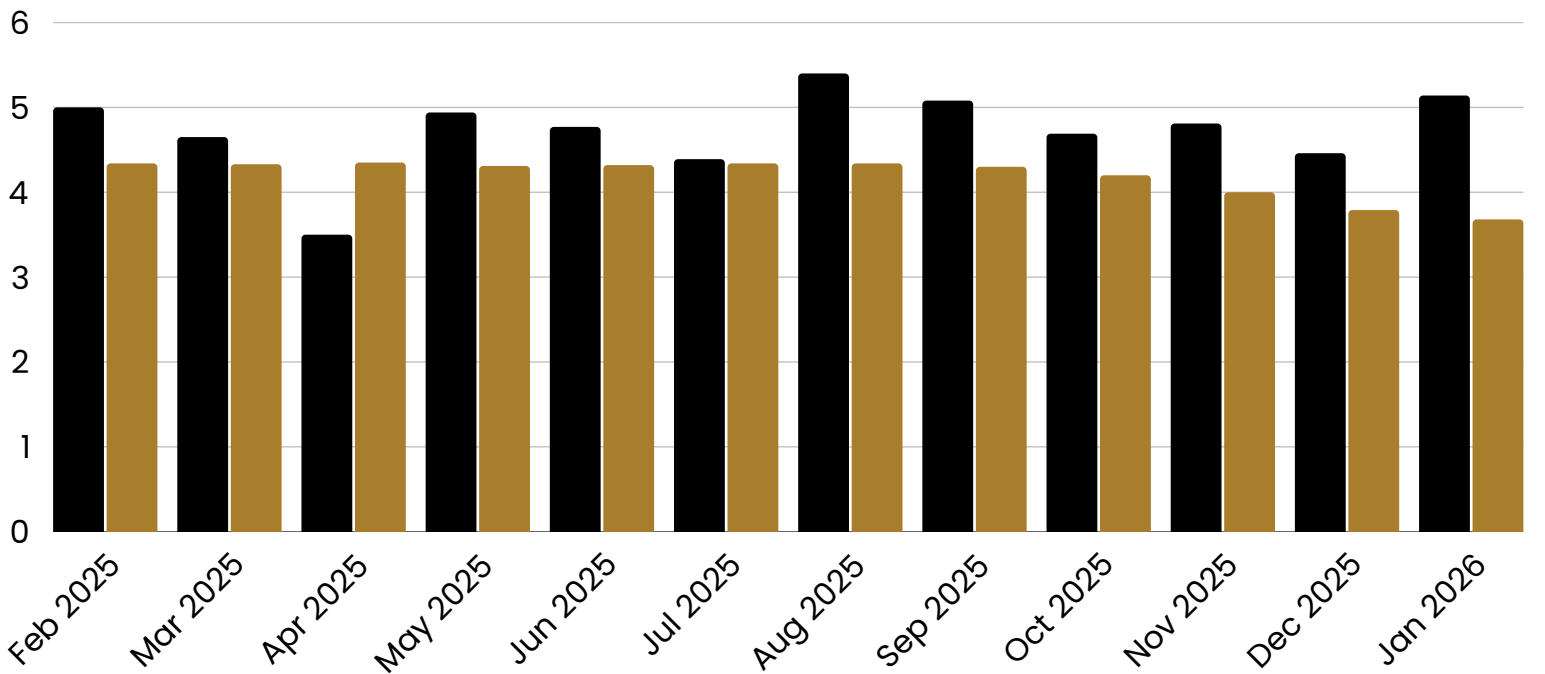
Total Expense Ratio (TER)



FUND PERFORMANCE

Month	Fund Yield (Effective Annual Yield) %	Benchmark (SOFR)
February	5.00	4.34
March	4.65	4.33
April	3.50	4.35
May	4.94	4.31
June	4.77	4.32
July	4.39	4.34
August	5.40	4.34
September	5.08	4.30
October	4.45	4.20
November	4.81	4.00
December	4.46	3.79
January	5.14	3.68

● Fund Yield (Effective Annual Yield) ● Benchmark (SOFR)



Portfolio Manager's Commentary (January 2026)

Inflation

By January 2026, U.S. inflation is expected to have continued its gradual moderation from post-pandemic highs, moving closer to—but still modestly above—the Federal Reserve's 2% target.

Headline inflation is projected to stabilise in the low-to-mid 2% range, supported by easing goods prices and normalised supply chains. However, core inflation remains more persistent, driven primarily by services inflation, particularly in housing, healthcare, and labour-intensive sectors.

While wage growth has softened alongside cooling labour demand, structural factors such as limited housing supply and elevated service-sector costs continue to exert upward pressure on prices.

Overall, inflation dynamics indicate sustained progress toward price stability, though disinflation remains uneven across sectors.

Interest Rates

In response to moderating inflation and a gradually cooling labour market, the Federal Reserve is expected to have progressed further into a cautious easing cycle by January 2026.

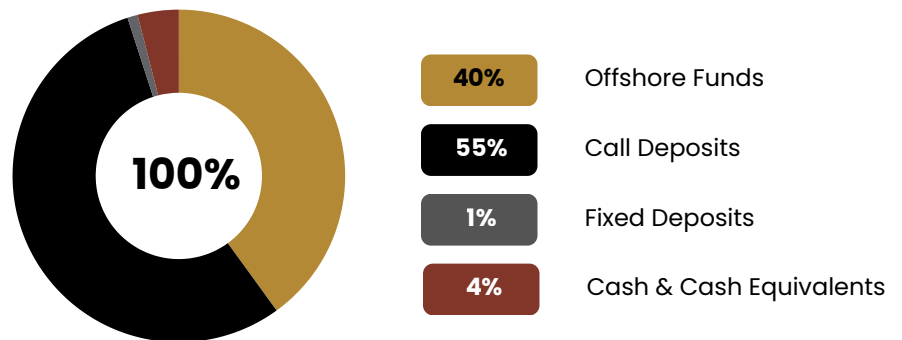
Policy rates are likely below their 2023–2024 peaks but remain relatively restrictive compared to pre-pandemic norms.

The Fed's approach continues to prioritise data dependency, balancing the need to support economic growth against the risk of prematurely loosening financial conditions.

As a result, rate cuts are expected to be incremental rather than front-loaded, with monetary policy remaining moderately tight.

Portfolio Allocation (31/01/2026)

Instrument	Percentage (%)
Offshore Funds	40%
Call Deposits	55%
Fixed Deposits	1%
Cash & Cash Equivalents	4%
Total	100%



Outlook

By January 2026, the U.S. economy is expected to exhibit steady but subdued growth, reflecting the lagged effects of prior monetary tightening alongside gradually improving financial conditions. Real GDP growth remains positive but below its long-run potential, supported by resilient consumer spending, sustained public investment—particularly in infrastructure and green energy—and continued expansion in high-productivity sectors such as technology and artificial intelligence. Nevertheless, growth remains uneven across industries, with interest-sensitive sectors such as housing and commercial real estate still constrained by elevated borrowing costs.

The labour market continues its gradual rebalancing. Job creation has slowed, vacancy rates have declined, and wage growth has moderated, helping to alleviate inflationary pressures. Unemployment remains low by historical standards, indicating a controlled adjustment rather than a sharp downturn.

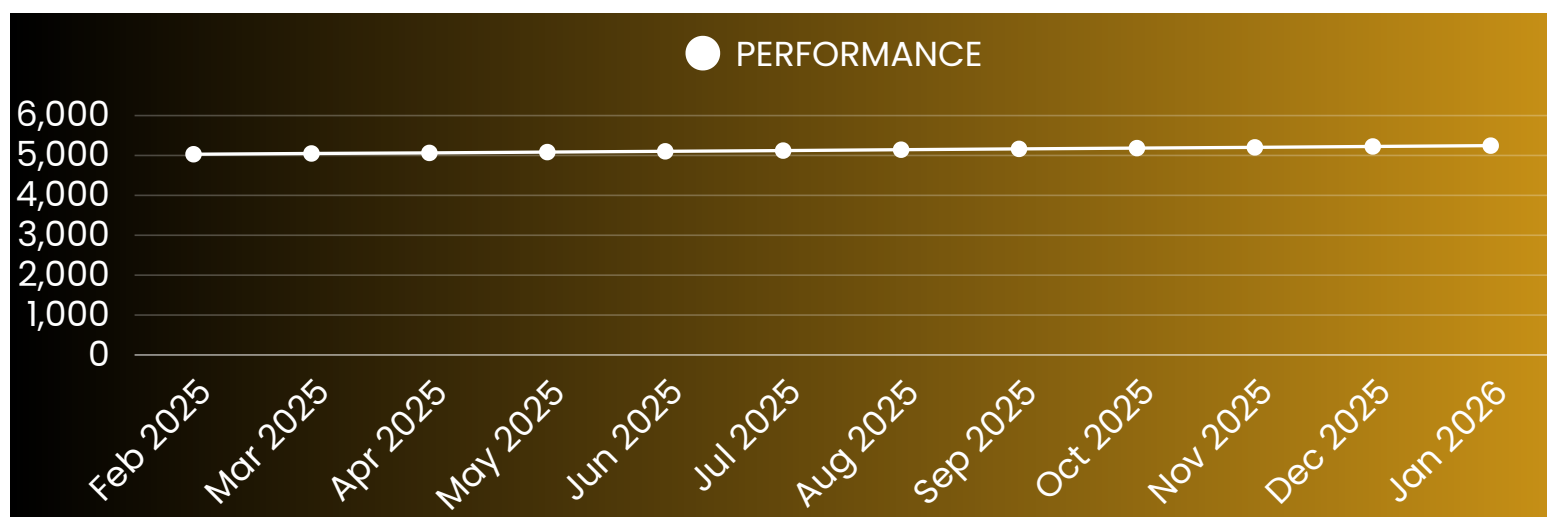
Household consumption continues to underpin economic activity as easing inflation supports real income growth. However, higher debt servicing costs, and the depletion of excess savings limit discretionary spending. Business investment remains mixed amid geopolitical uncertainty and cautious corporate sentiment, while fiscal and monetary policy settings remain prudent. Overall, the U.S. economy appears to have achieved a partial soft landing by early 2026, though it remains exposed to structural challenges and external risks.

Risk Notice

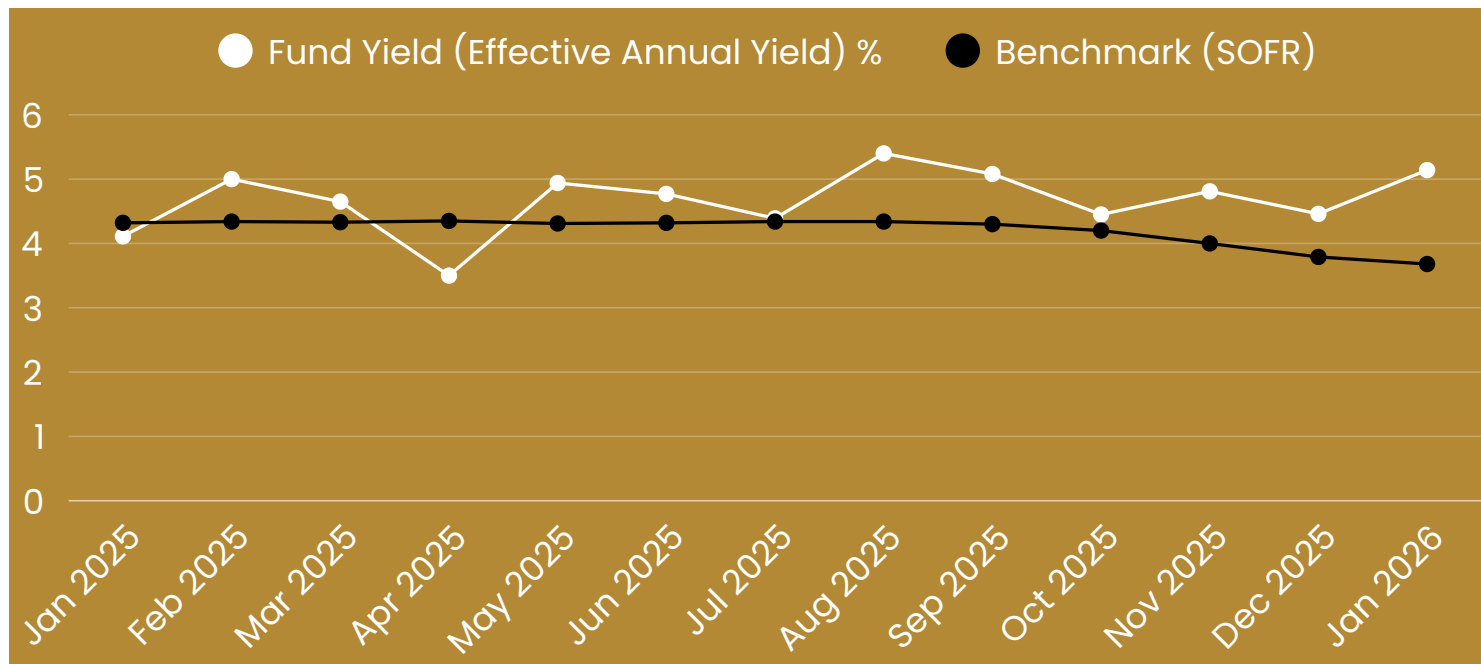
Investment in the Cornerstone USD Income Fund should be regarded as a medium-term investment. The Fund's investments are subject to normal market fluctuations, interest rate risks, and foreign exchange (FX) risk inherent in investments denominated in US dollars. Interest rates and currency exchange rates may from time to time go down as well as up. For this reason, the price of units of the Fund and the income from them can go down as well as up. Any investor who is in 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.

VALUE OF USD 5,000 SINCE INCEPTION

Date	Value
Friday, February 28, 2025	5,030.7
Monday, March 31, 2025	5,050.0
Wednesday, April 30, 2025	5,064.2
Saturday, May 31, 2025	5,084.7
Monday, June 30, 2025	5,103.9
Wednesday, July 30, 2025	5,122.1
Sunday, August 31, 2025	5,144.5
Tuesday, September 30, 2025	5,164.9
Friday, October 31, 2025	5,184.4
Sunday, November 30, 2025	5,203.2
Wednesday, December 31, 2025	5,225.6
Saturday, January 31, 2026	5,246.4



Performance Vs Benchmark



Risk Measures	Fund	Benchmark (SOFR)
Percentage Positive Months	100%	100%
Highest Annual Return	5.46%	4.45%
Lowest Annual Return	2.67%	3.68%

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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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