



MONTHLY MUTUAL FUNDS FACT SHEET

May 2022

Market Commentary

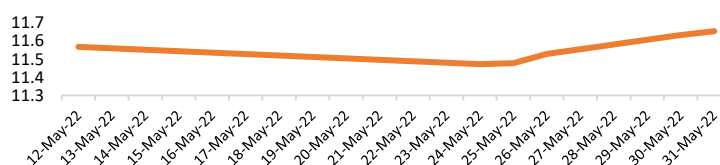
Money Market

Banking system liquidity appreciated in the month, averaging c. N157.73 billion in May 2022, from c. N128.54 billion in April 2022. This is attributable to increased inflows from OMO maturities and bonds coupon payments. As a result, the average Open Policy Rate (OPR) and Overnight Rate (O/N) rose to 9.35% and 9.73% from 8.25% and 8.77% month-on-month respectively. The Central Bank of Nigeria (CBN) conducted two Primary auctions during the month and issued N311.35 billion across all tenors. Stop rates for the 91-day, 182-day and 364-day papers rose to 2.50%, 3.89% and 6.49% from 1.74%, 3.00% and 4.70% respectively.

Fixed Income

The Bond market saw sell-side activities in the month following a surprising increase in the Monetary Policy Rate (MPR) to 13.00% from 11.50%. The bearish trend was also supported by relatively low liquidity in the banking system. The Debt Management Office (DMO) offered the March 2025, April 2032 and January 2042 maturities at the monthly Primary Market Auctions (PMA), offering N225 billion across the tenors. The auction attracted a total bid of N575.63 billion. However, only N378.41 billion was allotted for both competitive and non-competitive allotments. The marginal stop rates for the 2025, 2032 and 2042 maturities were 10.00%, 12.45% and 13.00%, from 10.00%, 12.50% and 12.90% respectively.

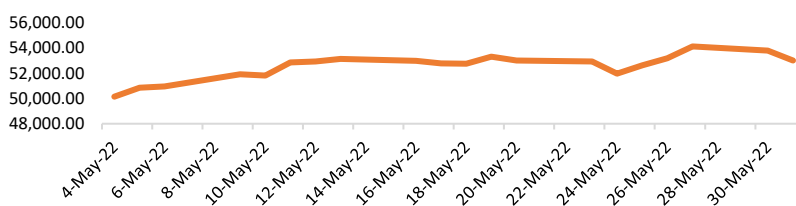
FGN Bond Yield Trend



Equities

The Nigerian equities market posted a positive performance for the month as the NGX All Share index gained 6.75% month-on-month to close at 52,990.28 points, with year-to-date performance standing at +24.05%. The NGX Consumer Goods, Oil and Gas and Industrial Goods indices topped the gainers chart with +5.44% (651.73 points), 4.42% (547.57 points) and 0.41% (2,194.24 points), while the NGX Insurance and Banking indices declined -6.13% (181.22 points) and -2.10% (425.71 points) respectively.

NGX-ASI Share Price Trend



Market Outlook

The Nigerian Equities market closed the month with bullish sentiments as more investors took position in the equities market due to sustained high returns, especially in comparison to current fixed deposit yields. We expect to see bullish sentiments next month on expectation that bargain hunters will take positions with attractive dividend yields and discounted prices.

In the fixed income space, we expect to see bearish sentiments due to the hike in the MPR from 11.50% to 13.00%. We also expect this sentiment to be supported by low banking system liquidity, with total inflows of only c. N414.97 inflows expected from bonds coupon payments and Open Market Operations (OMO) maturities.

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 (%) April 2022	MPR (%)	CRR (%)	Brent Crude Price US\$/bbl	External Reserve (US\$ billion)	GDP (%)
	16.82 (+7.64 ytd)	13.0 (-7%/+1% around mid-point)	27.5	122.84	38.48 (-5.03% ytd)	+3.11

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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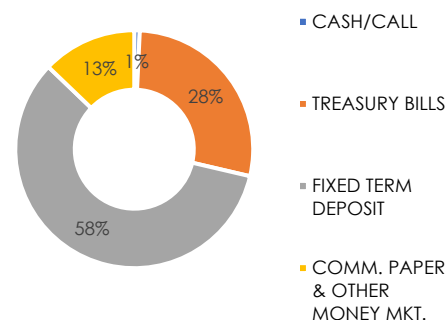
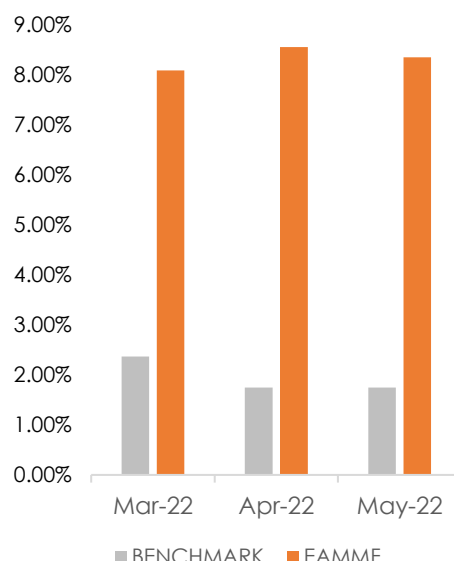
May 2022

EMERGING AFRICA MONEY MARKET FUND

FUND OBJECTIVE

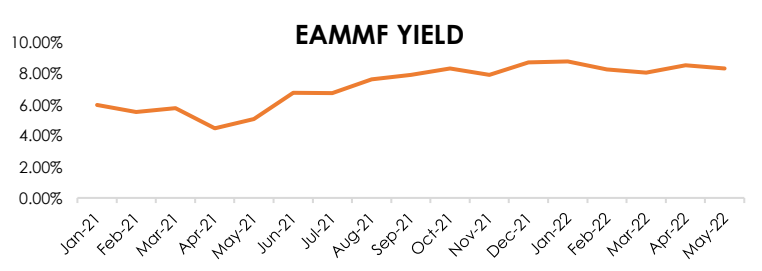
The objective of the Emerging Africa Money Market Fund is capital preservation and steady income.

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	Deloitte & Touche
Rating	Af (DataPro)
Mgt. Fee	1.50%
Benchmark	91-day Tbill
Dividend Frequency	Quarterly
Price/Unit	₦1.00
*Month Average Yield	8.35%
Minimum Investment	₦5,000.00
Current Fund Size	₦968,930,229.95



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. 8.35% in the month of May 2022, significantly higher than its benchmark 91 days T-Bill which returned an average of 2.12%. This is attributable to the relatively higher returns from Fixed Deposits which has about 60% allocation. It is projected that the fund's yield will continue to inch higher as the market adjusts to the recent MPR increase.

*Average Yield of the Fund in the month of May



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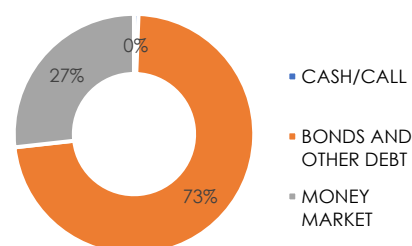
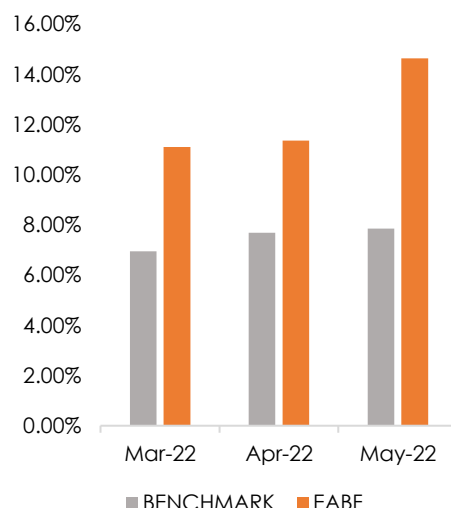
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EMERGING AFRICA BOND FUND

FUND OBJECTIVE

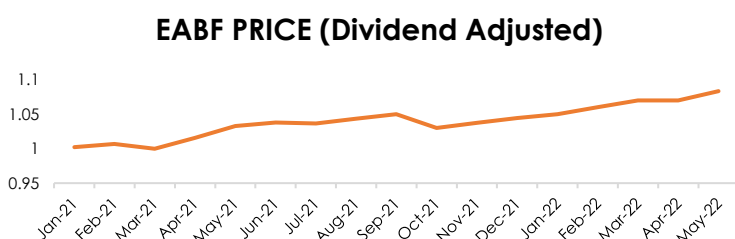
The primary objective of the Emerging Africa Bond Fund is income generation by investing in a diversified portfolio of high-quality bonds of government, supranational corporate issuers, including Federal Government bonds, state government bonds, corporate bonds and other fixed income securities.

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	Deloitte & Touche
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	₦1.0433
Minimum Investment	₦10,000.00
Current Fund Size	₦639,792,330.96



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%
Bonds and Other Debt Instruments	70% - 80%
Other Money Market Instruments	15% - 30%



PERFORMANCE REVIEW

The EABF's price rose by ₦0.0133 in the month to ₦1.0433 to post an annualized return of 14.64%. This is attributable to increased yield levels in the fixed income market. The Fund Manager projects that the current upward trajectory will be sustained in the subsequent month of June.

*Price as at May 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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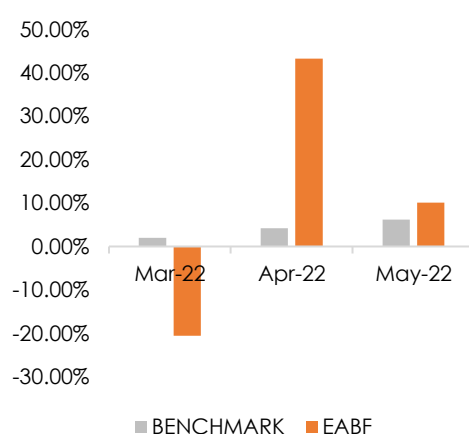
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EMERGING AFRICA BALANCED DIVERSITY FUND

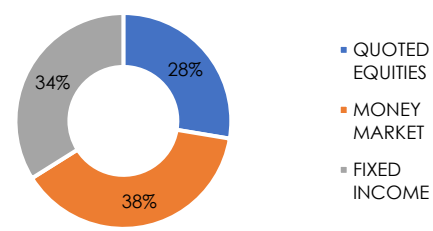
FUND OBJECTIVE

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	Deloitte & Touche
Mgt. Fee	1.50%



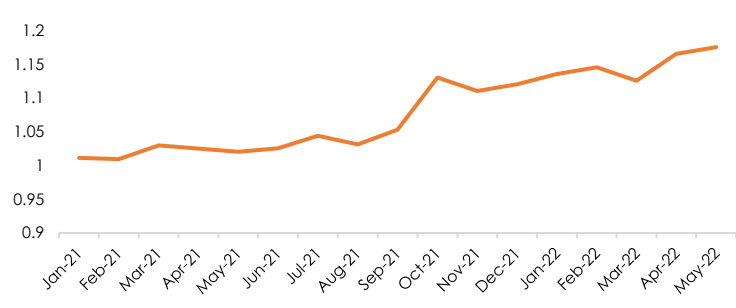
Benchmark	40% NSE ASI; 20% of 2/3/5-year Sovereign Bond & 40% of 91-days Average T-Bill
Dividend Frequency	Annual
*Price	₦1.07
Minimum Investment	₦10,000.00
Current Fund Size	₦211,981,855.28



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%

EABDF PRICE



The EABDF's price rose to ₦1.07 in May 2022 to record an annualized return of 10.11%. This is attributable to the positive performance posted in the equities market, which gained c. 8.50% month-on-month. It is projected that the Fund will continue to post gains in the coming month driven by a sustained bullish run in the stock market driven by cherry-picking on value stocks.

*Price as at May 31, 2022

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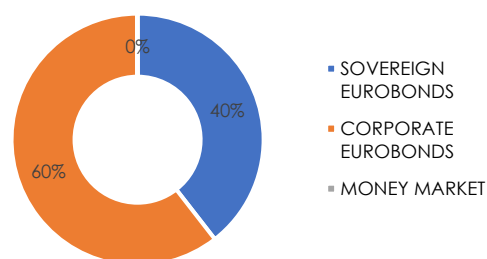
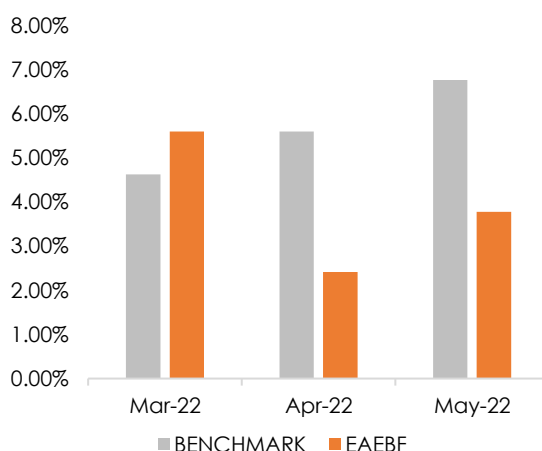
May 2022

EMERGING AFRICA EUROBOND FUND

FUND OBJECTIVE

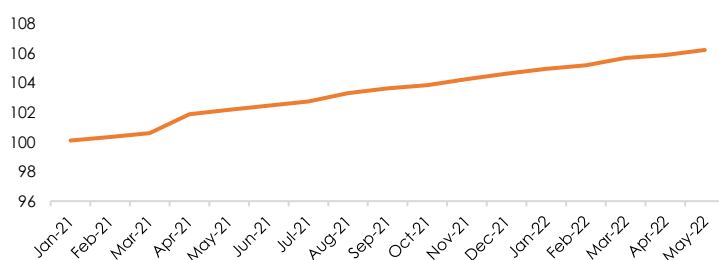
The Emerging Africa Eurobond Fund seeks to achieve regular income and long-term capital appreciation through investment in US\$ denominated securities.

Fund Type	Open-ended	8.00%
Category	Bond Fund	7.00%
Risk Profile	Moderately Conservative	6.00%
Launch Date	15-Oct-20	5.00%
Fund Manager	Emerging Africa Asset Mgt. Ltd.	4.00%
Custodian	Rand Merchant Bank Ltd.	3.00%
Trustees	FBNQuest Trustees Ltd.	2.00%
Auditor	Deloitte & Touche	1.00%
Mgt. Fee	1.50%	0.00%
Benchmark	70% of 3 year FGN Eurobond & 30% of 3/6 months US T-Bill	
Dividend Frequency	Annual	
*Price	US\$102.47	
Minimum Investment	US\$500.00	
Current Fund Size	US\$798,239,369.42	



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 0.32% month-on-month as the gross yield of the fund improved to 3.78% per annum. It is projected that the Fund will maintain the same trend into the coming month, barring any significant cash flow distortions.

*Price as at May 31, 2022

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