



MONTHLY MUTUAL FUNDS FACT SHEET

August 2022

Market Commentary

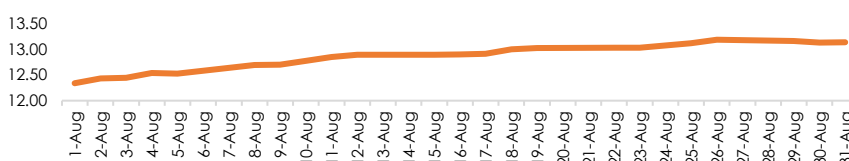
Money Market

Liquidity in the banking system improved month-on-month, nevertheless, averaging a deficit of N3.69 billion in August, compared to the preceding month's average of N146.29 billion. This can be attributed to reduced inflows from OMO maturities and bond coupon payments in the month at N202 billion compared to N291 billion the previous month. Consequently, the average Open Policy Rate (OPR) and Overnight Rate (O/N) dropped to 13.79% and 14.17% from 14.37% and 14.34% month-on-month, respectively. The apex bank conducted two Primary Market Auctions during the month and issued N446.15 billion across all tenors. Average stop rates for the 91-day, 182-day and 364-day papers rose to 3.75%, 4.75% and 7.96% from 2.78%, 4.05% and 7.00% respectively.

Fixed Income

The month of August witnessed another bearishly biased fixed income market on the back of paltry liquidity in the banking system. The bearish sentiment was also supported by the sustained effect of the second consecutive hike in the Monetary Policy Rate (MPR) to 14.00% from 13.00% by the Monetary Policy Committee. The increased sell-side activity led to a rise of 0.87% in the average yield levels month-on-month. The Debt Management Office (DMO) offered the March 2025, April 2032 and January 2042 maturities at the monthly Primary Market Auction (PMA), offering N225 billion across the tenors. The auction attracted a total bid of N247.08 billion. However, only N200.58 billion was allotted. The marginal stop rates for the 2025, 2032 and 2042 maturities rose to 12.50%, 13.50% and 14.00%, from 11.00%, 13.00% and 13.749%, respectively.

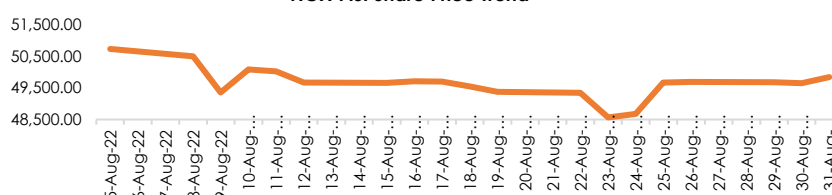
FGN Bond Yield Trend



Equities

The Nigerian equities market sustained the bearish trend month-on-month, as the NGX All Share Index lost 1.06% in August to close at 49,836.51 points, with year-to-date performance standing at +16.67%. The NGX Insurance, Consumer Goods, and Banking indices posted positive performances and rose +7.90% (180.23 points), +4.76% (600.58 points) and +2.43% (387.41) respectively, while the NGX Industrial and Oil and Gas indices depreciated -13.83% (1,777.14 points) and -4.34% (532.15 points).

NGX-ASI Share Price Trend



Market Outlook

The Nigerian Equities market saw some sell-offs in the month of August as the market reacted to the two consecutive hike in interest rate and sustained increase in inflationary pressures. Barring any change in fiscal and monetary policy directions, we expect this trend to be sustained in the near term. However, with the prices of some bellwether stocks at record lows, we expect some bargain hunters to take positions.

In the fixed income space, we expect to see bullish sentiments play out in the month on expectation of inflows of c. N864.55 expected from bond coupons and Open Market Operation (OMO) maturities in September 2022.

The major drivers of the economy in the next month are expected to be fiscal and monetary policies, trends in the country's foreign reserves and global oil prices.

Macroeconomic Indicators	Inflation (%) July 2022	MPR (%)	CRR (%)	Brent Crude Price US\$/bbl	External Reserve (US\$ billion)	GDP %
	19.64 (+4.01 ytd)	14.0 (-7%/+1% around mid-point)	27.50	96.49	39.02 (-3.69% ytd)	+3.54

Source: NBS, CBN

RC: 1568909

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Please note that historical performance does not guaranty future returns. Also, investors' returns may differ based on the duration of their investments.



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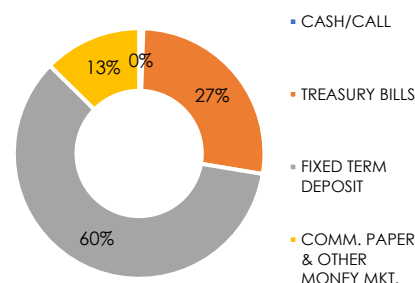
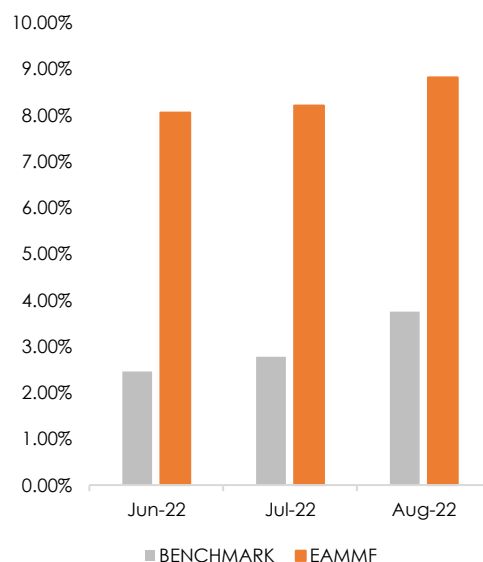
August 2022

EMERGING AFRICA MONEY MARKET FUND

FUND OBJECTIVE

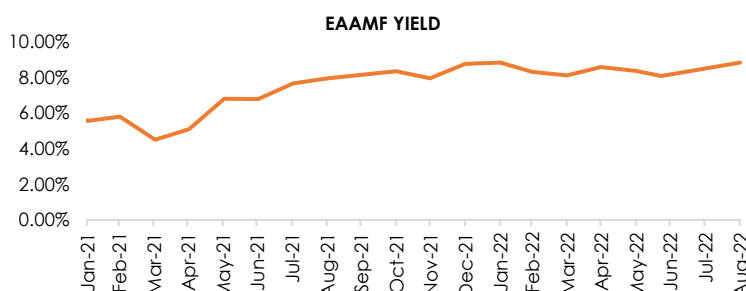
The objective of the Emerging Africa Money Market Fund is capital preservation and steady income.

Fund Type	Open-ended
Category	Money Market
Risk Profile	Low
Launch Date	7-Dec-20
Fund Manager	Emerging Africa Asset Mgt. Ltd.
Custodian	Rand Merchant Bank Ltd.
Trustees	United Capital Trustees Ltd.
Auditor	ProEdge Partners
Rating	Af (DataPro)
Mgt. Fee	1.50%
Benchmark	91-day Tbill
Dividend Frequency	Quarterly
Price/Unit	₦1.00
*Month Average Yield	8.82%
Minimum Investment	₦5,000.00
Current Fund Size	₦1,004,369,447.86



INVESTMENT COMMITTEE	
Dr. Adedipe Abiodun	Chairman/Independent Member
Ada Ijara	Member, Fund Manager
Dipo Ashaolu	Member, Fund Manager
Solomon Igberaese	Member, Trustees
Segun Aremu	Member, Trustees

Asset Allocation	Range
Cash/Call	0% - 5%
Treasury Bills	25% - 80%
Fixed Term Deposit	0% - 70%
Comm. Paper & Other Money Mkt Instr.	0% - 70%



PERFORMANCE REVIEW

The EAMMF's yield averaged 8.82% in the month under consideration, significantly higher than its benchmark 91-days T-Bill which returned an average of 3.75%, and higher than previous month's average yield of 8.21%. This positive performance was largely supported by investment in high yielding fixed deposit assets and increased T-Bill yields. It is projected that the fund's yield will continue to inch higher on expectation of improved market sentiments.

*Average Yield of the Fund in the month of August 2022



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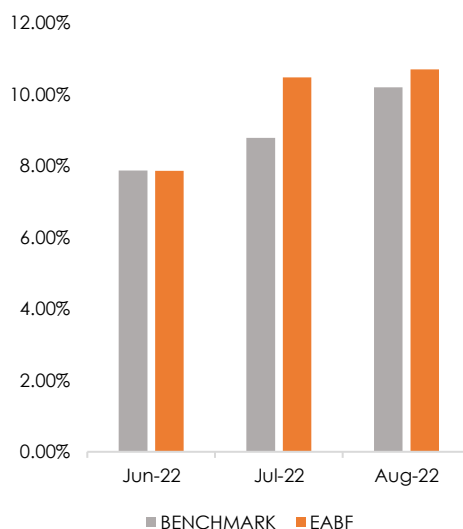
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EMERGING AFRICA BOND FUND

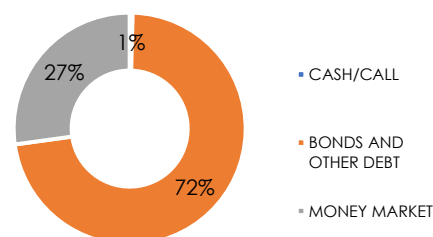
FUND OBJECTIVE

The primary objective of the Emerging Africa Bond Fund is income generation by investing in a diversified portfolio of high-quality bonds of government, supranational corporate issuers, including Federal Government bonds, state government bonds, corporate bonds and other fixed income securities.

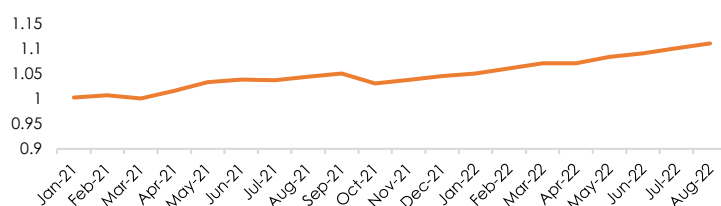
Fund Type	Open-ended
Category	Bond Fund
Risk Profile	Moderately Conservative
Launch Date	3-Dec-20
Fund Manager	Emerging Africa Asset Mgt. Ltd.
Custodian	Rand Merchant Bank Ltd.
Trustees	United Capital Trustees Ltd.
Auditor	ProEdge Partners
Mgt. Fee	1.50%
Benchmark	70% 2/3/5/10-year FGN Bond & 30% of 91-days Average T-Bill
Dividend Frequency	Semi Annually
*Price	₦1.04
Minimum Investment	₦10,000.00
Current Fund Size	₦656,616,851.15



INVESTMENT COMMITTEE	
Dr. Adedipe Abiodun	Chairman/Independent Member
Ada Ijara	Member, Fund Manager
Dipo Ashaolu	Member, Fund Manager
Solomon Igberaese	Member, Trustees
Segun Aremu	Member, Trustees



EABF PRICE (Dividend Adjusted)



Asset Allocation	Range
Cash/Call	0 - 5%
Bonds and Other Debt Instruments	70% - 80%
Other Money Market Instruments	15% - 30%

PERFORMANCE REVIEW

The EABF's price gained ₦0.01 in the month of August to ₦1.04, with an annualized return of 10.70%. The growth recorded by the fund can be attributed to increased investments in high yielding fixed income instruments. We project sustained improvement in the bond fund in the near term on expectation of sustained rise in fixed income yields.

*Price as at August 31, 2022.



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August 2022

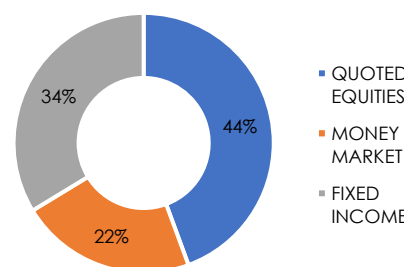
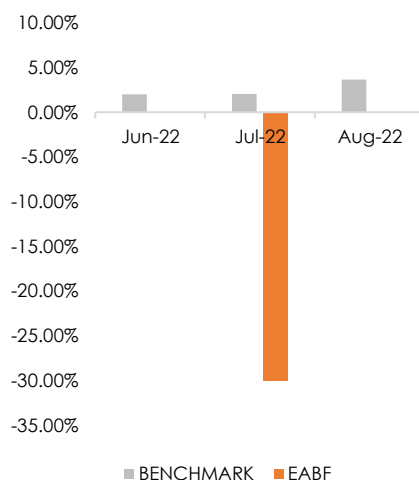
EMERGING AFRICA BALANCED DIVERSITY FUND

FUND OBJECTIVE

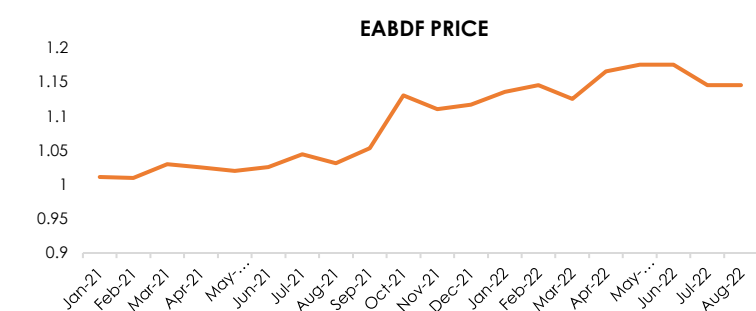
The Fund seeks to enhance and encourage investments in securities of companies with proven commitment to gender diversity through significant representation of women on their boards, management and staff for long-term capital growth and income generation.

Fund Type	Open-ended
Category	Balanced Fund
Risk Profile	Moderately Aggressive
Launch Date	20-Oct-20
Fund Manager	Emerging Africa Asset Mgt. Ltd.
Custodian	Rand Merchant Bank Ltd.
Trustees	FBNQuest Trustees Ltd.
Auditor	ProEdge Partners
Mgt. Fee	1.50%

Benchmark	40% NSE ASI; 20% of 2/3/5-year Sovereign Bond & 40% of 91-days Average T-Bill
Dividend Frequency	Annual
*Price	₦1.04
Minimum Investment	₦10,000.00
Current Fund Size	₦210,110,243.09



INVESTMENT COMMITTEE	
Dr. Adedipe Abiodun	Chairman/Independent Member
Ada Ijara	Member, Fund Manager
Dipo Ashaolu	Member, Fund Manager
Olufemi Okin	Member, Trustees
Bolanle Komolafe	Member, Trustees



Asset Allocation	Range
Quoted Equities	40% - 60%
Money Market	10% - 40%
Fixed Income	20% - 50%

PERFORMANCE REVIEW

The EABDF's price closed at ₦1.04 in August 2022, with an annualized year-to-date return of 3.83%. This comes off the back of the -1.03% month-on-month NGXASI loss. We project an improved performance in as bargain hunters cherry-pick for corporate actions.

*Price as at August 31, 2022



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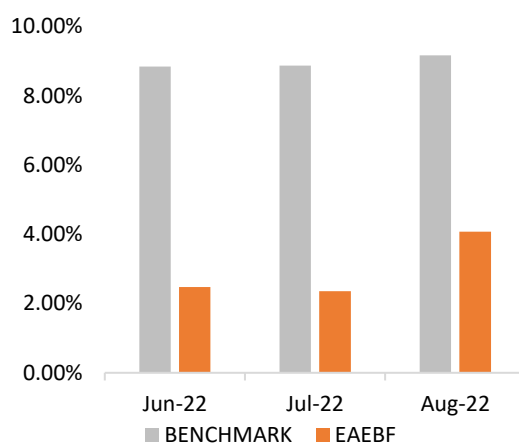
August 2022

EMERGING AFRICA EUROBOND FUND

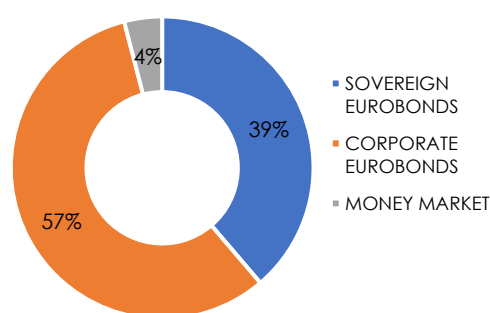
FUND OBJECTIVE

The Emerging Africa Eurobond Fund seeks to achieve regular income and long-term capital appreciation through investment in US\$ denominated securities.

Fund Type	Open-ended
Category	Bond Fund
Risk Profile	Moderately Conservative
Launch Date	15-Oct-20
Fund Manager	Emerging Africa Asset Mgt. Ltd.
Custodian	Rand Merchant Bank Ltd.
Trustees	FBNQuest Trustees Ltd.
Auditor	ProEdge Partners
Mgt. Fee	1.50%



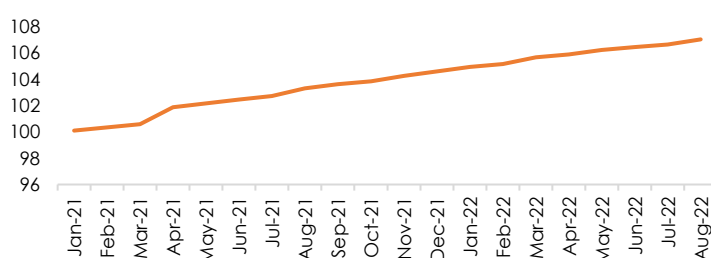
Benchmark	70% of 3 year FGN Eurobond & 30% of 3/6 months US T-Bill
Dividend Frequency	Annual
*Price	US\$103.27
Minimum Investment	US\$500.00
Current Fund Size	US\$2,021,407.31



INVESTMENT COMMITTEE

Dr. Adedipe Abiodun	Chairman/Independent Member
Ada Ijara	Member, Fund Manager
Dipo Ashaolu	Member, Fund Manager
Olufemi Okin	Member, Trustees
Bolanle Komolafe	Member, Trustees

EAEBF PRICE



Asset Allocation	Range
Sovereign Eurobonds	30% - 70%
Corporate Eurobonds	30% - 70%
Money Market	0% - 30%

PERFORMANCE REVIEW

The Fund's price appreciated by 0.37% month-on-month as the year-to-date return closed at 3.47% per annum. The fund's benchmark returned 9.17% due to sustained impact of rising global inflation rates on US\$ denominated assets with the 26 weeks US Bills appreciating to 3.35% from 2.89% the previous month. It is projected that the Fund's performance will continually improve in the coming month as reinvestment yields improve.

*Price as at August 31, 2022

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