



MONTHLY MUTUAL FUNDS FACT SHEET

July 2022

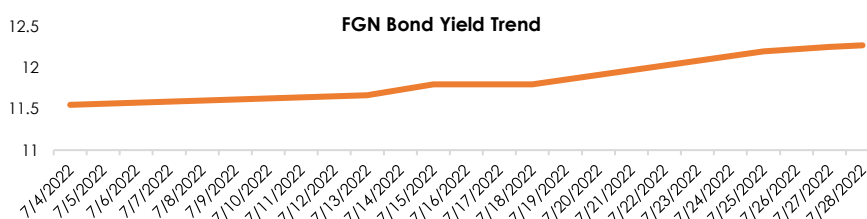
Market Commentary

Money Market

With reduced inflows from OMO maturities and bonds coupon payments in the month, liquidity in the banking system reduced significantly in July 2022, averaging a deficit of c. N146.29 billion, from c. N287.97 billion in June 2022. In the same vein, the average Open Policy Rate (OPR) and Overnight Rate (O/N) rose to 14.37% and 14.34% from 11.60% and 11.28% respectively, month-on-month. The apex bank conducted two primary market auctions during the month and issued N407.551 billion across all tenors. Average stop rates for the 91-day, 182-day and 364-day papers rose to 2.78%, 4.05% and 7.00% from 2.40%, 3.79% and 6.07% respectively.

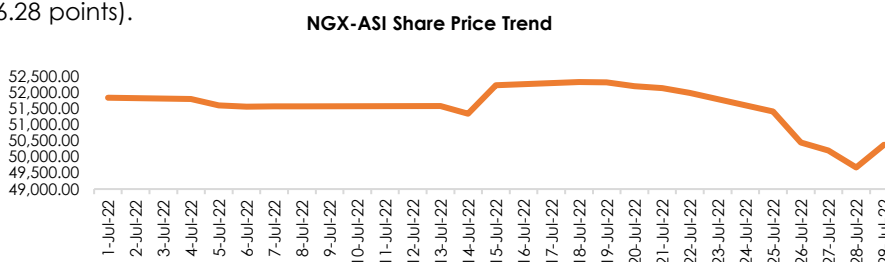
Fixed Income

Activities in the fixed income market was largely bearish in the month under review due to the meagre liquidity in the month. The bearish sentiment was also supported by a second consecutive rise 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 0.73% 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 N142.29 billion, however, only N123.84 billion was allotted. The marginal stop rates for the 2025, 2032 and 2042 maturities rose to 11.00%, 13.00% and 13.749%, from 10.10%, 12.50% and 13.15%, respectively.



Equities

The Nigerian equities market was down month-on-month, as the NGX All Share index lost -2.79% in July to close at 50,370.25 points, with year-to-date performance standing at +17.92%. The NGX Consumer Goods, Insurance, Banking and Industrial Goods posted negative performance and declined -8.13% (618.11 points), -6.33% (167.04 points), -4.92% (378.21) and -4.18% (2,062.30) respectively, while the NGX Oil and Gas index appreciated 2.01% (556.28 points).



Market Outlook

The Nigerian Equities market saw a lot of sell-offs in the month as the market reacted to the two consecutive hike in interest rate and sustained increase in inflationary pressures. We expect this bearish trend to be sustained in the near term, barring any change in fiscal and monetary policies. However, with the prices of most stocks currently on record lows, we expect some bargain hunters to take positions.

In the fixed income space, we expect to see the bearish sentiments that closed the month of July to continue through August, due to high monetary policy rate (currently at 14%) and inflows of c. N643.38 expected from bond coupon payments and Open Market Operations (OMO) maturities in August 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 (%) June 2022	MPR (%)	CRR (%)	Brent Crude Price US\$/bbl	External Reserve (US\$ billion)	GDP %
		18.60	14.00	27.50	110.01	39.22

Source: NBS, CBN

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

RC: 1568909

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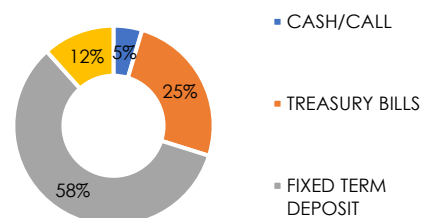
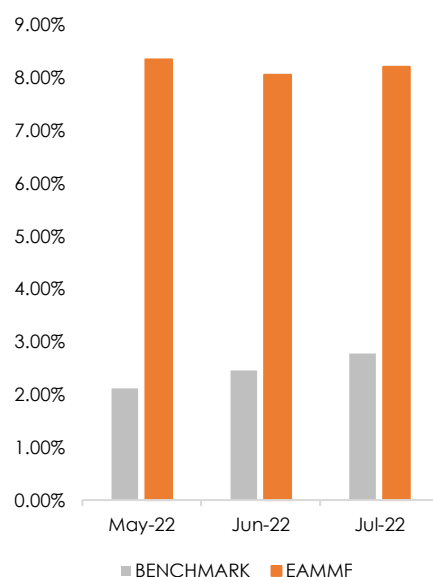
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EMERGING AFRICA MONEY MARKET FUND

FUND OBJECTIVE

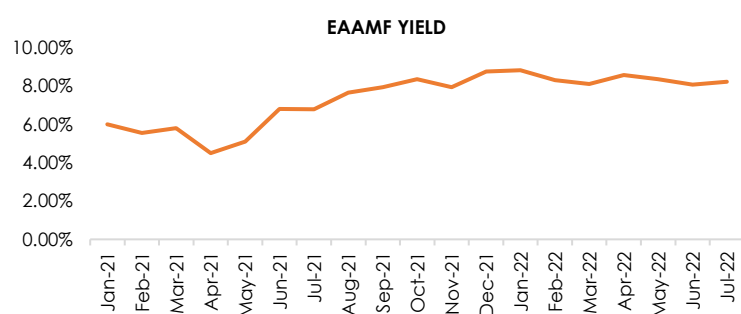
The objective of the Emerging Africa Money Market Fund is capital preservation and steady income.

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	8.21%
Minimum Investment	₦5,000.00
Current Fund Size	₦1,074,156,716.46



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 c. 8.21% in the month under consideration, significantly higher than its benchmark 91 days T-Bill which returned an average of 2.78%, and higher than previous month's average yield of 8.06%. This positive performance was largely supported by investment in high yielding fixed deposit assets. It is projected that the fund's yield will continue to inch higher in the month of August.

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

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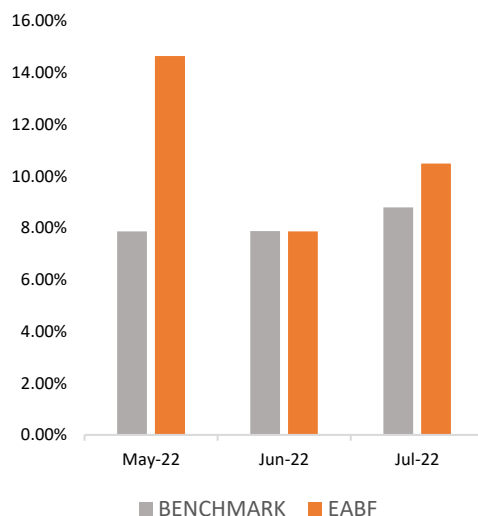
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EMERGING AFRICA BOND FUND

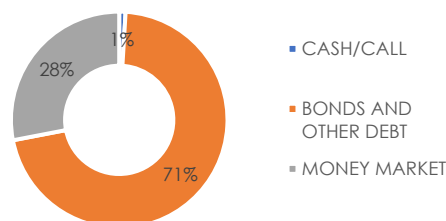
FUND OBJECTIVE

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.

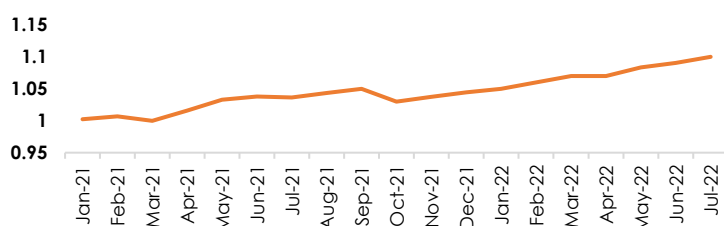
Fund Type	Open-ended
Category	Bond Fund
Risk Profile	Moderately Conservative
Launch Date	3-Dec-20
Fund Manager	Emerging Africa Asset Mgt. Ltd.
Custodian	Rand Merchant Bank Ltd.
Trustees	United Capital Trustees Ltd.
Auditor	ProEdge Partners
Mgt. Fee	1.50%
Benchmark	70% 2/3/5/10-year FGN Bond & 30% of 91-days Average T-Bill
Dividend Frequency	Semi Annually
*Price	₦1.03
Minimum Investment	₦10,000.00
Current Fund Size	₦654,537,865.68



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 July to ₦1.03, with an annualized return of 10.48%. The fund declared a dividend of ₦0.03 per unit in H1 2022. The growth recorded by the fund can be attributed to investments in high yielding fixed income instruments. We project sustained improvement in the fund's performance in reflection of increased yields in the fixed income market.

*Price as at July 31, 2022.



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EMERGING AFRICA BALANCED DIVERSITY FUND

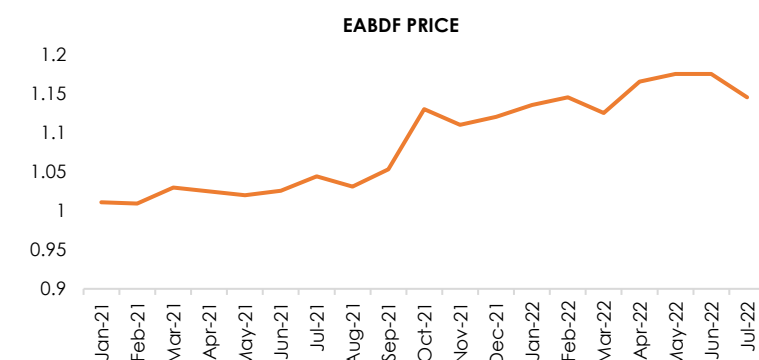
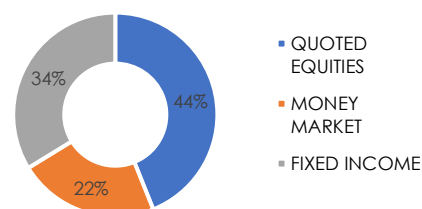
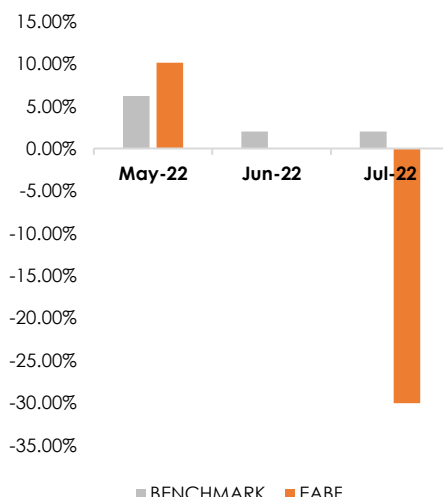
FUND OBJECTIVE

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	₦211,357,360.97

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%

The EABDF's price closed at ₦1.04 in July 2022, with an annualized year-to-date return of 3.86%. This was greatly impacted by the poor performance posted by the Nigeria Equities market in the month, which lost c. -2.79% month-on-month and the Banking Index -4.92%. We project that positive sentiments buoyed by improved half-year results especially from the Banking sector and dividend payments will result in better performance next month.

*Price as at July 31, 2022

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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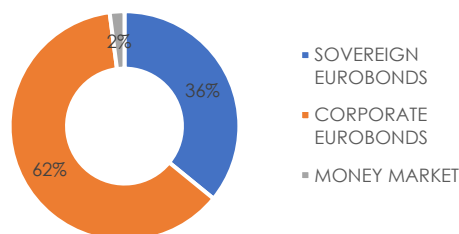
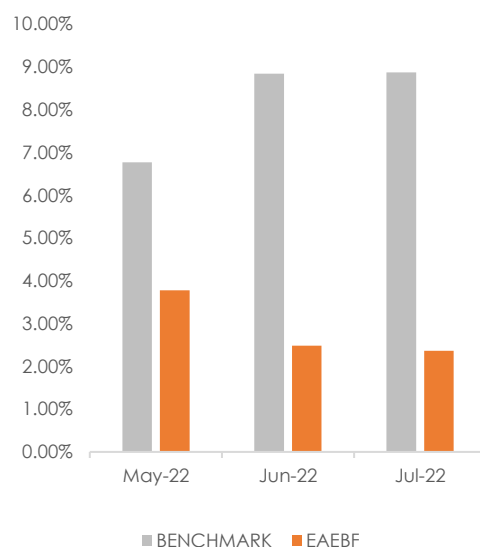
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EMERGING AFRICA EUROBOND FUND

FUND OBJECTIVE

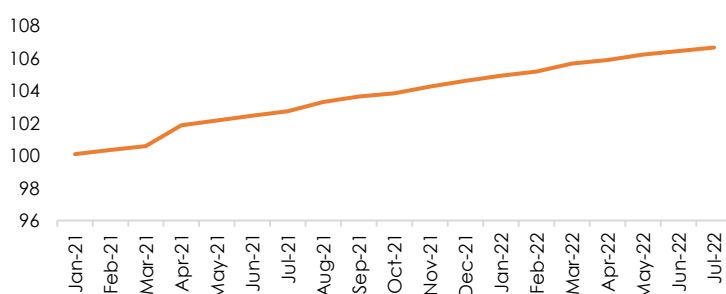
The Emerging Africa Eurobond Fund seeks to achieve regular income and long-term capital appreciation through investment in US\$ denominated securities.

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\$102.90
Minimum Investment	US\$500.00
Current Fund Size	US\$1,867,423.73



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 0.21% month-on-month as the ytd. return pegged at 3.36% per annum. The benchmark return was 8.87% as the increasing global inflationary pressures impact US\$ denominated assets with 26 weeks US Bills appreciating by 45bps m-o-m and 3 Year FGN Eurobonds trading at 11.43% yield. It is projected that the Fund's performance will continually improve in the coming month as reinvestments yields improve.

*Price as at July 31, 2022

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