



# MONTHLY MUTUAL FUNDS FACT SHEET

January 2023

## Market Commentary

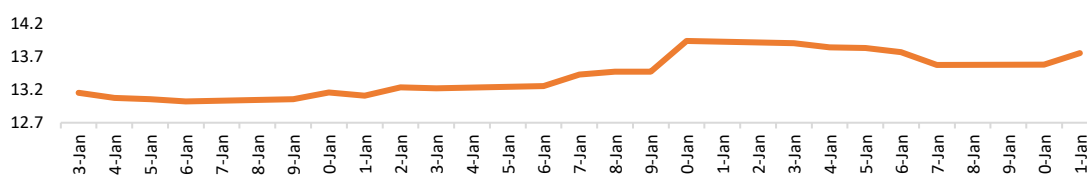
### Money Market

The first month of the year witnessed a very buoyant banking system liquidity, averaging c. N692.84 billion vs N266.49 billion recorded in December 2022. This follows increased inflows from OMO maturities and bond coupon payments in the month at c. N277.34 vs c. N48.78 billion in December 2022. The strong system liquidity in the month was also supported by increased deposits due to the Apex bank's plans to redesign the 200, 500 and 1,000 Naira notes. Consequently, the average Open Policy Rate (OPR) and Overnight Rate (O/N) dropped to 10.19% and 10.71% from 11.33% and 11.92% month-on-month, respectively. The Central Bank of Nigeria (CBN) conducted two Primary Market Auctions during the month and issued N277.47 billion across all tenors. Average stop rates for the 91-day, 182-day and 364-day papers dropped to 1.15%, 3.07% and 6.04% from 4.91%, 7.48% and 10.48% respectively.

### Fixed Income

The fixed income market saw bullish trading sentiments in the month leading to a decline of -0.51% in the average yield levels month-on-month. This came off the back of significant demand for fixed income securities due to substantial liquidity in the banking system. The bullish sentiment was also largely supported by the drop in stop rates at both the bond and NTB Primary market auctions conducted in the month. The Debt Management Office (DMO) offered the February 2028, April 2032, April 2037 and April 2049 maturities at the monthly Primary Market Auction (PMA), offering N360 billion across the tenors. The auction attracted a total bid of N805.17 billion. However, N662.62 billion was allotted. The marginal stop rates for the 2028, 2032 2037 and 2049 maturities were 14.00%, 14.90%, 15.80% and 15.90%.

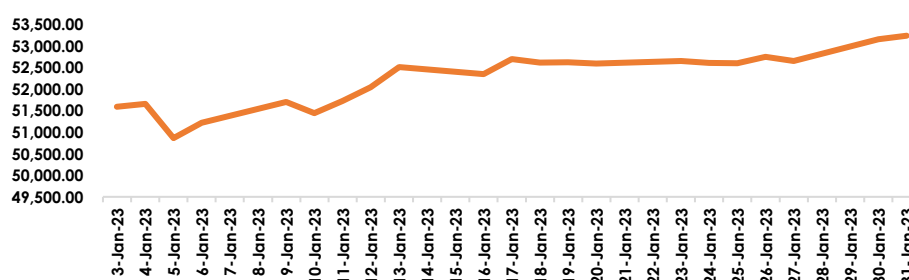
FGN Bond Yield Trend



### Equities

The Nigerian equities market sustained its positive performance in the month, following notable demands as investors take position for the year. As a result, the NGX All Share Index gained 3.88% in January to close at 53,238.67 points, with year-to-date performance standing at +3.88%. The NGX Banking, Consumer Goods, Oil and Gas, Insurance and Industrial Goods indices reported positive performance, growing +7.51% (448.85 points), +5.64% (622.15 points), 5.41% (487.51 points), 5.36% (183.71 points) and +2.14% (2,454.72 points) respectively.

NGX-ASI Share Price Trend



## Market Outlook

The month under review saw bullish activities play out in the Nigerian stock market. We expect to see this sentiment sustained in the near term as investors position themselves for the year, barring any changes to the directions of fiscal and monetary policy.

Likewise, we expect the fixed income space to experience bullish sentiments in the near term on expectation of buoyant banking system liquidity.

Macroeconomic Indicators	Inflation (%)	MPR (%)	CRR (%)	Brent Crude Price US\$/bbl	External Reserve (US\$'billion)	GDP %
	December 2022	21.34% (+5.71 ytd)	17.50 (-7%/+1% around mid-point)	32.50	84.49	37.00 (-0.23% ytd)

Source: NBS, CBN, CNBC

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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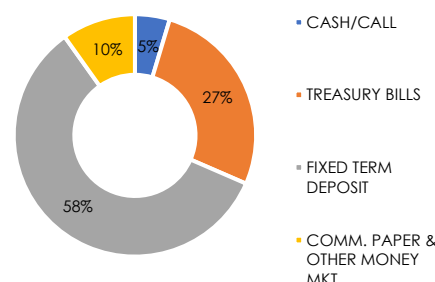
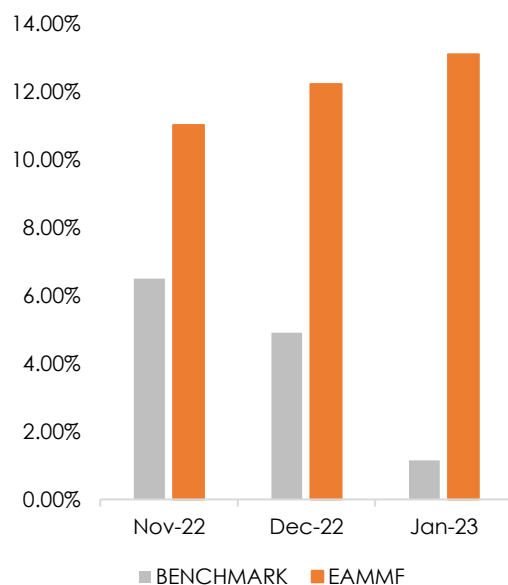
January 2023

## EMERGING AFRICA MONEY MARKET FUND

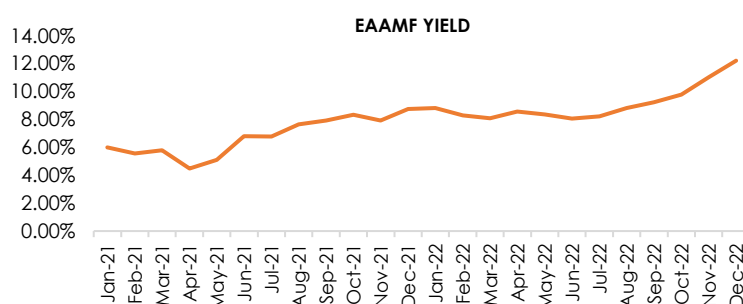
### FUND OBJECTIVE

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

<b>Fund Type</b>	Open-ended
<b>Category</b>	Money Market
<b>Risk Profile</b>	Low
<b>Launch Date</b>	7-Dec-20
<b>Fund Manager</b>	Emerging Africa Asset Mgt. Ltd.
<b>Custodian</b>	Rand Merchant Bank Ltd.
<b>Trustees</b>	United Capital Trustees Ltd.
<b>Auditor</b>	ProEdge Partners
<b>Rating</b>	Af (DataPro)
<b>Mgt. Fee</b>	1.50%
<b>Benchmark</b>	91-day Tbill
<b>Dividend Frequency</b>	Quarterly
<b>Price/Unit</b>	₦1.00
<b>*Month Average Yield</b>	13.10%
<b>Minimum Investment</b>	₦5,000.00
<b>Current Fund Size</b>	₦1,033,579,842.10



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 returned an average of 13.10% in January, significantly higher than its benchmark, 91-days T-Bill which averaged 1.15% and 88bps higher than December's average yield. This positive performance was largely supported by investments in high yielding CPs, fixed term deposits, and higher T-Bill reinvestment yields. In the near term, we expect mild growth in the net yield due to bullish sentiments in the money market, on the back of buoyant banking system liquidity in February 2023.

\*Average Yield of the Fund in the month of January 2023



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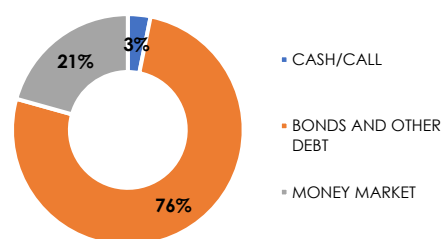
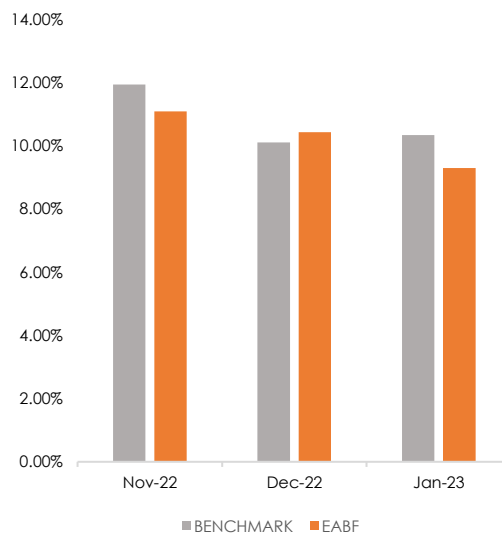
January 2023

## 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.

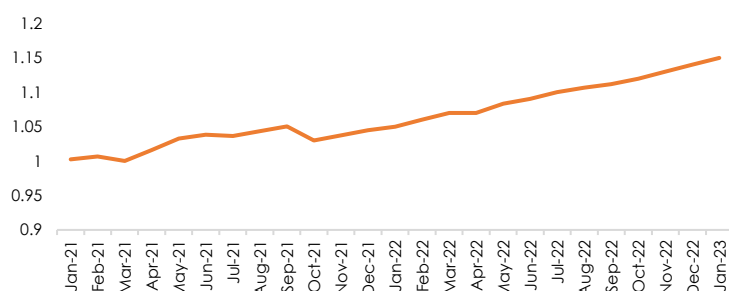
<b>Fund Type</b>	Open-ended
<b>Category</b>	Bond Fund
<b>Risk Profile</b>	Moderately Conservative
<b>Launch Date</b>	3-Dec-20
<b>Fund Manager</b>	Emerging Africa Asset Mgt. Ltd.
<b>Custodian</b>	Rand Merchant Bank Ltd.
<b>Trustees</b>	United Capital Trustees Ltd.
<b>Auditor</b>	ProEdge Partners
<b>Mgt. Fee</b>	1.50%
<b>Benchmark</b>	70% 2/3/5/10-year FGN Bond & 30% of 91-days Average T-Bill
<b>Dividend Frequency</b>	Semi Annually
<b>*Price</b>	₦1.08
<b>Minimum Investment</b>	₦10,000.00
<b>Current Fund Size</b>	₦681,830,902.67



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%

EABF PRICE (Dividend Adjusted)



### PERFORMANCE REVIEW

The price of the EABF increased by ₦0.01 in the month under consideration to ₦1.08, representing an annualized return of 10.33%. The growth recorded by the fund can be attributed to increasing reinvestment rates on fixed term deposits as well as fixed income securities. We project sustained improvement in the fund's performance on expectation of increasing fixed income market yields.

\*Price as at January 31, 2023



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January 2023

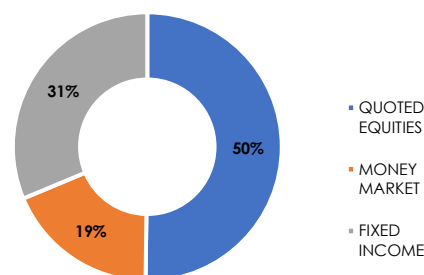
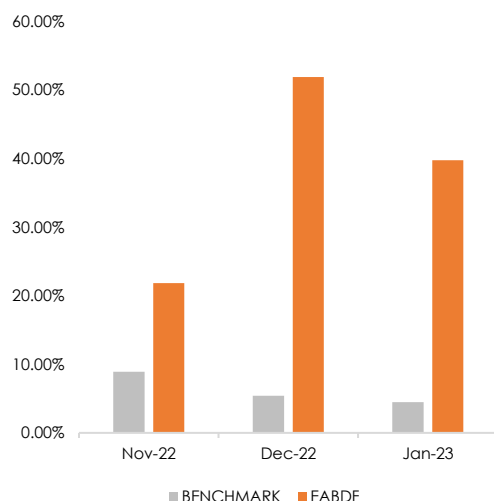
## EMERGING AFRICA BALANCED DIVERSITY FUND

### FUND OBJECTIVE

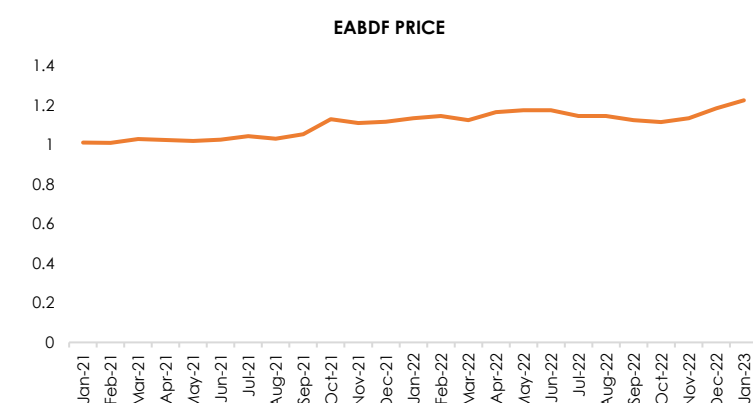
The Fund seeks to enhance and encourage investments in securities of companies with proven commitment to gender diversity through significant representation of women on their boards, management and staff for long-term capital growth and income generation.

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

<b>Benchmark</b>	40% NSE ASI; 20% of 2/3/5-year Sovereign Bond & 40% of 91-days Average T-Bill
<b>Dividend Frequency</b>	Annual
<b>*Price</b>	₦1.12
<b>Minimum Investment</b>	₦10,000.00
<b>Current Fund Size</b>	₦224,486,709.39



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

In January, the price of the EABDF closed at ₦1.12, leading to the fund's month-on-month return of +3.38%, and an annualized return of +39.74%. This follows a notable uptick in the performance of the Nigerian equity market, with the NGX-ASI rising +3.88% month-on-month. We expect the fund's strong performance to be sustained as investors cherry pick low-priced blue-chip firms ahead of the earnings season.

\*Price as at January 31, 2023

RC: 1568909



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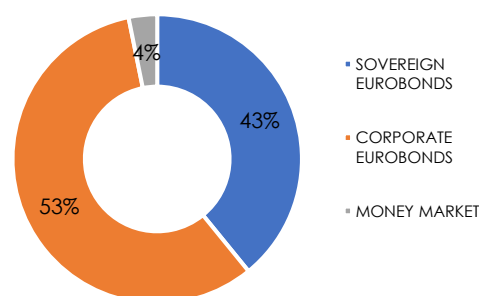
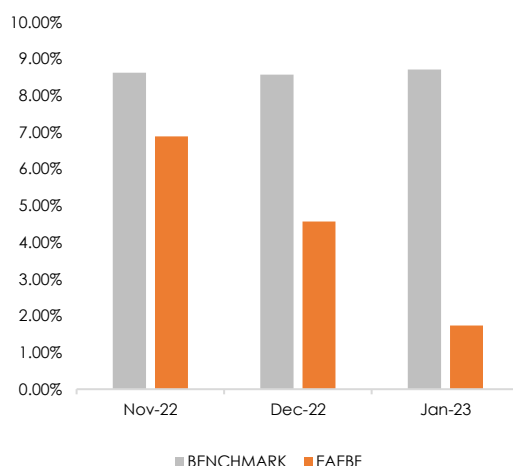
January 2023

## EMERGING AFRICA EUROBOND FUND

### FUND OBJECTIVE

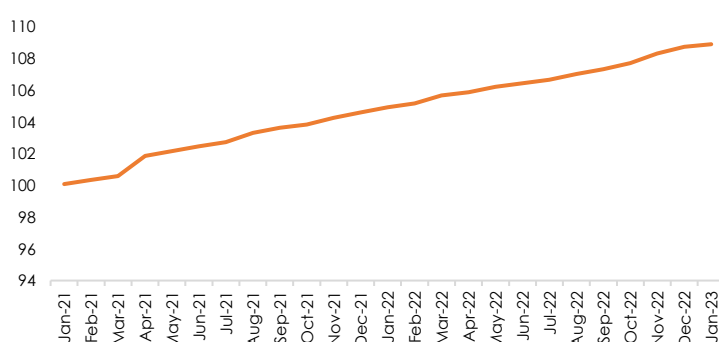
The Emerging Africa Eurobond Fund seeks to achieve regular income and long-term capital appreciation through investment in US\$ denominated securities.

<b>Fund Type</b>	Open-ended
<b>Category</b>	Bond Fund
<b>Risk Profile</b>	Moderately Conservative
<b>Launch Date</b>	15-Oct-20
<b>Fund Manager</b>	Emerging Africa Asset Mgt. Ltd.
<b>Custodian</b>	Rand Merchant Bank Ltd.
<b>Trustees</b>	FBNQuest Trustees Ltd.
<b>Auditor</b>	ProEdge Partners
<b>Mgt. Fee</b>	1.50%
<b>Benchmark</b>	70% of 3 year FGN Eurobond & 30% of 3/6 months US T-Bill
<b>Dividend Frequency</b>	Annual
<b>*Price</b>	US\$105.14
<b>Minimum Investment</b>	US\$500.00
<b>Current Fund Size</b>	US\$2,177,755.30



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 0.15% month-on-month as the year-to-date return closed at 1.73% per annum. This can be attributed to increased fixed term deposit reinvestment rates. The performance of the Fund is expected to maintain a steady growth rate in the near term on expectation of sustained positive reinvestment yields.

\*Price as at January 31, 2023

RC: 1568909