



MONTHLY MUTUAL FUNDS FACT SHEET

February 2024

Market Commentary

Money Market

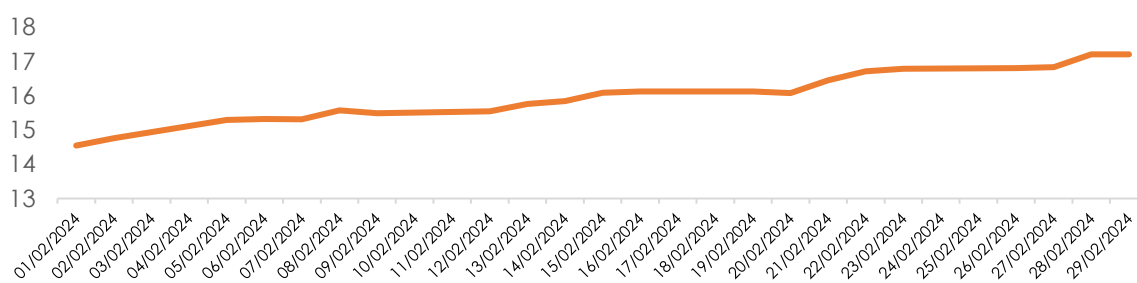
System liquidity tightened in the month under review to average -167.5bn in February 2024 compared with an average of N134.3bn recorded in January 2024. This was largely driven by FGN bond, OMO, and NTB auctions by the CBN in a bid to mop excess liquidity. The Open Policy Rate (OPR) and Overnight rate (O/N) trended upwards to an average of 20.2% and 21.3% respectively compared with 16.8% and 17.9% recorded in the previous month.

The CBN conducted two Nigerian Treasury Bill (NTB) auctions in February 2024. They issued N210.9bn across all tenors; 91-day; 17.0% (previously 17.2%), 182-day; 17.5% (previously 18.0%), 364-day; remained unchanged at 19%. Demand at these auctions increased relative to the previous month as investors sought to take advantage of improved yields.

Fixed Income

The FGN Bond market witnessed bearish sentiments in February 2024 as the average yield in the secondary market increased by +268bps to close at 17.2% as investors' attention turned to the February bond auction. At the auction, the FGN offered 2 new instruments; the 7-year and 10-year bonds at N2.5trn. The auction had a total subscription of N1.90trn. The DMO allotted N1.50trn worth of instruments at the auction. The stop rate for the instrument stood at 18.5% and 19.0% respectively.

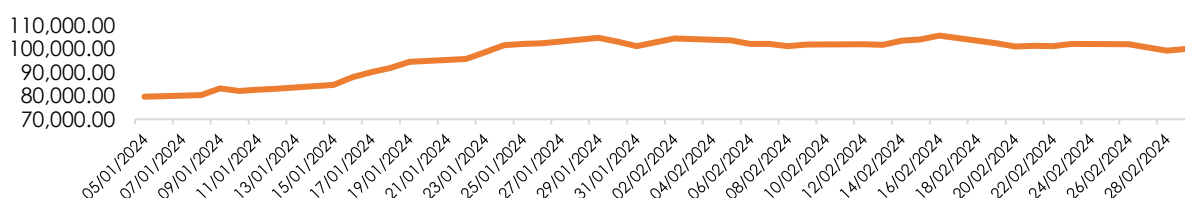
FGN bond yield trend



Equities

The Nigerian equities market recorded a decline in February 2024, with the NGX All Share Index (ASI) declining marginally by -1.2% m/m to close at 99,980.30 points. Market sentiment was tilted to the downside as 3 of 5 sectors under review recorded negative growth. The Industrial Goods recorded a decline of -13.3% (4886.1 points), followed by Insurance, -6.1% (367.6 points) and Banking -2.0% (849.49 points). However, the Consumer Goods and Oil and Gas segments recorded growth of 16.5% (1623.4 points) and 4.1% (1302.9 points) respectively.

NGX ASI



Market Outlook

We anticipate a predominantly bearish sentiment in March as the market continues to react to the jumbo rate hike recently implemented by the CBN. Similarly, the lackluster corporate performance influenced by the high levels of inflation and interest rates, coupled with the volatility in the foreign exchange market, reinforces this bearish outlook. Therefore, in the meantime, we expect investors to adopt a more cautious approach to trading as they continue to seek investing opportunities in the market.

Macroeconomic Indicators	Inflation (%) January 2024	MPR	CRR (%)	Brent Crude Price US\$/bbl	External Reserve (US\$ billion)	GDP %
	29.90(+0.98 ytd)	22.75 (+100/-700bps around mid-point)	45.00	83.62	33.72 (+2.45% ytd)	+2.74 (FY'23)

Source: NBS, CBN, CNBC

RC: 1568909

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Address: 25a Bourdillon Road, Ikoyi, Lagos

Website: <http://www.emergingafricagroup.com/>

Telephone: +234 813 354 0432

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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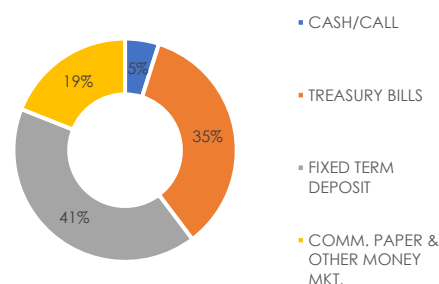
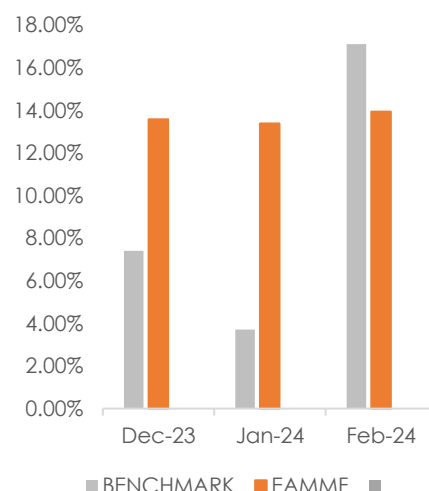
February 2024

EMERGING AFRICA MONEY MARKET FUND

FUND OBJECTIVE

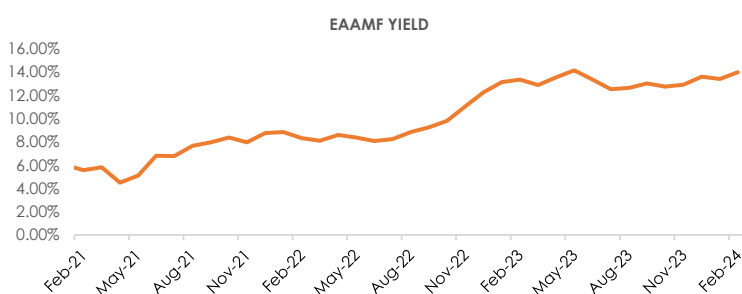
The objective of the Emerging Africa Money Market Fund is capital preservation and steady income.

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	13.94%
Minimum Investment	₦5,000.00
Current Fund Size	₦3,093,252,114.94



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%
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 13.94% in February 2024, higher than the previous month's average which stood at 13.39%. However, the benchmark (the 91-day T-bill) averaged 17.1%, higher in the month under review. This came off the back of the Monetary Policy Committee (MPC), raising the Monetary Policy Rate to 22.75% from previous 18.75%. The improved yield was largely driven by investments in high-yielding CPs, fixed-term deposits, and improved T-bill investment yields.

We expect the net yield to record further upticks in the near term, on expectation of significant increase in the yields of fixed income instruments, following the increase of the MPR to 22.75% at the recent MPC meeting.

*Average Yield of the Fund in the month of February 2024

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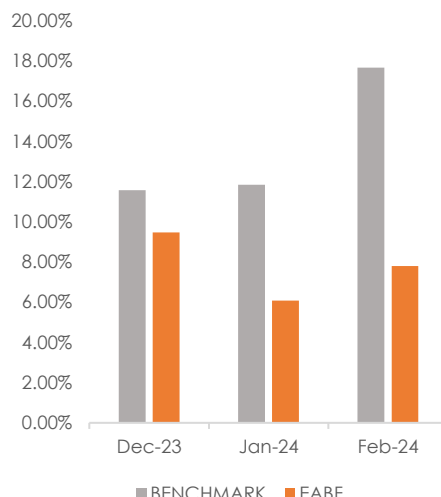
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EMERGING AFRICA BOND FUND

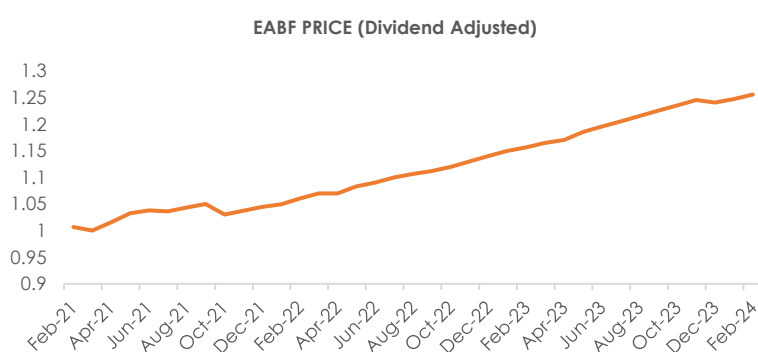
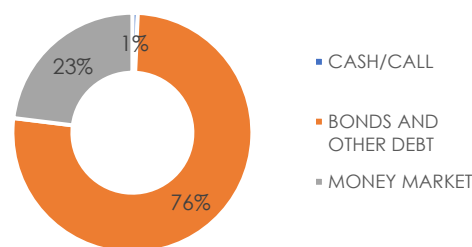
FUND OBJECTIVE

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	₦1.12
Minimum Investment	₦10,000.00
Current Fund Size	₦863,973,014.79



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 increased marginally to N1.12 from N11.11 recorded in the previous month, with an annualized return of 7.80%. The marginal increase can be attributed to an improvement in yields for the fixed-income market as the CBN continues its contractionary monetary policy stance in a bid to rein in inflation. We expect the fund to maintain this momentum as the yield on fixed-income instruments remain attractive.

*Price as at February, 2024

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EMERGING AFRICA BALANCED DIVERSITY FUND

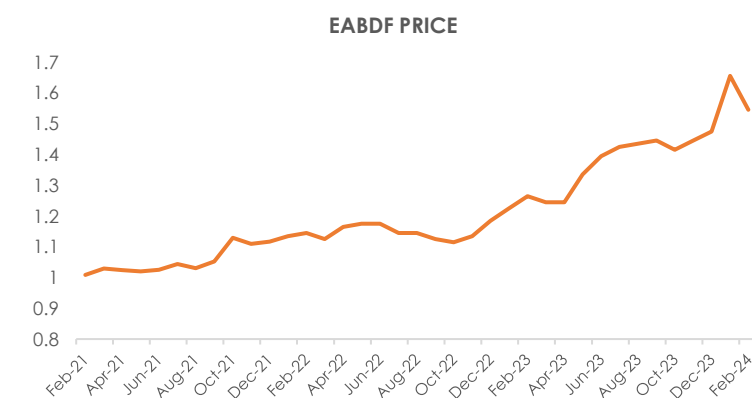
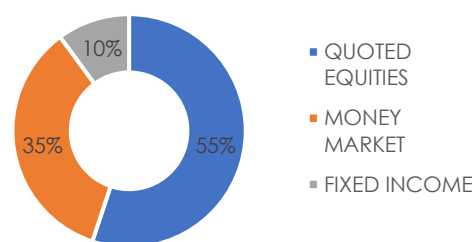
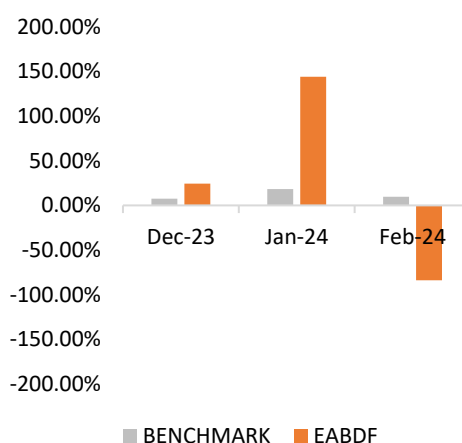
FUND OBJECTIVE

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	₦1.37
Minimum Investment	₦10,000.00
Current Fund Size	₦326,532,910.20

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

The bid price of the EABDF declined to N1.37 in February 2024 from N1.48 recorded in the previous month, with an annualized return of -83.88%. This is reflective of the bearish sentiments in the stock market given the weaker-than-expected corporate earnings releases by some organizations. The NGX-ASI declined by -1.2% m/m.

We expect the market to rebound even as opportunities abound in the financial services segment. This would have a positive impact on our fund performance.

*Price as at February 2024

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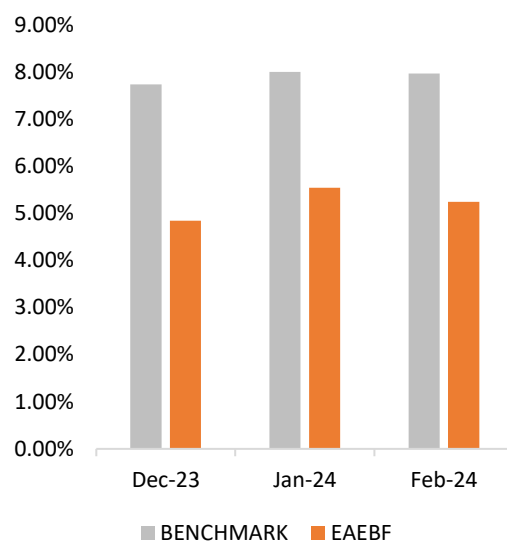
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EMERGING AFRICA EUROBOND FUND

FUND OBJECTIVE

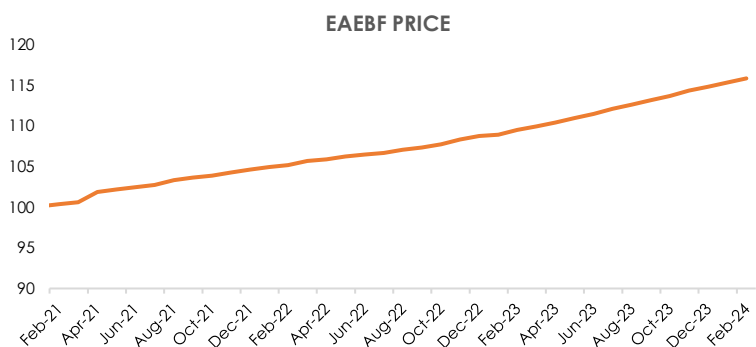
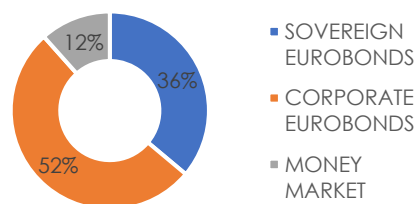
The Emerging Africa Eurobond Fund seeks to achieve regular income and long-term capital appreciation through investment in US\$ denominated securities.

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\$108.45
Minimum Investment	US\$500.00
Current Fund Size	US\$2,772,471.64



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
Sovereign Eurobonds	30% - 70%
Corporate Eurobonds	30% - 70%
Money Market	0% - 30%

PERFORMANCE REVIEW

The Fund's price maintained its upward trajectory to close at \$108.45, recording an annualized return of 5.24% per annum. This is reflective of positive market sentiments as investors look for safe-haven assets to hedge against the Naira depreciation.

We anticipate that the Fund will continue to experience a steady growth rate in the near term, driven by expectations of positive re-investment yields.

*Price as at February, 2024.

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