

FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

Executive Summary

November's global macroeconomic landscape was marked by significant events, including former US President Donald Trump's victory in the presidential elections, further rate cuts by major central banks, and discussions around a ceasefire agreement between Israel and Lebanon. Both the US Federal Reserve and the Bank of England reduced their benchmark rates by 25bps to 4.75%. Despite previous cuts in rates, inflation in October showed an uptick across key regions: in the US (+20bps to 2.60%), the Eurozone (+30bps to 2.00%), and the UK (+60bps to 2.30%), primarily driven by rising energy costs and food prices. On a positive note, strong consumer spending, exports, and government expenditure in the US contributed to a solid Q3:2024 growth rate of 2.80% YoY, slightly lower than the 3.00% recorded in Q2:2024.

During the month, the US and France brokered a ceasefire between Israel and Hezbollah, where Israel will gradually withdraw from Lebanon over 60 days, and Hezbollah will avoid entrenching near the Israeli border.

In Sub-Saharan Africa, Ghana's inflation rate rose for the second consecutive month in October 2024, reaching 22.10% YoY, up from 21.50% in September. This increase was driven by a weakening cedi and higher costs in both food and non-food categories. Meanwhile, Angola saw a slight easing in annual inflation, which fell to 29.20% in October, down from 29.90% in September, thanks to a moderation in food price inflation.

Nigeria's GDP grew by 3.46% YoY in Q3:2024, up from 2.54% in Q3:2023 and 3.19% in Q2:2024, driven by growth in both the oil and non-oil sectors. The oil sector expanded by 5.17% YoY, rebounding from 10.15% in Q2:2024, supported by a rise in crude oil production to 1.47 mbpd, up from 1.41 mbpd in Q2:2024. The non-oil sector grew by 3.37% YoY, boosted by increased investment activity and a growing loan portfolio in the financial services sector.

Nigeria's inflation rose for the second consecutive month in October 2024, reaching 33.88%, up from 32.70% in September. This increase was driven by higher food inflation (up 668bps to 39.20%) and core inflation (up 582bps to 28.40%), reflecting the impact of floods, insecurity, and rising transport costs. On the back of this, the Central Bank of Nigeria (CBN) raised its Monetary Policy Rate by 25 basis points to 27.50%, while maintaining other parameters.

The Federal Executive Council approved a NGN47.90trn budget estimate for the 2025 fiscal year, in line with the Medium Term Expenditure Framework (MTEF) for 2025–2027. Key assumptions of the budget includes a crude oil price of USD75.00pb, an exchange rate of NGN1,400/USD, and an oil production volume of 2.06 mbpd. This is likely going to influence a further uptick in total debt which rose by 10.38% in Q2:2024 to NGN134.30trn (USD91.35bn)







FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

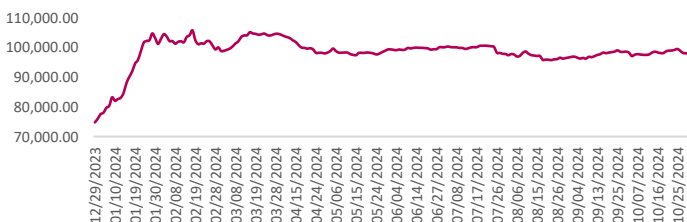
Executive Summary

Asset Class	Benchmark	1M (November)%	Year to Date (%)	Commentary
Money Market 	91-day T-bill	18.00*	15.91*	In November, liquidity conditions tightened significantly due to outflows related to the FGN bond auction settlement, treasury bills auction settlement, and funding obligations for the OMO bills auction, pushing the market into a net short position of NGN237.03bn, down from a positive position of NGN466.59bn in October. As a result, the Overnight and Open Repo) rates surged to 29.91% and 29.25%, reflecting increases of 846bps and 811bps from the previous month's rates of 21.45% and 21.14%. In the primary market, the Central Bank of Nigeria held two treasury bills auctions (offer size of NGN1.12tn), a bond auction (offer size of NGN120bn), an OMO auction (offer size of NGN300.00bn). At the treasury bills and bond auctions, stop rates across all instruments increased, reflecting heightened demand for higher returns to offset inflationary pressures. The average stop rates for treasury bills rose: the 91-day increased by 100bps to 18.00%, the 182-day by 100bps to 18.50%, and the 364-day by 285bps to 23.50%. Rates on the FGNB 2029 and FGNB 2031 bonds rose to 21.00% (+95bps) and 22.00% (+125bps), respectively. At the OMO auction, investors' interest was mainly at the long end of the curve, with the stop rate remaining unchanged at 24.28%.
	181-day T-bill	18.50*	16.77*	
	364-day T-bill	23.25*	19.88*	
Bonds 	S&P/FMDQ Nigeria Sovereign Bond Index	1.36	3.00	
	3 Year Federal Government Bond	2.33	1.39	
Eurobond 	3 Year Nigerian Sovereign Eurobond	2.13	8.49	Despite interest rate cuts by several global monetary policy committees and improved inflation pressures in countries like Ghana and Angola, risk aversion persisted across the Sub-Saharan African market. Negative sentiment was driven by Kenya's rising public debt, which increased by 1.90% year-on-year to US\$83.50bn, now accounting for nearly 72% of GDP. This debt rise was largely due to external loan disbursements, exchange rate fluctuations, and higher domestic borrowing. This came at a time when the IMF's executive board approved the seventh and eighth reviews of Kenya's USD3.60bn program, unlocking a USD606mn loan tranche for the country. In November, the Federal Government of Nigeria also revealed plans to raise USD1.70bn through Eurobonds and an additional USD500mn via Islamic Sukuk bonds to help address the projected NGN 9.10trn (USD5.20bn) budget deficit for 2024. By the end of the month, average yields on Nigerian sovereign bonds increased to 9.66%, up slightly from 9.63% in October.
	5 Year Nigerian Sovereign Eurobond	2.32	6.31	
Equites 	NGXASI	-0.15	30.40	The local bourse closed November on a bearish note, mainly influenced by continued profit-taking in leading stocks following the release of Q3 earnings. Stocks such as (OANDO: -27.55%, ETERNA: -24.36%, PRESCO: -7.29%, and SEPLAT: -7.02%, GUINNESS: -4.62%, NESTLE: -3.95%, NB: -3.57% and MTNN: -2.91%) recorded losses MoM. Sector performance was bullish, with the Insurance index leading with a 9.11% MoM gain, followed by the Banking Index (+3.39% MoM), Insurance Index (+3.20% MoM), the Consumer Goods index (+2.40% MoM) and the Industrial Goods index (+2.14% MoM) closing with the least gain. On corporate action, Transnational Corporation Plc (TRANSCORP) delisted from the local bourse as part of its share capital restructuring initiative. This restructuring consolidated the company's issued shares at a ratio of 1 for every 4 shares held, thereby reducing the company's issued and fully paid shares from 40.60bn to 10.20bn. Although, the share count decreased proportionately, the total value of shareholders' investments remains the same, with no dilutive impact on the shareholders. The company thereafter re-listed on the exchange after completing the restructuring exercise.
	NGX30	-0.04	31.40	

Movement in System Liquidity (NGNbn)



Movement in NGX-ASI Price Index



www.fbnquest.com/assetmanagement

16 Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos, Nigeria
 Tel: Tel: +234 (1) 2702290-4, +234 (0) 708 065 3100 Email invest@fbnquest.com
 An FBN Holdings Company

*Mean average stop rate at the Nigerian treasury bill auction

FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

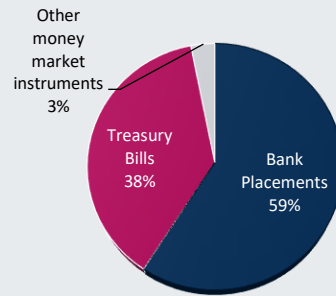
FBN Money Market Fund Overview

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	₦338.73bn
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.
Investment Horizon	90 days

Asset Allocation



Asset Class	Allocation Band
BANK PLACEMENTS	10%-75%
TREASURY BILLS	25%-80%
COMMERCIAL PAPERS	0%-15%

Fund Performance and Outlook

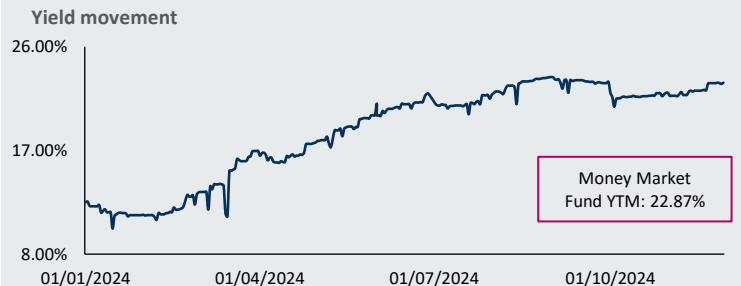
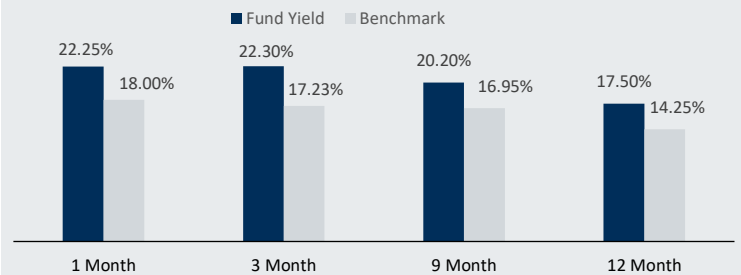
Fund Performance

The FBN Money Market Fund closed the month with a yield of 22.87%, 639bps above the benchmark rate of 16.48% and an average yield of 22.25% for the month of November 2024. The return was primarily driven by the Fund Manager's strategy to effectively manage and position the portfolio to respond to the changing yield environment.

Fund Outlook

Money market rates are anticipated to remain stable throughout this month, even with the scheduled FAAC disbursements and coupon payments. Nonetheless, we believe the CBN will likely utilize measures such as OMO operations to absorb surplus liquidity.

Historical Prices & Performance



FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

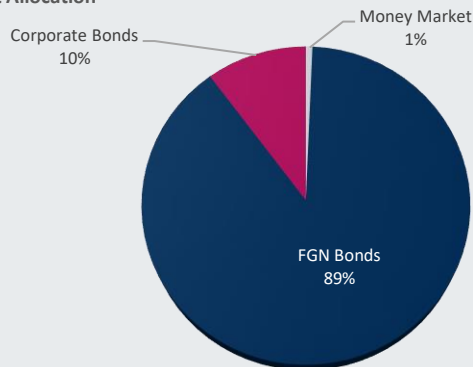
FBN Bond Fund Overview

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	₦23.61bn
Base currency	(₦)
NAV per share	₦1,687.90
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 T-bill rate
Investment Horizon	2-3 years

Asset Allocation



Asset Class	Allocation Band
FGN BONDS	15% - 75%
STATE GOVERNMENT BONDS	0% - 30%
CORPORATE BONDS	0% - 30%
MONEY MARKET INSTRUMENTS	25% - 75%

Fund Performance and Outlook

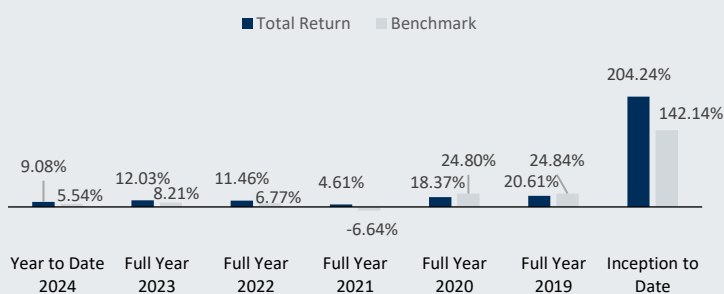
Fund Performance

The FBN Bond Fund ended the month with a Yield to Maturity of 11.44% and an annualized return of 9.99%. This performance is primarily driven by accrued income from various instruments, supported by ongoing monetary tightening and the DMO's continued emphasis on the short to medium segment of the yield curve.

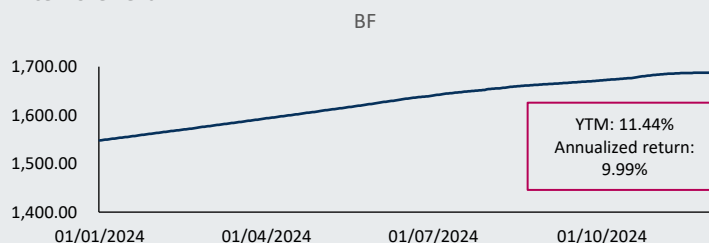
Fund Outlook

The fund manager will actively track changes in the interest rate landscape and strategically allocate investments to appealing instruments along the yield curve, aiming to optimize the fund's returns while considering the expected influence of shifting CBN and DMO policies.

Historical Prices & Performance



Price movement



www.fbnquest.com/assetmanagement

16 Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos, Nigeria
Tel: Tel: +234 (1) 2702290-4, +234 (0) 708 065 3100 Email invest@fbnquest.com
An FBN Holdings Company

FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

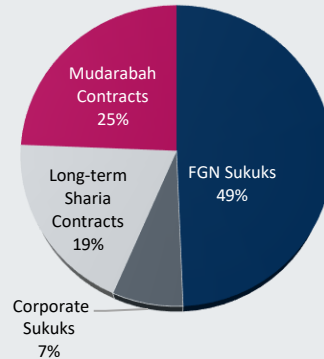
FBN Halal Fund Overview

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	₦7.99bn
Base currency	(₦)
NAV per share	₦141.5
Minimum investment	₦5,000
Minimum holding period	90 days
Income accrual	Daily
Income distribution	Annually
Total Expense Ratio	1.70%
Management fees	1.50%
Risk profile	Low-Medium
Custodian	Standard Chartered Bank
Benchmark	FGN 3 Year Benchmark Bond

Asset Allocation



Asset Class	Allocation Band
FGN SUKUK BONDS	10%-85%
CORPORATE SUKUK BOND	0%-70%
MUDARABAH CONTRACT	0%-80%
LONG TERM SHARIAH CONTRACTS	0%-55%

Fund Performance and Outlook

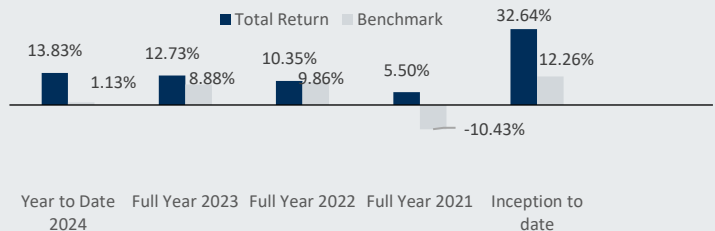
Fund Performance

The FBN Halal Fund concluded the month with a Yield to Maturity of 14.89% and an annualized return of 15.52%. This performance is attributed to accrued rental income from the Sharia-compliant assets in the portfolio. The ongoing monetary tightening, which has driven up conventional fixed-income yields, also impacted Sharia-compliant fixed-income instruments positively, thereby bolstering the Fund's returns.

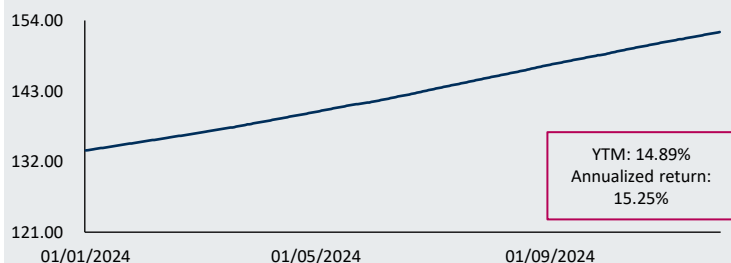
Fund Outlook

The fund manager will actively track trends in the non-interest capital market to effectively manage the Fund's duration. Furthermore, the Fund will remain aligned with Sharia-compliant investment principles while striving to sustain an appealing return profile.

Historical Prices & Performance



Price movement



FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

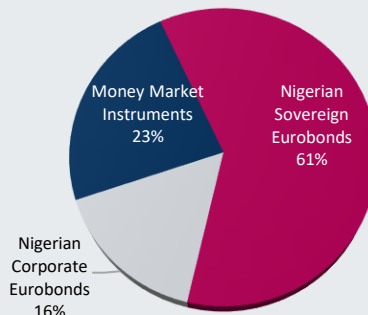
FBN Dollar Fund Overview

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 institution

Fund Facts	
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA
Fund launch date	4 January 2016
Fund size	\$33.98mn
Base currency	US Dollars (\$)
NAV per share	\$125.51
Minimum investment	\$100
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 T-bill rate
Custodian	Standard Chartered Bank
Investment Horizon	1-2 years

Asset Allocation



Asset Class	Allocation Band
FGN & CORPORATE EUROBOND	70% - 80%
NON-NIGERIAN ASSETS (US TREASURIES)	0% - 10%
MONEY MARKET INSTRUMENTS	0% - 30%

Fund Performance and Outlook

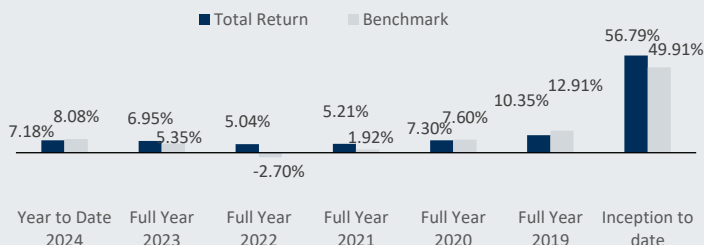
Fund Performance

The FBN Dollar Fund closed the month with a Yield to Maturity and an annualized return of 7.89%. This performance is attributed to the strong yield profile of the portfolio's instruments, which have been positively impacted by the US Federal Reserve's cautious approach in maintaining interest rates between 5.25% and 5.50% until inflation shows a consistent decline.

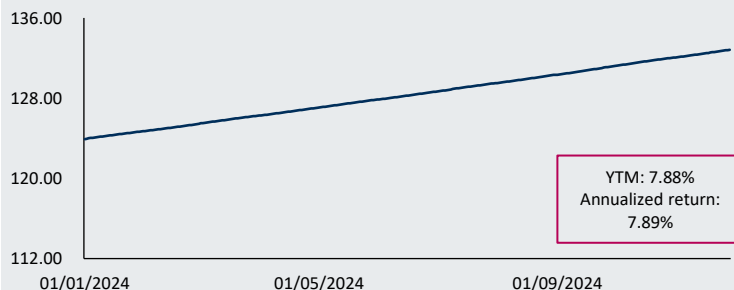
Fund Outlook

The fund manager will closely monitor key economic indicators reflecting the impact of the recent rate cut on the market. This will guide our asset selection within the Fund to optimize returns for unitholders.

Historical Prices & Performance



Price movement



FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

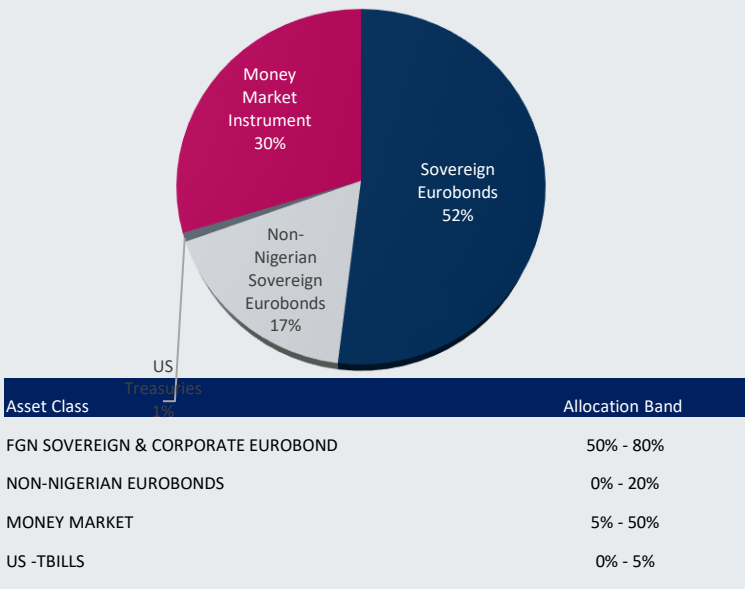
FBN Specialized Dollar Fund Overview

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	\$63.55mn
Base currency	US Dollars (\$)
NAV per share	\$117.82
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 T-bill rate
Investment Horizon	1-2 years

Asset Allocation



Fund Performance and Outlook

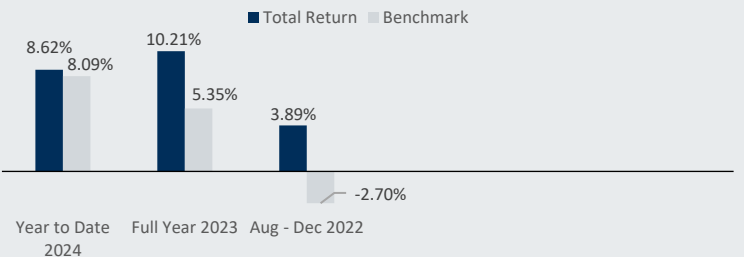
Fund Performance

The FBN Specialized Dollar Fund ended the month with a Yield to Maturity of 8.81% and an annualized return of 9.48%. This performance is attributed to the Fund's global fixed-income portfolio, which offers a competitive yield. The return has been further supported by the cautious monetary policies of global central banks as they strive to guide their economies toward achieving a "soft landing," mitigating recession risks while controlling inflation.

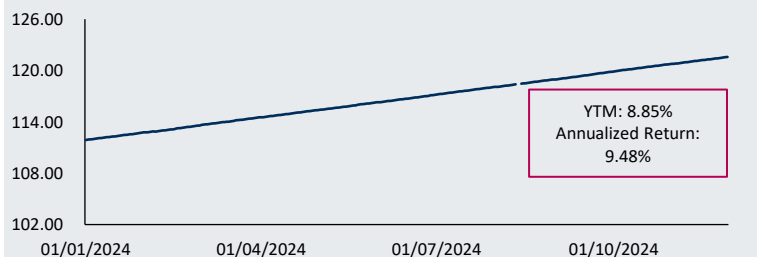
Fund Outlook

The fund manager will keep track of global central banks' stance on interest rates and the recovery of the African Eurobond market, particularly regarding new issues and the completion of debt restructuring. The manager will also adjust the Fund's duration actively to enhance performance.

Historical Prices & Performance



Price movement



www.fbnquest.com/assetmanagement

16 Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos, Nigeria
Tel: Tel: +234 (1) 2702290-4, +234 (0) 708 065 3100 Email invest@fbnquest.com
An FBN Holdings Company

FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

FBN Balanced Fund Overview

Investment Objective

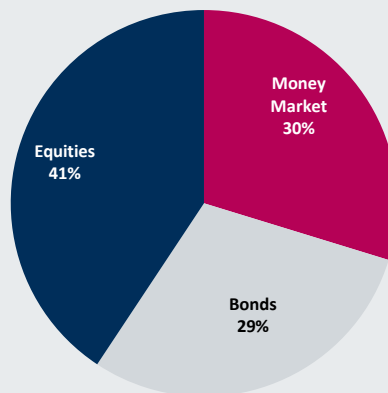
The Fund provides capital growth and downside protection to investors seeking exposure to equity. The downside is achieved through investments in less risky assets such as money market instrument and bonds

Fund Facts	
Fund Manager	Laura Fisayo-Kolawole, CFA Gbolahan Ologunro, ACCA
Fund launch date	1 April 2008
Fund size	₦9.20bn
Base currency	(₦)
NAV per share	₦307.69
Minimum investment	₦50,000
Minimum holding period	90 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 T-bill rate
Custodian	Citibank

Top 5 Equity Sector Exposure

Financial Services	24.48%
Industrial Goods	20.32%
Consumer Goods	16.03%
Oil and Gas	15.27%
Agriculture	14.09%

Asset Allocation



Asset Class	Allocation Band
NIGERIAN EQUITIES	40%-60%
MONEY MARKET INSTRUMENTS	20%-60%
NIGERIAN BONDS	20%-40%

Fund Performance and Outlook

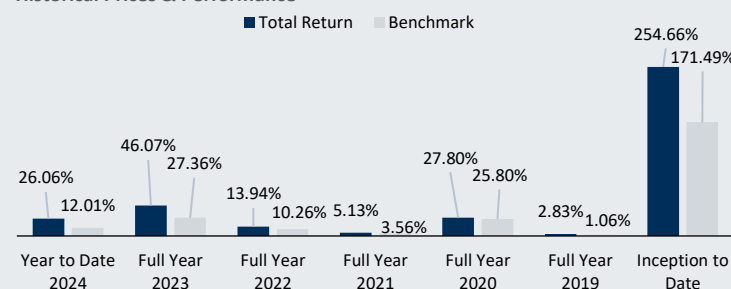
Fund Performance

The FBN Balanced Fund closed the month with a year-to-date return of 26.71% (October: 24.29%). The m/m improvement in the Fund's performance was buoyed by positive sentiments that accompanied corporate actions announced by tier one banks. The fund's exposure to the agriculture sector and non-financial services sector dragged the positive gains lower from the banking names and industrial players. Overall performance of the Fund was further bolstered by the Fund manager's proactive stance in rotating funds to the fixed income market to take advantage of attractive yields within the space.

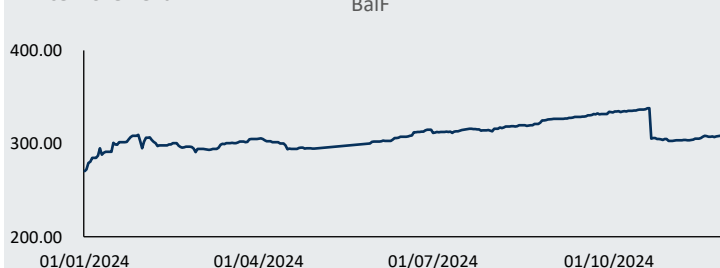
Fund Outlook

The fund manager will continue to leverage on the high yield environment in maximizing returns within the fixed income segment of the Fund. Coupled with selective cherry-picking activities in defensive stocks.

Historical Prices & Performance



Price movement



www.fbnquest.com/assetmanagement

16 Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos, Nigeria
Tel: Tel: +234 (1) 2702290-4, +234 (0) 708 065 3100 Email invest@fbnquest.com
An FBN Holdings Company

FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

FBN Smart Beta Equity Fund Overview

Investment Objective

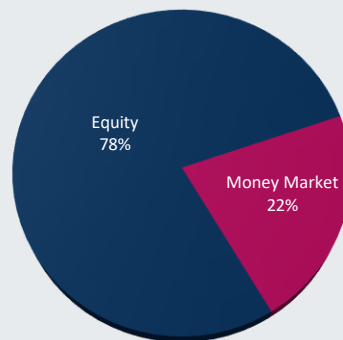
The Fund seeks to provide capital growth by selecting the best twenty (20) out of the forty (40) most capitalized stocks listed on the Nigerian Stock Exchange. The fund is appropriate for investors who want equities with the aim of outperforming the NGX 30.

Fund Facts	
Fund Manager	Laura Fisayo-Kolawole, CFA Gbolahan Ologunro, ACCA
Fund launch date	4 January 2016
Fund size	₦1.08bn
Base currency	(₦)
NAV per share	₦299.68
Total Expense Ratio	1.63%
Annual management fee	1.50%
Minimum investment	₦50,000
Risk profile	High
Minimum Holding Period	90 days
Benchmark	NSE 30
Custodian	Standard Chartered Bank

Top 5 Equity Sector Exposure

Financial Services	60.39%
Agriculture	17.31%
Industrial Goods	11.64%
Oil and Gas	10.66%

Asset Allocation



Asset Class	Allocation Band
NIGERIAN EQUITIES	70% - 100%
MONEY MARKET INSTRUMENTS	0% - 30%

Fund Performance and Outlook

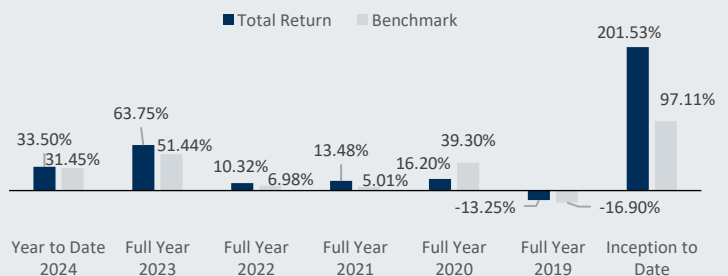
Fund Performance

The FBN Smart Beta Equity Fund closed the month with a year-to-date return of 33.51% (October: 32.08%). The marginal increase in the m/m fund's performance primarily reflects the gains from its strategic overweight position in banking stocks which were the main drivers of activities in the month. Aftermath effect of strong Q3:2024 earnings result, coupled with corporate actions during the period further strengthened the fund's outperformance.

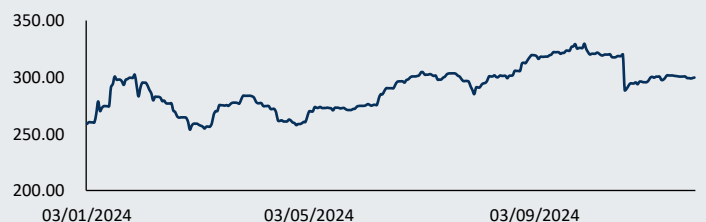
Fund Outlook

The fund manager will continue to assess the fundamental factors underpinning stock selection to manage long-term equity volatility within the passive strategy. In addition, continued trading activities in the money market portfolio are expected to support the overall performance of the fund.

Historical Prices & Performance



Price movement



www.fbnquest.com/assetmanagement

16 Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos, Nigeria
 Tel: Tel: +234 (1) 2702290-4, +234 (0) 708 065 3100 Email invest@fbnquest.com
 An FBN Holdings Company

FBN Mutual Funds Factsheet

All data as of 30th November 2024 unless otherwise stated

PUBLIC

Outlook

- **Global economy** –In the coming month, we expect investors to closely monitor the policies and statements from the newly appointed President of the United States, Donald Trump, regarding the new measures he plans to implement upon taking office in 2025. These policies are likely to influence investor sentiment in both the global financial and commodity markets. Additionally, the global market will likely focus on the ongoing geopolitical tensions in the Middle East as Israel and Hamas work towards an agreement to resolve the over-year-long conflict. Furthermore, during the month, the Organization of the Petroleum Exporting Countries (OPEC) will hold their monthly meeting, where they are expected to maintain their voluntary production cuts in an effort to support oil prices.
- **Equity:** We expect the local bourse to eke out a gain in the last month of the year due to bargain-hunting activities by early birds in dividend paying stocks. Toward the end of Q4 2024, we foresee selective buying among investors, focusing on fundamentally strong stocks as they position for the upcoming financial season. However, unlike historical trends, we think the magnitude of gains will be marginal given high yield fixed-income environment.
- **Fixed Income:** As the year draws to a close, we anticipate increased activity in the fixed income market as asset management firms and investors realign their portfolios to meet their investment objectives. This is expected to influence yield movements throughout the month. Additionally, market activity will be supported by enhanced liquidity from the expected inflows of approximately NGN 217bn in coupon payments, which could exert downward pressure on yields. However, we foresee inflationary pressures driving investors to seek higher stop rates at the primary market auctions scheduled for next month.
- **Eurobonds:** We expect the SSA sovereign and corporate Eurobond markets to experience mild pressure due to cautious trading, following the recent more dovish tone from the US Federal Reserve regarding rate cuts.

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.

www.fbnquest.com/assetmanagement

16 Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos, Nigeria
Tel: Tel: +234 (1) 2702290-4, +234 (0) 708 065 3100 Email invest@fbnquest.com
An FBN Holdings Company