MONEYWISE GUIDES · INVESTING

Investing for Wealth Creation

Medium to long-term investing for money with a bigger job, and where the Oak Special Fund fits in.

moneywise.co.ke, Africa's financial confidence ecosystem

Saving built the floor. Now build the house

A money market fund keeps money safe, close and earning. That is the floor: your emergency fund, your short-term goals, your discipline.

But safety has a price. At money market returns, wealth arrives slowly, and inflation never stops chasing.

Wealth creation is a different job. It needs growth assets, real diversification and, above all, time. This guide is about that job: investing money you will not need for years, so it can work properly.

The time horizon rule

Match every shilling to a timeline before you choose a product:

- Under 1 year: money market fund. No exceptions.
- 1 to 3 years, the medium term: diversified growth funds, entered deliberately.
- 3 years and beyond: the full growth engine, equities, bonds and alternatives, left alone to compound.

The rule protects you in both directions. Growth assets punish people who withdraw early, and safe assets punish people who camp in them for decades.

What real growth takes

Three forces do the heavy lifting:

1. Compounding. Returns earning their own returns. The curve looks flat for years, then suddenly it does not. See what patience is worth at moneywise.co.ke/tools/compound-growth.

2. Diversification. One market can have a bad decade. A portfolio spread across regions and asset classes rarely does.

3. Behaviour. The investor who stays invested wins. Markets will dip while you hold, that is normal, and a written plan beats a nervous reflex every time.

Meet the Oak Special Fund

A special collective investment scheme managed by Faida Investment Bank, a Tier 1 investment bank with over 30 years in East African capital markets, licensed by the Capital Markets Authority.

Instead of betting on one market, Oak diversifies globally: equities in the US, Europe, Asia and emerging markets, government and corporate bonds, commodities, currencies, and alternatives such as ETFs and infrastructure.

Its target is 20% net per year. Now say the next part out loud: a target is not a promise. Returns move with global markets and can be lower, or negative, in any period. Anyone who says otherwise is selling, not advising.

The Oak facts, plainly

- Minimum investment: KES 500,000. Top-ups from KES 50,000.
- Lock-in: 6 months per deposit. This is medium to long-term money by design.
- Fees: 6% per year management fee, pro-rated daily. No withholding tax, no withdrawal charges.
- Reporting: monthly statements and a quarterly fact sheet.
- Your money goes directly to the fund manager, never through Money-Wise.

Oak suits money with a job for later: a wealth pot, school fees some years away, a future business, a legacy you are building on purpose.

The honest readiness checklist

Put money into a growth fund only when every line is true:

1. Your emergency fund is in place, size it at moneywise.co.ke/tools/emergency-fund.
2. No expensive debt is eating your returns.
3. This money is spoken for later, not soon: a year at minimum, ideally three or more.
4. You understand the target-not-promise rule and can watch a down month without panicking.

All four true? Find your investor profile at moneywise.co.ke/assessments/investment-risk, then open your account at moneywise.co.ke/investing/options. Applying there registers you under the Money-Wise agency at no extra cost.