



MONTHLY MUTUAL FUNDS FACT SHEET

May 2023

Market Commentary

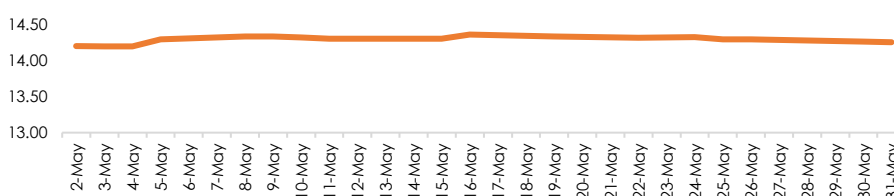
Money Market

Significant improvement was seen in the banking system liquidity in May, to average c. N343.45 billion vs c. N17.06 billion recorded in April. This comes despite reduced inflows from OMO maturities and bond coupon payments in the month at c. N75.01 billion vs N259.86 billion in April 2023. Consequently, the average Open Policy Rate (OPR) and Overnight Rate (O/N) dropped to 12.36% and 12.86% from 16.98% and 17.35% month-on-month, respectively. The Central Bank of Nigeria (CBN) conducted two Primary Market Auctions during the month and issued N324.43 billion across all tenors. Average stop rates for the 91-day, 182-day and 364-day papers dropped to 3.40%, 5.72% and 8.45% from 5.65%, 8.00% and 12.44% respectively, the previous month.

Fixed Income

The Nigerian fixed income market was largely bearish in the month, following the sustained hike in the Monetary Policy Rate (MPR) to 18.50% from 18.00% as the Monetary Policy Committee attempts to combat sustained inflationary pressures. This led to a +0.04% rise in the average yield levels month-on-month. The Debt Management Office (DMO) offered the February 2028, April 2032, January 2042 and March 2050 maturities at the monthly Primary Market Auction (PMA), offering N360 billion across the tenors. The auction attracted a total bid of N478.92 billion. However, N545.26 billion was allotted, including non-competitive allotment. The marginal stop rates for the 2028, 2032 2042 and 2050 maturities closed at 14.10%, 14.90%, 15.69% and 15.80% respectively.

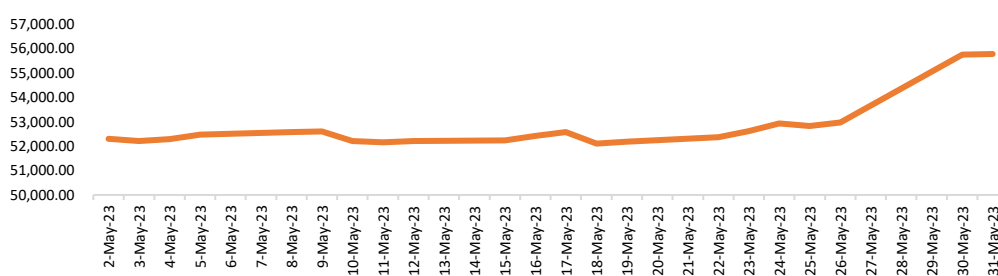
FGN Bond Yield Trend



Equities

The Nigerian equities market closed the month with positive performance, as a result, the NGX All Share Index gained +6.42% in May to close at 55,769.28 points, with year-to-date performance standing at +8.82%. The NGX Banking, Oil and Gas, Consumer Goods Insurance and Industrial indices reported positive performances, growing +19.49% (523.45 points), 18.67% (595.99 points), 15.20% (848.07points), 13.37% (209.03 points) and 1.67% (2,488.08 points), respectively.

NGX-ASI Share Price Trend



Market Outlook

The month of May saw bullish sentiments play out in the Nigerian stock market. We expect to see mixed sentiments in June on expectation of positive sentiments due to the removal of fuel subsidy, and then negative sentiment on the drastic increase in prices of goods and services which will fuel further inflationary pressure, impact further rate hikes, affect companies operating cost, and the overall general economy.

Macroeconomic Indicators	Inflation (%) April 2023	MPR (%)	CRR (%)	Brent Crude Price US\$/bbl	External Reserve (US\$'billion)	GDP %
	22.22 (+0.88 ytd)	18.50 (-7%/+1% around mid-point)	32.50	72.66	35.09 (-5.14% ytd)	+2.31 (Q1'23)
Source: NBS, CBN, CNBC						



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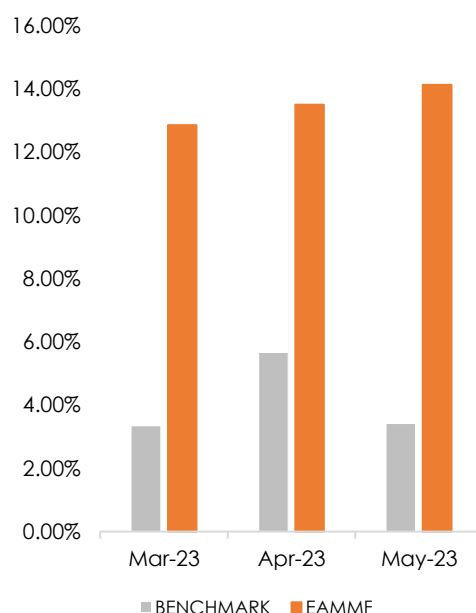
May 2023

EMERGING AFRICA MONEY MARKET FUND

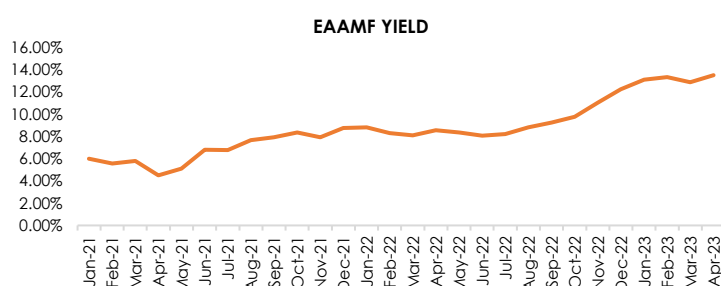
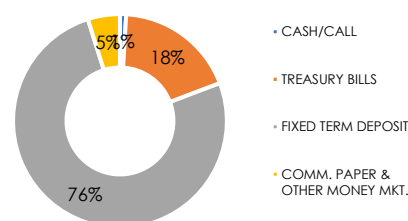
FUND OBJECTIVE

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	14.13%
Minimum Investment	₦5,000.00
Current Fund Size	₦2,095,204,261.84



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 14.13% in May, significantly higher than its benchmark, 91-days T-Bill, which averaged 3.40% and higher than April's average yield of 13.51%. 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.

*Average Yield of the Fund in the month of May 2023

RC: 1568909



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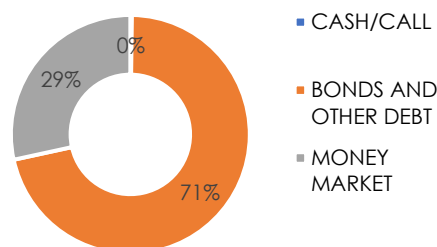
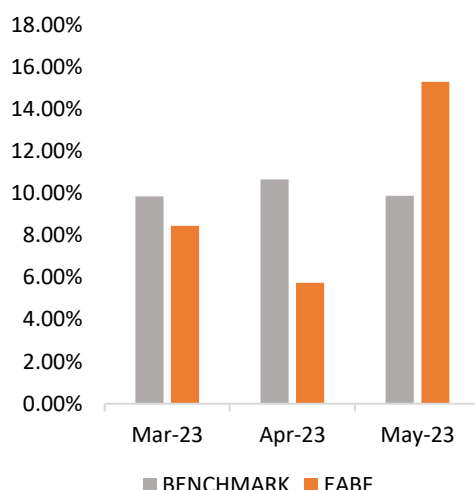
May 2023

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.

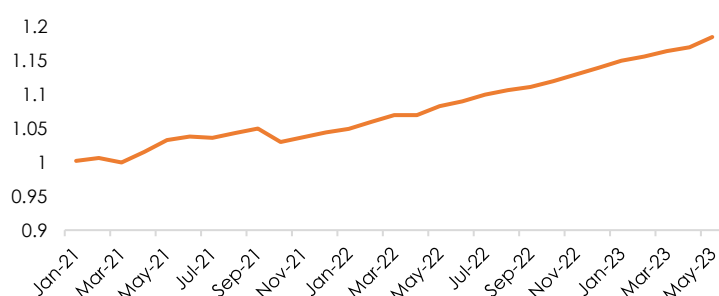
Fund Type	Open-ended
Category	Bond Fund
Risk Profile	Moderately Conservative
Launch Date	3-Dec-20
Fund Manager	Emerging Africa Asset Mgt. Ltd.
Custodian	Rand Merchant Bank Ltd.
Trustees	United Capital Trustees Ltd.
Auditor	ProEdge Partners
Mgt. Fee	1.50%
Benchmark	70% 2/3/5/10-year FGN Bond & 30% of 91-days Average T-Bill
Dividend Frequency	Semi Annually
*Price	₦1.05
Minimum Investment	₦10,000.00
Current Fund Size	₦710,567,260.55



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 dropped to ₦1.05, following the payment of H2 2022 dividend. The fund yielded an annualized return of 15.30%, well above the benchmark, which returned 9.88%. This 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 May 31, 2023



MONTHLY MUTUAL FUNDS FACT SHEET

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EMERGING AFRICA BALANCED DIVERSITY FUND

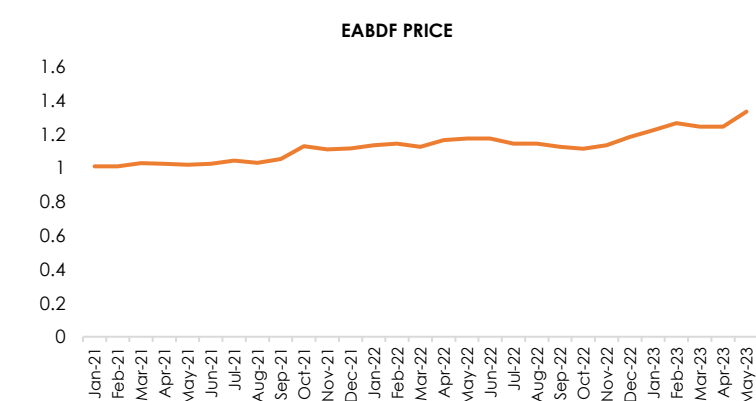
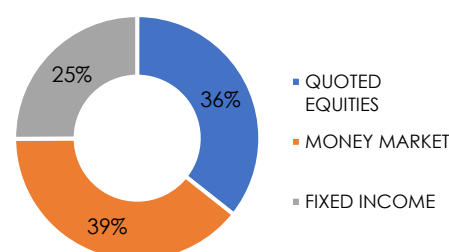
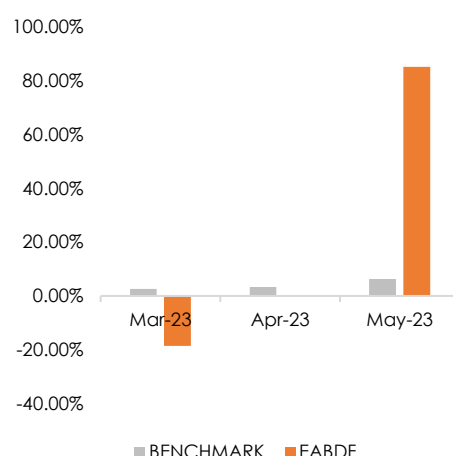
FUND OBJECTIVE

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	₦1.16
Minimum Investment	₦10,000.00
Current Fund Size	₦269,074,108.41

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 May, the price of the EABDF closed at ₦1.16. This comes after the payment of 2022 dividend for the fund. This led to an annualized return of 85.11% and comes off the back of the significant positive performance of the Nigerian equity market, with the NGX-ASI gaining +6.42% month-on-month. We expect to see sustained improvement in the fund's performance in the near term on expectation of improved performance in the Nigerian Equities market as well as positive investment actions by the fund manager.

*Price as at May 31, 2023



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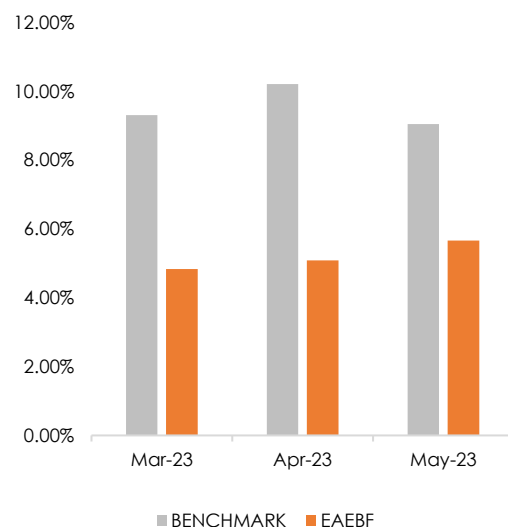
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EMERGING AFRICA EUROBOND FUND

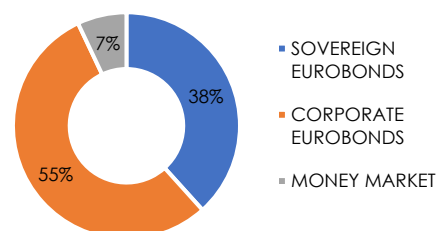
FUND OBJECTIVE

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

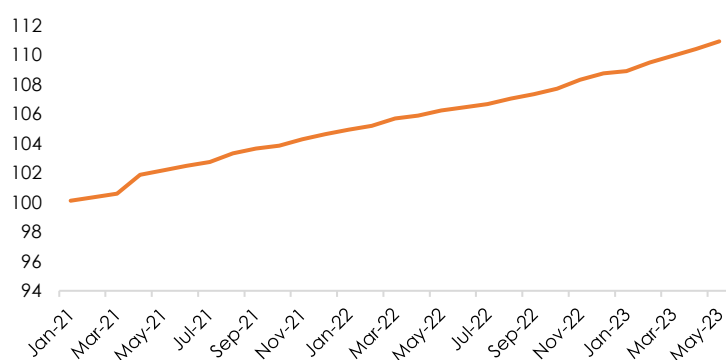
Fund Type	Open-ended
Category	Bond Fund
Risk Profile	Moderately Conservative
Launch Date	15-Oct-20
Fund Manager	Emerging Africa Asset Mgt. Ltd.
Custodian	Rand Merchant Bank Ltd.
Trustees	FBNQuest Trustees Ltd.
Auditor	ProEdge Partners
Mgt. Fee	1.50%
Benchmark	70% of 3 year FGN Eurobond & 30% of 3/6 months US T-Bill
Dividend Frequency	Annual
*Price	US\$103.57
Minimum Investment	US\$500.00
Current Fund Size	US\$2,419,489.63



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 closed at \$103.57, following the payment of 2022 dividends. As a result, the fund recorded an annualized return of 5.66% per annum in the month. This is largely attributable to increased fixed income 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 May 31, 2023

RC: 1568909