



# MONTHLY MUTUAL FUNDS FACT SHEET

October 2023

## Market Commentary

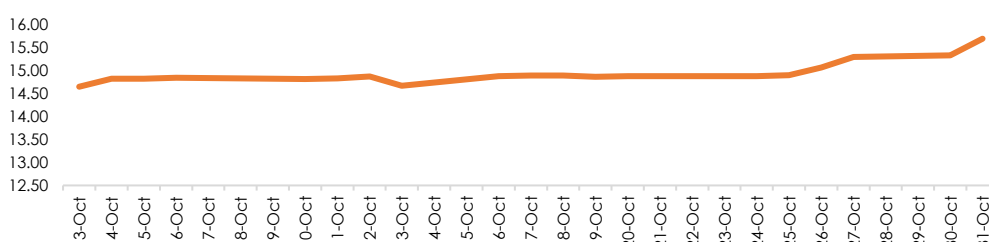
### Money Market

Liquidity in the Banking system saw some improvement in the month to average c. N506.81 billion in October vs c. N61.03 billion recorded in September. This comes despite reduced inflows from OMO maturities and bond coupon payments in the month at c. N269.86 billion vs N373.30 billion in September 2023. Consequently, the average Open Policy Rate (OPR) and Overnight Rate (O/N) dropped to 3.26% and 3.88% from 9.97% and 10.50% month-on-month, respectively. The Central Bank of Nigeria (CBN) conducted two Nigerian Treasury Bills (NTB) Primary Market Auctions during the month and issued c. N407 billion across all tenors. Average stop rates for the 91-day, 182-day and 364-day papers closed at 4.83%, 7.06% and 11.13% from 5.33%, 6.85% and 12.30% respectively, the previous month.

### Fixed Income

The Nigerian fixed income market sustained bearish trading sentiments in the month. This can be attributed to the impact of the rise in Open Market Operation (OMO) auction rates, with the long-end of the curve closing at 17.98% and Cash Reserve Ratio (CRR) debits during the month, that have caused fixed income rates to rise. This led to a 0.86% rise in the average yield levels month-on-month. The Debt Management Office (DMO) offered the April 2029, June 2033, June 2038 and June 2053 maturities at the monthly Primary Market Auction (PMA), offering N360 billion across the tenors. The auction attracted a total bid of N383.11 billion. However, N374.76 billion was allotted, including non-competitive allotment. The marginal stop rates for the 2029, 2033, 2038 and 2053 maturities rose to 14.90%, 15.75%, 15.80% and 16.60% from 14.50%, 15.45%, 15.55% and 16.25% respectively, in September 2023.

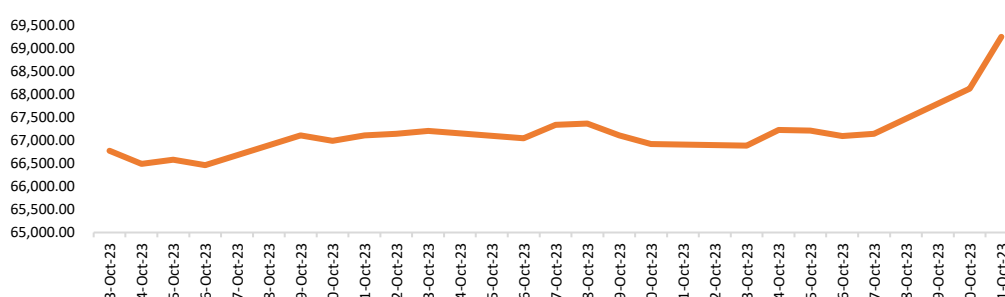
FGN Bond Yield Trend



### Equities

The Nigerian equities market closed the month on a positive note, with the NGX All Share Index gaining +4.30% month-on-month at 69,236.19 points, with year-to-date performance standing at +35.09%. The NGX Banking, Industrial Goods, Oil and Gas and Consumer Goods indices reported positive performances, growing +7.54% (716.42 points), +6.54% (2,837.10 points), +2.38% (935.81 points) and +1.48% (1,149.17 points) respectively, while the NGX Insurance index lost -1.61% (278.44 points).

NGX-ASI Share Price Trend



## Market Outlook

The local bourse saw positive sentiments in the month as investors continued to take advantage of high prices. In the coming month, we expect to see cautious trading in the market on expectation of sustained high inflation and volatility in FX rate. We also expect to see a lot of activity in the fixed income space on expectation of improved fixed income yields.

Macroeconomic Indicators	Inflation (%)	MPR (%)	CRR (%)	Brent Crude Price US\$/bbl	External Reserve (US\$'billion)	GDP %
	September 2023	26.72 (+5.38 ytd)	18.75 (-3%/+1% around mid-point)	32.50	87.41	33.40 (-9.73% 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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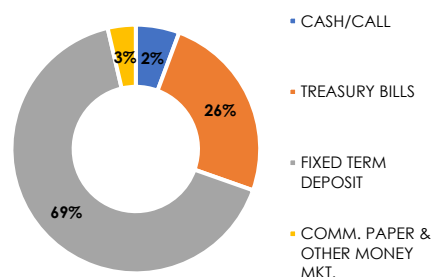
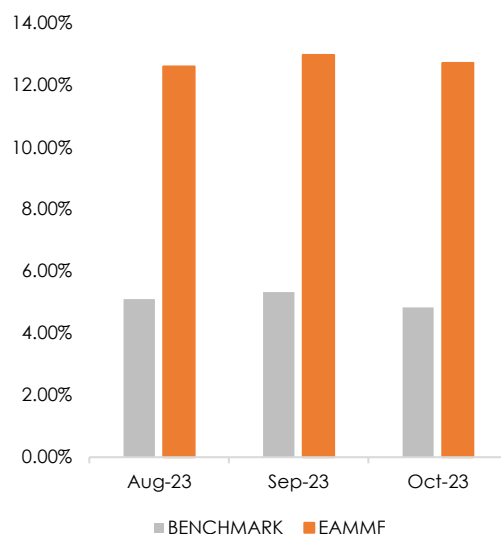
October 2023

## EMERGING AFRICA MONEY MARKET FUND

### FUND OBJECTIVE

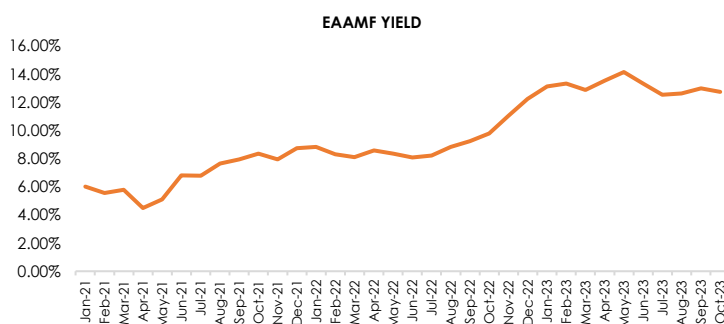
The objective of the Emerging Africa Money Market Fund is capital preservation and steady income.

<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>	12.72%
<b>Minimum Investment</b>	₦5,000.00
<b>Current Fund Size</b>	₦2,784,370,408.87



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

INVESTMENT COMMITTEE	
Dr. Adedipe Abiodun	Chairman/Independent Member
Ada Ijara	Member, Fund Manager
Collins Olise	Member, Fund Manager
Solomon Igberaese	Member, Trustees
Olumide Oyefodunrin	Member, Trustees



### PERFORMANCE REVIEW

The EAMMF returned an average of 12.72% in October, significantly higher than its benchmark, 91-days T-Bill, which averaged 4.83% and slightly lower than September's average yield of 12.98%. This positive performance (relative to the benchmark) was largely supported by investments in high yielding CPs, fixed term deposits, and higher T-Bill reinvestment yields. In the near term, we expect positive growth in the net yield, on expectation of a rise in current fixed income security yields.

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



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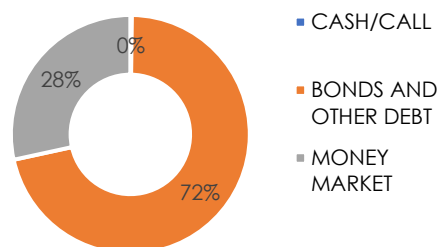
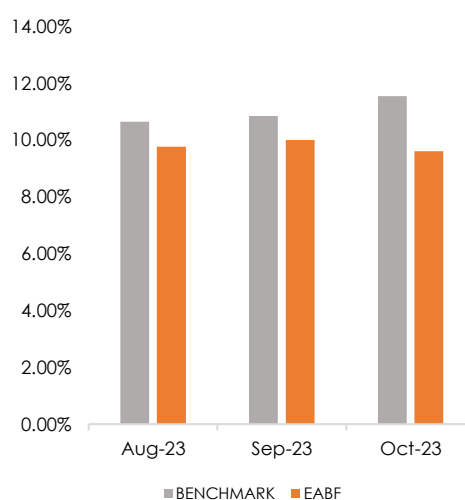
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## EMERGING AFRICA BOND FUND

### FUND OBJECTIVE

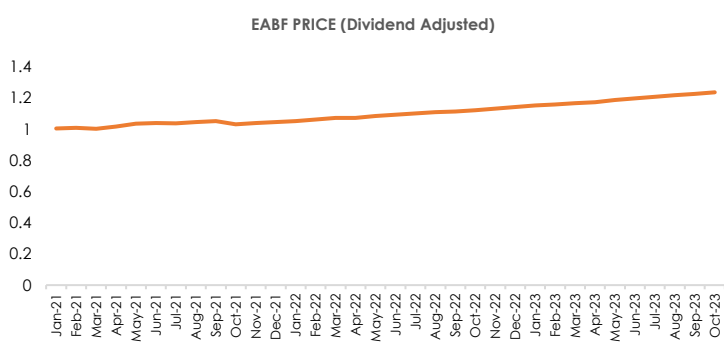
The primary objective of the Emerging Africa Bond Fund is income generation by investing in a diversified portfolio of high-quality bonds of government, supranational corporate issuers, including Federal Government bonds, state government bonds, corporate bonds and other fixed income securities.

<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>	₦1.09
<b>Minimum Investment</b>	₦10,000.00
<b>Current Fund Size</b>	₦737,207,700.63



INVESTMENT COMMITTEE	
Dr. Adedipe Abiodun	Chairman/Independent Member
Ada Ijara	Member, Fund Manager
Collins Olise	Member, Fund Manager
Solomon Igberaese	Member, Trustees
Olumide Oyefodunrin	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 price of the EABF rose to ₦1.09, yielding an annualized return of 9.61%. This can be attributed to the bearish sentiments experienced in the fixed income market in the month. We project sustained positive performance in the fund on expectation of increasing fixed income market yields.

\*Price as at October 31, 2023

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



# MONTHLY MUTUAL FUNDS FACT SHEET

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## EMERGING AFRICA BALANCED DIVERSITY FUND

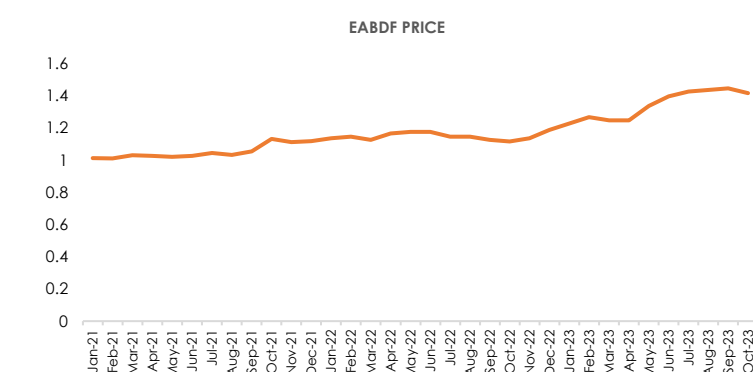
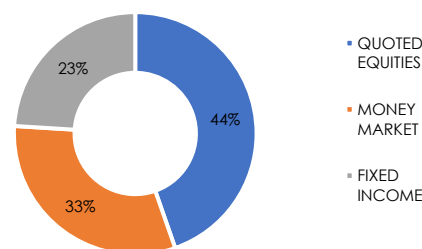
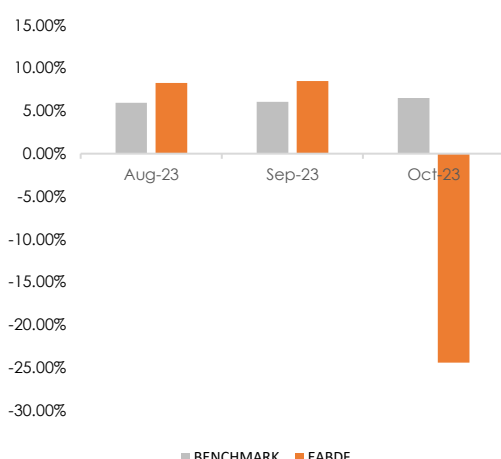
### FUND OBJECTIVE

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.

<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>	₦1.24
<b>Minimum Investment</b>	₦10,000.00
<b>Current Fund Size</b>	₦509,729,659.98

INVESTMENT COMMITTEE	
Dr. Adedipe Abiodun	Chairman/Independent Member
Ada Ijara	Member, Fund Manager
Collins Olise	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 the month under consideration, the price of the EABDF closed at ₦1.24, yielding an annualized return of -24.44% for the month and comes despite marginal improvement in the Nigerian equity market, with the NGX-ASI gaining 4.30% 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 October 31, 2023

RC: 1568909



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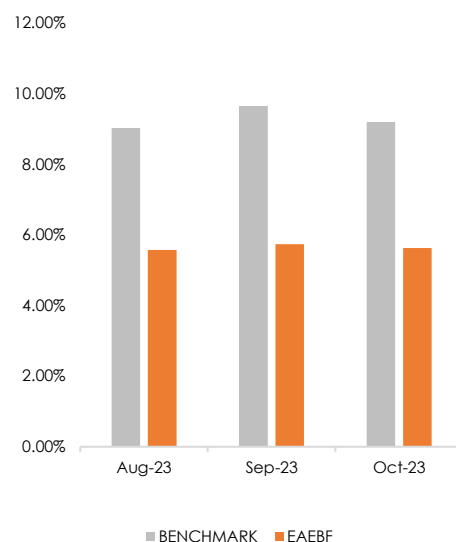
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## EMERGING AFRICA EUROBOND FUND

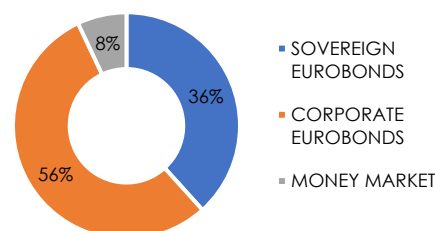
### FUND OBJECTIVE

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

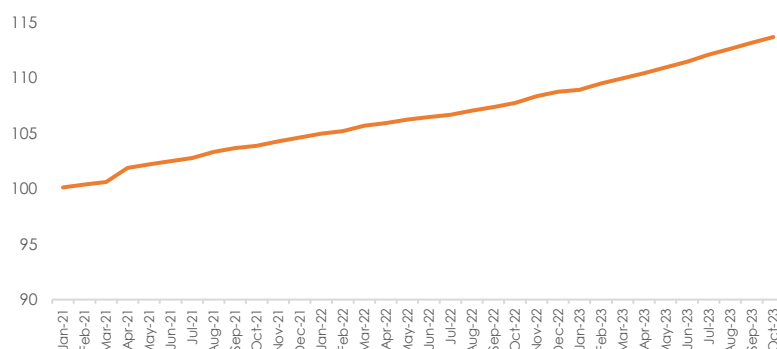
<b>Fund Type</b>	Open-ended
<b>Category</b>	Bond Fund
<b>Risk Profile</b>	Moderately Conservative
<b>Launch Date</b>	15-Oct-20
<b>Fund Manager</b>	Emerging Africa Asset Mgt. Ltd.
<b>Custodian</b>	Rand Merchant Bank Ltd.
<b>Trustees</b>	FBNQuest Trustees Ltd.
<b>Auditor</b>	ProEdge Partners
<b>Mgt. Fee</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\$106.32
<b>Minimum Investment</b>	US\$500.00
<b>Current Fund Size</b>	US\$2,542,697.55



INVESTMENT COMMITTEE	
Dr. Adedipe Abiodun	Chairman/Independent Member
Ada Ijara	Member, Fund Manager
Collins Olise	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 \$106.32, recording an annualized return of 5.62% per annum in the month. 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 October 31, 2023

RC: 1568909