





MUTUAL FUND FACTSHEET

PUBLIC

All data as of 30 November 2022 unless otherwise stated

Executive Summary

- The global economy continues to be suppressed by the geopolitical tensions between Russia and Ukraine, tightening fiscal conditions, and slow activities in China. In China, the government pursues a ZERO-COVID policy, with no tolerance for any infections, meaning that the presence of infections is giving rise to tighter lockdown measures in the country, underpinning the IMF's forecast of slower global growth in 2023. Most central banks are maintaining a hawkish stance to reduce inflation, save for China that decided to cut its reserve requirements for banks by 25 bps in a bid to boost liquidity, demand and growth.
- The European Union (EU) remains steadfast in limiting fossil fuel earnings to Russia with price cuts being discussed. This comes after the EU's decision to place an embargo on Russian oil, effective 4th December 2022. Concurrently, global oil supply is threatened by a possible output cut of 2 million barrels per day by OPEC and concerns surrounding the drop in U.S oil reserve. Amidst this, Brent oil firmed up by 1.35% to close at \$85.36 towards the end of the month.
- Ghana proposed a debt restructure agreement to its domestic and foreign investors to qualify for a \$3 billion loan from the International Monetary Fund. The proposal includes a principal cut, suspension of interest payment on foreign bond for three months, and part-payment of coupon payment on domestic bonds. Nigeria's National Bureau of statistics (NBS) reported real Gross Domestic Product (GDP) growth of 2.25% YoY (vs. 3.54% YoY and 4.03% YoY in Q2:2022 and Q3:2021, respectively) in Q3:2022. Agriculture (+1.34% YoY), ICT (+10.53% YoY), and Trade (+5.08% YoY) were the top contributors to the quarter's real GDP. The non-oil sector (+4.27% YoY) continued its growth trajectory, while the oil sector declined significantly by 22.67% YoY.

Asset Class	Benchmark	1M (November) %	Year to Date (%)	Commentary
 Money Market	91-day T-bill	6.50*	3.48**	The liquidity position for better part of the month was suppressed as outflows from FX retail auction settlements, Bond auctions, and T-bill auctions outweighed inflows. However, money market rates declined towards the end of November due to Statutory Revenue Allocation (SRA) and FAAC inflows which provided respite to system illiquidity. The average interbank rates hovered at 15.25% in November from 16.50% in October. The first T-bills auction of the month saw the stop rates on the 364-day instrument drop by 35bps to 13.99% due to a FAAC allocation at the start of the month, while rates on the 91-day and 182-day instruments were kept constant. The final auction of the month saw an increase in stop rates of the 364-day bill to close at 14.84% owing to tighter liquidity position. The 91-day, and 182-day instruments were held constant at 6.50% and 8.05% apiece.
	181-day T-bill	8.05*	4.66**	
	364-day T-bill	14.42*	7.69*	
 Fixed Income	S&P/FMDQ Nigeria Sovereign Bond Index	1.40	1.58	The domestic secondary bond market opened on a calm note at the start of the month as investors awaited the result of the FGN Bond auction. Participation at the auction improved as the Debt Management Office offered N225.00bn and allotted N269.15bn against a subscription of N344.01bn. The 2029, 2032, and 2037 bonds closed the auction with a weak bid-to-cover ratios of 1.57x, 1.28x and 1.24x respectively. Stop rates inched higher for the 2029 (14.75%), 2032 (15.20%) and 2037 (16.20%) from the previous rates of 14.50%, 15.00% and 16.00% respectively. Post-auction, yields traded lower by 28.91bps in the secondary market owing to the unmet demand at the primary auction. Consequently, the average yield on bonds settled at 14.37% to close the month from 14.47% at the start of the month.
	3 Year Federal Government Bond	1.80	4.01	
 Eurobond	3 Year Nigerian Sovereign Eurobond	7.48	-6.61	Eurobond yields remained high in the month under review as investors maintained risk-off sentiments towards the Eurobonds of Sub-Saharan Africa economies. The bearish mood in the market is influenced by the unchanged stances of the Central Banks of developed economies as they continue to tackle rising inflation. Sentiments towards Ghanaian Eurobonds were bearish at the end of the month following a proposed debt restructure agreement to its domestic and foreign creditors. The average yield on the Nigerian sovereigns closed at 9.75% as of November 30th, 2022, rising from 11.37% in October as investors rebalanced their portfolios ahead of a new year.
	5 Year Nigerian Sovereign Eurobond	7.39	-1.76	
 Equities	NGXASI	8.72	11.57	The Nigeria bourse was relatively bullish in the month of November buoyed by expectations of positive earnings performance and bargain hunting. The All-Share index closed the month at 47,660.04pts (vs. 43,839.08 pts in October), and the NGX-ASI gained 8.72% in the month, with a YTD performance of 11.57%. The bullish performance was broad based save for the Consumer Goods sector (-4.55%) and the Oil and Gas sector (-8.12%). The Industrial Goods sector (+13.17%) led the bullish run followed by the Banking sector (+5.79%) and the Insurance sector (+2.97%).
	NGX30	8.74	-0.26	

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 An FBN Holdings Company

*Mean stop rate at the Monthly Nigerian treasury bill auction

** Average of Nigerian treasury bill auction from the beginning of the year

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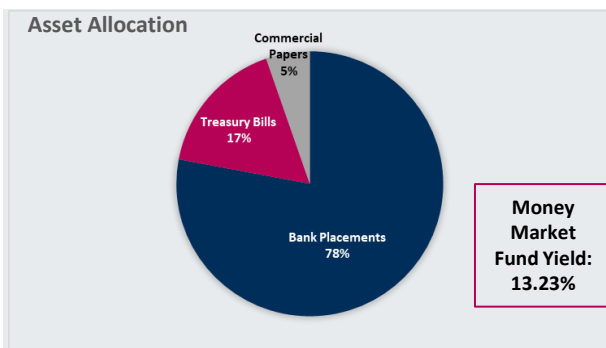
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FBN Money Market Fund Overview

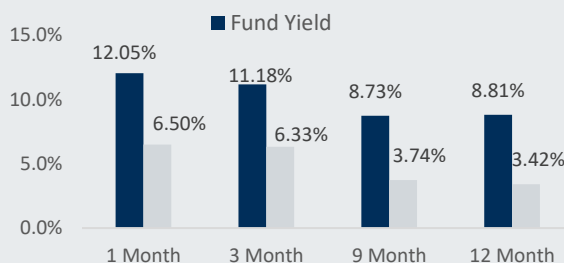
Investment Objective

The Fund seeks to preserve capital and maximise income by offering access to a diversified range of low risk money market instruments in Nigeria. The Fund also provides liquidity and competitive returns.

Fund Facts	
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA
Fund launch date	24 September 2012
Fund size	₦145.98bn
Base currency	(₦)
NAV per share	₦100
Minimum investment	₦5,000
Minimum holding period	30 days
Income accrual	Daily
Income distribution	Quarterly
Annual management fee	1.25%
Total Expense Ratio	1.36%
Risk profile	Low
Custodian	Citibank
Benchmark	Average 91-day Treasury Bill (NTB) primary auction stop rates.



Historical Prices & Performance

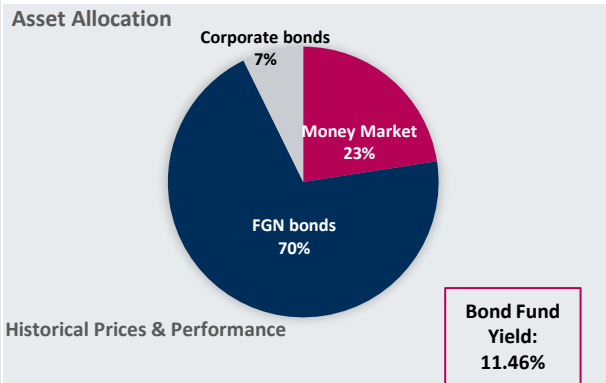


FBN Bond Fund Overview

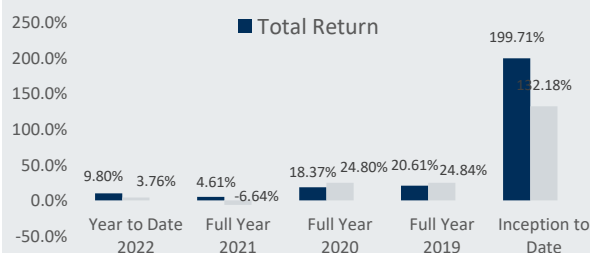
Investment objective

The Fund is designed to provide income generation by investing in long tenured debt instruments and short-term high quality money market securities issued in Nigeria.

Fund Facts	
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA
Fund launch date	24 September 2012
Fund size	₦59.30bn
Base currency	(₦)
NAV per share	₦1,455.40
Minimum investment	₦50,000
Minimum holding period	90 days
Income accrual	Daily
Income distribution	Annually
Total Expense Ratio	1.23%
Annual management fee	1.00%
Risk profile	Low-Medium
Custodian	Citibank
Benchmark	70% 3Year FGN Bond 30% Average 91-day Tbill rate
Weighted portfolio duration	2-3 years



Historical Prices & Performance



Annualized return of 10.71%

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FBN Dollar Fund Overview

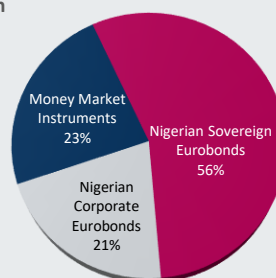
Investment objective

The Fund provides an opportunity to diversify across currencies and serve as a hedge through its exposure to USD denominated assets. It provides income generation by investing in debt instruments issued by the Nigerian government, corporates and financial institutions

Fund Facts

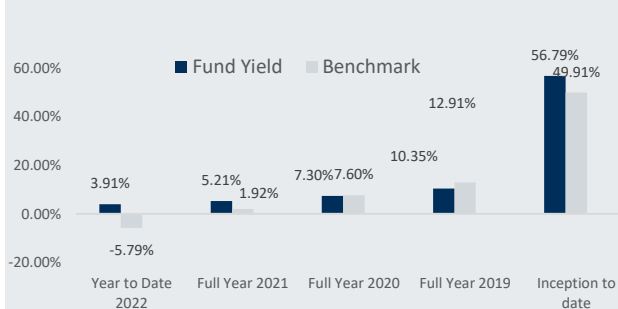
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA
Fund launch date	4 January 2016
Fund size	\$28.82mn
Base currency	US Dollars (\$)
Unit classes	R unit class: Retail
NAV per share	\$119.53
Minimum investment	\$1,000
Minimum holding period	180 days
Risk profile	Medium
Total Expense Ratio	1.68%
Management fees	1.50%
Income distribution	Annually
Benchmark	70% 3 Year FGN Bond 30% Average 1yr US Tbill rate
Custodian	Standard Chartered Bank
Weighted portfolio duration	1-2 years

Asset Allocation



Dollar Fund Yield: 6.62%

Historical Prices & Performance



Annualized return of 4.88%

FBN Specialized Dollar Fund Overview

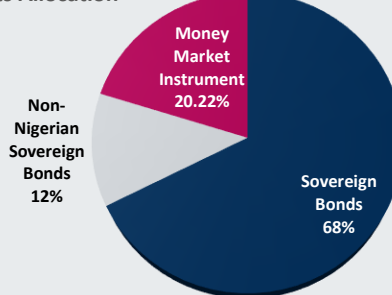
Investment objective

The investment objective of the Fund is to generate stable income, attractive returns, reduce Nigerian-specific risk and provide a potential currency hedge for investors.

Fund Facts

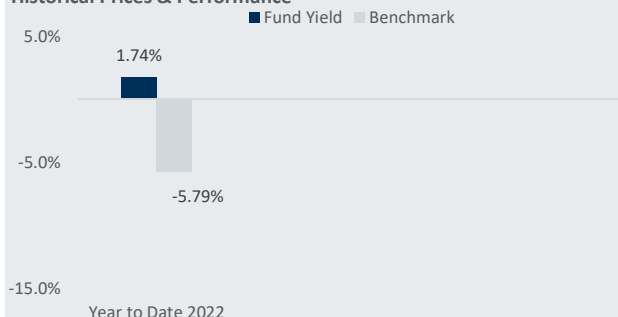
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA.
Fund launch date	12 August 2022
Fund size	\$7.81mn
Base currency	US Dollars (\$)
NAV per share	₦102.83
Minimum investment	\$10,000
Minimum holding period	180 days
Income accrual	Daily
Income distribution	Annually
Total Expense Ratio	1.70%
Management fees	1.50%
Risk profile	Medium
Custodian	Standard Chartered Bank
Benchmark	70% 3 Year FGN Bond 30% Average 1yr US Tbill rate

Assets Allocation



Specialized Dollar Fund Yield: 10.44%

Historical Prices & Performance



Annualized return of 13.08%

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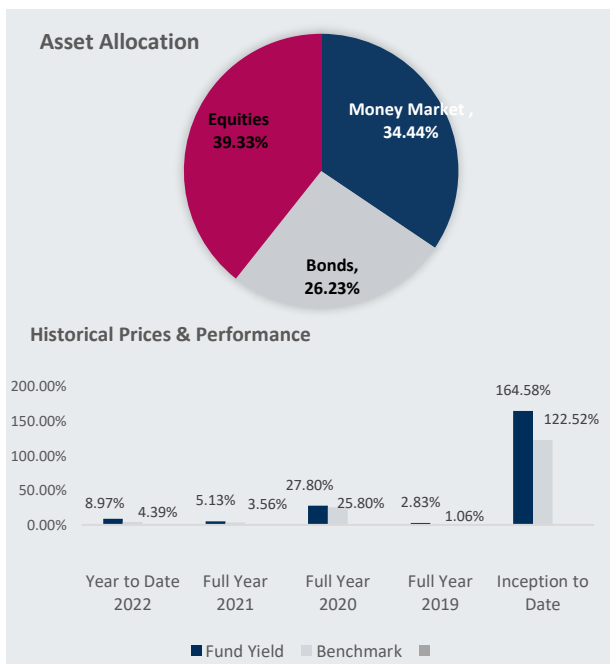
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FBN Balanced Fund Overview

Investment objective

The Fund provides capital growth and downside protection to investors seeking exposure to equity. The downside is achieved through investments in less risky assets such as money market instrument and bonds

Fund Facts	
Fund Manager	Laura Fisayo-Kolawole, CFA
Fund launch date	1 April 2008
Fund size	₦4.74bn
Base currency	(₦)
NAV per share	₦193.70
Minimum investment	₦50,000
Minimum holding period	180 days
Income accrual	Daily
Annual management fee	1.50%
Total Expense Ratio	1.69%
Risk profile	Medium
Benchmark	40% NSE30 40% 5 year FGN bond 20% 90day average Tbill rate
Custodian	Citibank
Top 5 equity holdings	
Financial Services	16.17%
Telecommunications	7.60%
Agriculture	3.41%
Consumer Goods	3.28%
Industrial Goods	2.50%



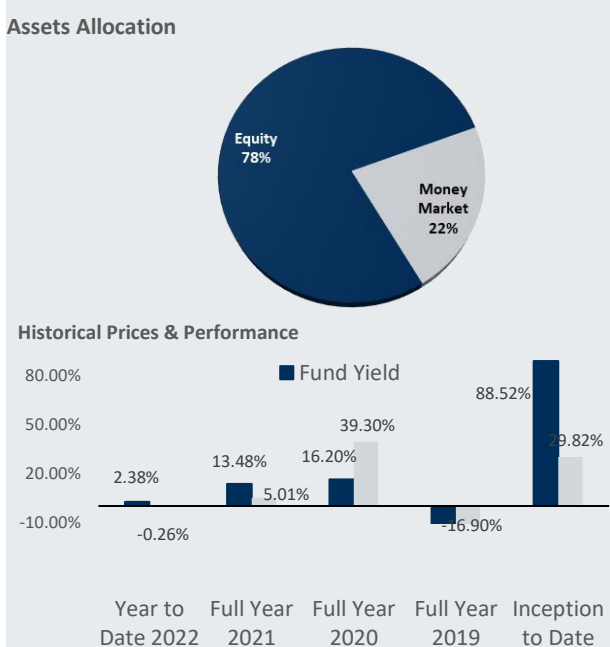
FBN Smart Beta Equity Fund Overview

Investment objective

The Fund seeks to provide capital growth by selecting the best twenty (20) out of the forty (40) most capitalised stocks listed on the Nigerian Stock Exchange. The Fund is appropriate for investors who want equities with the aim of outperforming the NSE 30 index.

Fund Facts	
Fund Manager	Laura Fisayo-Kolawole, CFA
Fund launch date	4 January 2016
Fund size	₦348.27mn
Base currency	(₦)
NAV per share	₦153.69
Total Expense Ratio	1.63%
Annual management fee	1.50%
Minimum investment	₦50,000
Risk profile	High
Benchmark	NSE 30
Custodian	Standard Chartered Bank

Top 5 Equity Sector Exposure	
Financial Services	48.83%
Agriculture	9.67%
Industrial Goods	3.30%
Oil & Gas	6.81%
Telecommunications	6.26%
Consumer Goods	9.38%



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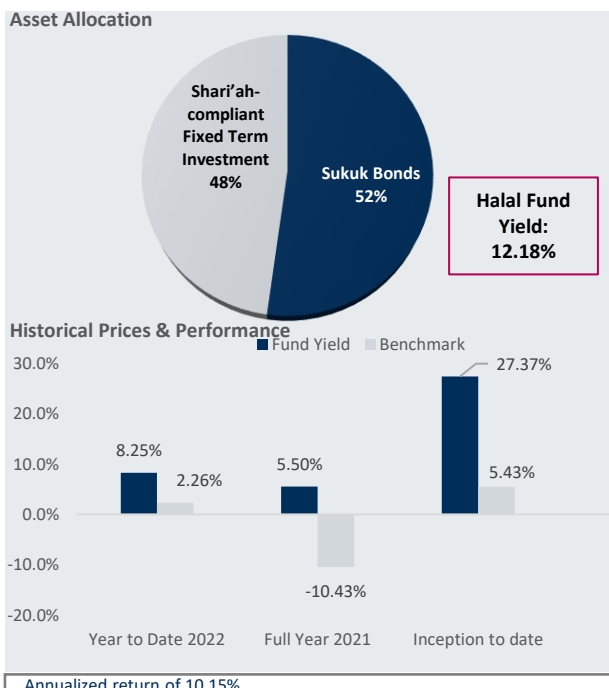
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FBN Halal Fund Overview

Investment objective

The Fund is designed to provide long-term income generation by investing in Shari'ah compliant instruments such as Sukuks, Ijarah (Lease), Murabaha (Cost plus mark-up) and Mudarabah (Working Partner) contracts.

Fund Facts	
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA.
Fund launch date	4 May 2020
Fund size	₦7.02bn
Base currency	(₦)
NAV per share	₦121.66
Minimum investment	₦5,000
Minimum holding period	90 days
Income accrual	Daily
Income distribution	Semi-annually
Total Expense Ratio	1.70%
Management fees	1.50%
Risk profile	Low-Medium
Custodian	Standard Chartered Bank
Benchmark	FGN 3 Year Benchmark Bond



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Outlook

- The global economy is on the brink of a recession, influenced by decade-high inflationary pressures, lingering effects of the Russia-Ukraine war, and low activities in China. The growth of the global economy weighs on the success of tight monetary policies, the resolution of supply chain issues, and the negotiations between Russia and Ukraine. We expect a slow down in rates hike as high inflation levels reverse to trail slow growth rate. Furthermore, we hold that investors will adjust their portfolios in the coming month in preparation for financial release in the equity market.
- Equities (NGN) – The coming month on the local bourse will see a continuation of the Q3 2022 earning season. We expect markets to be moderately bullish, coming off significant weakness recently, as investors anticipate the positive performance of quality stocks. Bargain hunting as we close the year should drive the market's performance, although we remain cautious ahead of February's election.
- Fixed Income (NGN) – We expect treasury bill and bond yields to continue to rise driven by our expectations of continued hawkish policies by the Nigerian Monetary Policy Committee as inflation remains elevated. Furthermore, we expect investors to demand for higher rates to compensate for the inflationary pressure and political risk as electioneering activities intensify, going into next year's general election.
- Eurobond – The weak macro environment owing to elevated commodity prices, poor fiscal positions, and depreciating currencies is a significant headwind for the of Eurobond markets in Sub-Saharan Africa (SSA). Hence, we expect the SSA Eurobond market to remain bearish. However, country-specific challenges will also influence investors' sentiment.

Terms and Conditions

- Redemption period: 3 - 5 business days.
- No additional charges are applied on redemption. However, units redeemed earlier than the minimum holding period will incur a processing fee of 20% on the income earned on the value of such redemptions.
- The Funds range from 'Low-High' risk profile depending on what security it is invested in. The value of securities may change significantly depending on economic, political, inflationary and interest rate conditions.
- Bid prices and yield to maturity are stated net of fees and expenses with dividends reinvested (where applicable).
- The yield to maturity (YTM) is the rate of return anticipated on the portfolio if the current bonds in the portfolio were held until the end of their lifetime. YTM is an annualised rate and takes into account the current market price, par value, coupon interest rate and time to maturity for each bond in the portfolio. It is also assumes that all coupon payments are reinvested at the same rate as the bond's current yield.
- 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