

INVESTING

FBN MONEY MARKET FUND

All data as at April 30th 2019 unless otherwise stated



Fund Overview

Investment objective

The Fund seeks to maximise current income in line with prevailing Nigerian money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity by investing in a broadly diversified portfolio of short-term, high quality money market securities.

Fund Facts

Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA
Fund launch date	24 th September 2012
Fund size	₦155.96bn
Base currency	(₦)
NAV per share	₦100.00 [^]
Minimum investment	₦5,000.00
Minimum holding period	30 days*
Income accrual	Daily
Income distribution	Quarterly
Annual management fee	0.75%
Total Expense Ratio	0.90%
Risk profile	Low**
Benchmark	91 day Nigerian Treasury Bill (NTB)

Fund Highlights

The Fund is an open ended mutual fund that invests in a broad range of money market securities such as Treasury Bills, Commercial Papers, Bankers Acceptances and Certificates of Deposits issued by rated banks in Nigeria.

The Fund is suitable for temporary or medium term cash investments and offers an efficient alternative to investing directly in cash deposits. The Fund aims to offer a high level of security coupled with a competitive yield.

Investor Profile

The Fund may be suitable for investors who are seeking an alternative to cash deposits for their medium term or temporary cash investments, including the liquidity components of investment portfolios or diversification to an existing equity portfolio.

Source: FBNQuest Asset Management

* Redemption period: 3 - 5 business days.

No additional charges are applied on redemption. However, units redeemed earlier than the 30 business days minimum holding period will incur a processing fee of 20% on the income earned on the value of such redemptions.

** The Fund has a 'Low' risk profile given it invests the majority of its assets in money market securities. A low risk fund is protected against any adverse losses. A low risk profile does not mean a risk-free investment.

[^] Price is stated net of fees and expenses. The fund manager is required to maintain a stable price (NAV) of ₦100.00.

^{^^} 30 Day Moving Average Annualised yield is stated net of fees and expenses.

Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested.

Monthly Comments

Fund and market review

The consumer price index (CPI) which measures inflation put it at 11.25% year on year in March 2019. This was 6 basis points lower than the rate recorded in the prior month. The decrease was mainly due to the reduction in the composite food index which reduced to 13.45% in March compared to 13.47% in February. Core inflation, which excludes the prices of agricultural produce stood at 9.5% in March 2019, down by 0.3% when compared with 9.8% recorded in February 2019.

An aggressive bullish sentiment was witnessed in the Treasury bills space in the month of April across the curve, especially on the mid and long dated bills. The buying pressure was mainly due to improved liquidity conditions from Open Market Operations (OMO) maturities, Retail FX refunds, credit of discounted promissory notes coupled with limited supply of OMO auctions by the apex bank. The demand pressure in the secondary market led to falling yields on the mid to long end of the curve.

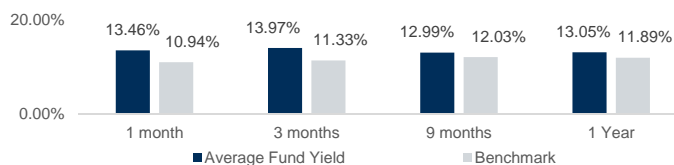
The Fund recorded a yield of 13.29% as at 30th April 2019, and outperformed its benchmark which recorded 10.94%. The Fund's performance was positively impacted by the investment strategy adopted by the Fund Manager. The 30 day moving average yield in April for the Fund closed at to 13.46%.

Fund and Market Outlook

With a relatively liquid interbank market we expect the secondary market to continue to trade bullishly. However we envisage that the Central Bank of Nigeria (CBN) will mop up liquidity in a bid to maintain an optimal level of money supply.

The Fund will be actively managed to maintain a competitive yield.

Performance Summary



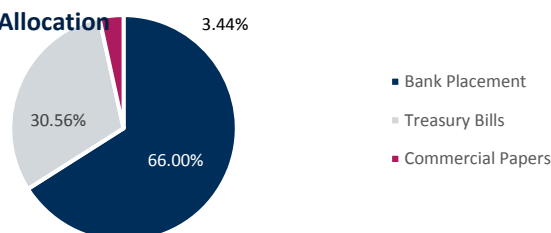
Historic prices and yields

	Dec- 18	Jan- 19	Feb-19	Mar-19	Apr-19
Price (₦) [^]	100.00	100.00	100.00	100.00	100.00
Annualised yield ^{^^}	12.94%	13.44%	14.18%	14.24%	13.46%

Asset Allocation Ranges

Bank tenored placements	10-75%
Treasury bills and short-government securities	25-100%
Other money market securities	10-75%

Current Allocation



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A part of the FBN Holdings Group