

## FBN Mutual Funds Factsheet

All data as of 28<sup>th</sup> March 2025 unless otherwise stated

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## Executive Summary

Global tensions escalated in March as President Trump raised tariffs on Chinese imports to 20%, prompting China to impose retaliatory tariffs on U.S. agricultural goods. A temporary exemption for USMCA-compliant auto trade runs until April 2. The U.S. also weighed new sanctions on Russia over Ukraine and pursued a nuclear deal with Iran. Additionally, a 25% tariff on imports from countries buying Venezuelan oil, targeting China and India, takes effect on April 2, potentially tightening global energy supply and driving inflation.

March headline inflation in the U.S. slowed to 2.80% YoY supported by milder shelter cost increases and lower airline fares. A similar trend was seen in the inflation stats for the Eurozone (2.20% YoY) and UK (2.80%), on the back of slower energy prices. Resultantly, The U.S. Fed held rates at 4.25%-4.50% at its monetary policy meeting and slowed quantitative tightening, reducing Treasury runoff to USD5bn monthly. Also, the Bank of England kept rates at 4.50% (8-1 vote), pausing rate cuts amid persistent inflation and global uncertainty.

In Sub-Saharan Africa, Kenya's inflation edged up to 3.6% YoY in March (vs. 3.5% in February), the highest in six months, driven by rising food prices, particularly tomatoes, sukuma wiki, and potatoes. Meanwhile, Ghana's central bank raised its monetary policy rate by 100 bps to 28%, citing persistent inflationary pressures. Although consumer inflation in Ghana eased slightly to 23.1% in February (from 23.5% in January), it remains well above the Bank of Ghana's 8% target.

The National Bureau of Statistics Nigeria's headline inflation eased for the second straight month to 23.18% in February (vs. 24.48% in January), driven by a slowdown in food inflation (23.51% vs. 26.08%). This was supported by improved supply, a stable exchange rate, and lower energy costs. However, core inflation rose to 23.01% (vs. 22.59%), reflecting higher costs in transportation, hospitality, and communication, exacerbated by a 50% telecom tariff hike.

According to the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), Nigeria's crude oil production fell 3.77% MoM to 1.67mbpd in February, down from 1.74mbpd in January. The decline was widespread, with key terminals like Forcados (-12.53%), Bonny (-21.81%), and Escravos (-13.47%) experiencing lower output due to operational disruptions, pipeline leaks, and crude theft.

In Q4:24, Nigeria's total foreign trade rose by 68.3% y/y to NGN36.60trn, largely due to the naira's sharp depreciation (-48.1% y/y to NGN1,620.15/USD), though trade in real terms declined 12.7% y/y to USD22.59bn. Exports fell 18.2% y/y due to lower oil production (1.54 mb/d) and weaker oil prices (USD74.21/bbl), while imports declined 4.9% y/y, driven by a 22.7% drop in petroleum imports amid increased domestic refining, though non-oil imports rose 7.1% on improved FX liquidity. Consequently, the trade balance shrank by 51.2% y/y to USD2.11 billion, though FY24 surplus improved to USD11.34 billion (vs. USD7.86 billion in 2023).

Nigeria and Brazil signed a deal, officially launching the commercial phase of a USD1.10 billion Green Imperative Project (GIP) in March. The deal builds on previous agreements since 2018 and is said to be the continent's largest agricultural initiative, centered on sustainable, low-carbon farming methods.







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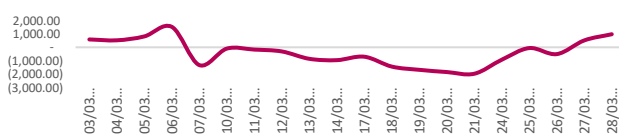
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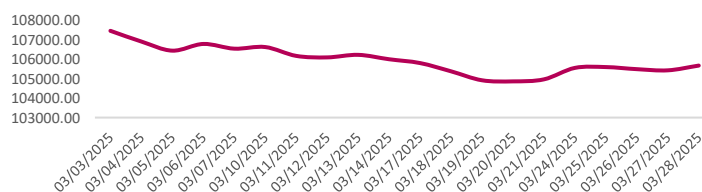
### Executive Summary

Asset Class	Benchmark	1M (March)%	Year to Date (%)	Commentary
<b>Money Market</b> 	91-day T-bill	17.50*	17.63*	<p>At the end of March, significant inflows from primary market repayments (NGN4.1trn) and SLF (NGN16.5trn) outweighed outflows via OMO sales (NGN1.6trn), PMAs (NGN3.1trn), and SDF (NGN5.2trn), leading to a positive net close system liquidity of NGN969.8bn (vs NGN130.9bn in February). However, the OPR and OVN rates closed high at 32.4% and 32.9% (vs 26.8% and 27.3% in February) respectively. At the March PMA, the CBN issued NGN1.68trn in OMO bills, primarily 355-day (19.2%) and 362-day (19.5%) tenors, with a high bid-to-cover ratio of 3.1x (vs 2.5x in February), showing strong demand. Similarly, NGN2.7trn in treasury bills was offered, with subscriptions totaling NGN1.4trn. The long-end of the curve saw the highest demand (bid-to-offer ratio: 5.2x), however, average stop rates across the three tenor instruments declined to 17.5%, 18.1% and 18.9% (from 17.5%, 18.3% and 19.4% in February) for 91-day, 182-day, and 364-day bills, respectively. In the secondary treasury bills market, average yields fell 0.8ppts m/m to 19.4%. at the last week in March, market activity was bearish, with selloffs on the AUG-25 and SEP-25 maturities, pushing yields on the instruments higher by +42bps and +44bps to 19.1% and 19.4% respectively. In the bonds market, the DMO reopened FGN APR 2029 (NGN200bn) and MAY 2033 (NGN100bn) bonds, with a low bid-to-offer ratio: 1.8x vs 4.7x in February. Consequently, NGN95.9bn and NGN327.7bn were allotted, while marginal rates fell to 19.0% from 19.2%, for the 2029 instrument. In the secondary bond market, bearish sentiment pushed average yields up marginally by 0.1%ppts to 18.7%, led by selloffs on the MAR-35 and MAR-36 instruments, which saw respectively their yields higher m/m by +0.59ppts and 0.46ppts to close March at 19.0 and 18.8%.</p>
	181-day T-bill	18.14*	18.26*	
	364-day T-bill	18.95*	19.87*	
	S&P/FMDQ Nigeria			
<b>Bonds</b> 	Sovereign Bond Index	0.61	6.43	
	3 Year Federal Government Bond	0.92	8.57	
<b>Eurobond</b> 	3 Year Nigerian Sovereign Eurobond	-1.77	2.33	<p>In March, the Eurobond market experienced bearish sentiments driven by investor worries over the economic impact of President Donald Trump's policies. Overall, the average mid-yield for Nigerian Eurobonds increased by 69bps m/m to 9.36%. Furthermore, the International Monetary Fund (IMF) suspended Senegal's \$1.8 billion credit facility pending a review of the country's finances. This suspension followed the discovery of misreported economic data under the previous administration, which revealed that the country's debt and budget deficit were significantly larger than previously reported. At the end of 2023, Senegal's outstanding debt reached 99.7% of GDP, up from a previously reported 74.4%. Meanwhile, Kenya applied for a new lending program with the IMF, which will incorporate unused funds from its current program. The two parties recently agreed to end the ninth review of the existing program, which was set to expire next month, leading to a decline in Kenya's dollar bonds.</p>
	5 Year Nigerian Sovereign Eurobond	-2.79	1.69	
<b>Equites</b> 	NGXASI	-2.00	2.66	<p>The Nigerian stock market was largely bearish in March, with broad sell-offs across all sectors. The NGX-ASI declined -2.0% m/m to 105,660.64 points, reducing YTD gains to 2.9% from 4.8% in February. However, the market showed a rebound in the final trading week of March, driven by strong earnings and dividend announcements from banking stocks such as FBNH, FCMB, FIDELITYBK, GTCO, and ZENITHBANK, resulting in a 0.7% weekly gain on the last trading day. Despite this, sector performance remained negative, with all indices showing m/m losses: Oil &amp; Gas (-4.0%), Industrial Goods (-3.6%), Insurance (-2.5%), Consumer Goods (-1.3%), and Banking (-0.5%). On corporate actions, Aradel Holdings Plc has reinforced its market presence through an equity investment in Renaissance Africa Energy Holdings, which led the acquisition of Shell Petroleum Development Company of Nigeria (SPDC). Meanwhile, the NNPC Ltd announced it is in the final stages of its IPO, a move set to reshape Nigeria's energy sector. Additionally, MRS Oil Nigeria Plc is voluntarily delisting from the NGX to join the NASD OTC Securities Exchange, following shareholder approval at its June 25, 2024, EGM. In compliance with NGX regulations, dissenting or absent shareholders can claim compensation between April 4 and July 4, 2025, pending final approval from the SEC and NGX.</p>
	NGX30	-2.06	2.87	

Movement in Liquidity (NGN\*bn)



Movement in NGX-ASI Index



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\*Mean average stop rate at the Nigerian treasury bill auction

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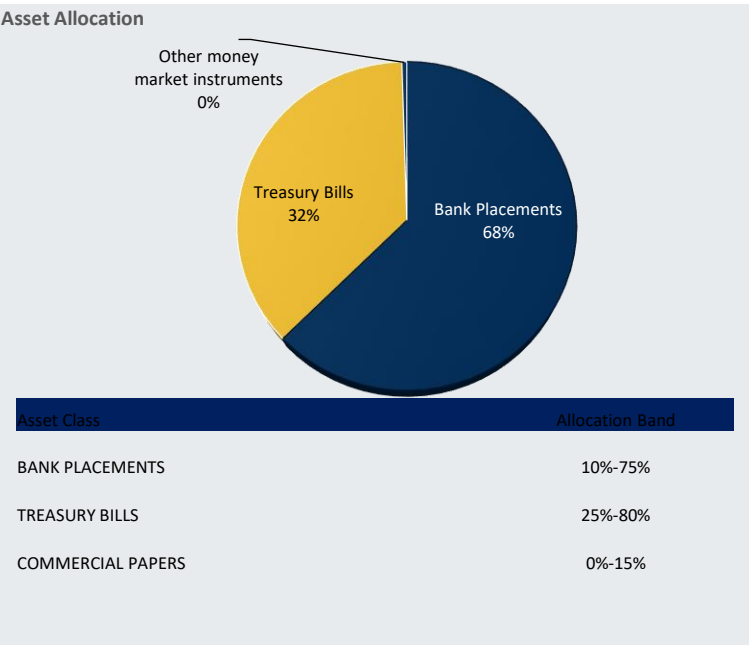
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FBN Money Market Fund Overview

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	₦411.10bn
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



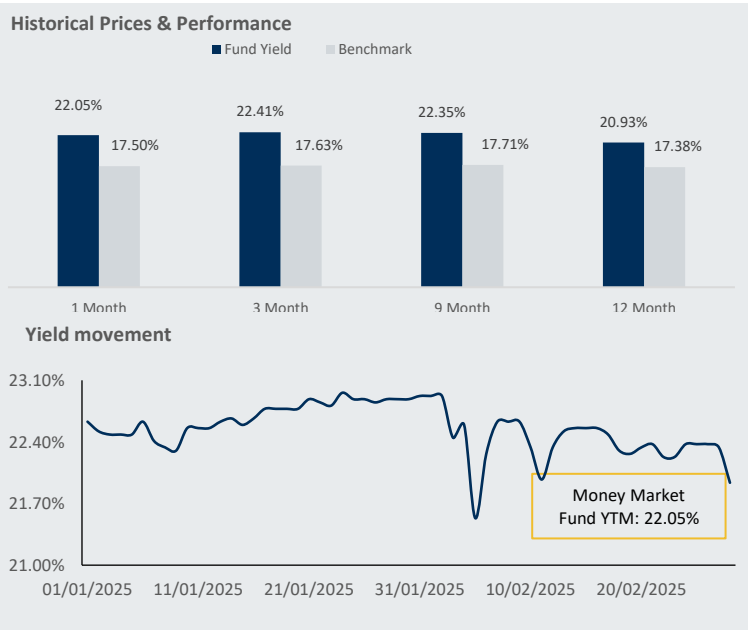
Fund Performance and Outlook

Fund Performance

The FBN Money Market Fund closed the month with a yield of 22.05%, above the benchmark rate of 17.50% and an average yield of 22.00% for the month of March 2025. The return was primarily driven by the Fund Manager’s strategy and effectively manage the fund's duration and security selection to maximize returns to unitholders.

Fund Outlook

Money market rates are expected to remain elevated in the coming month with the expected reduction in system liquidity and increased borrowing needs. The Fund is however strategically positioned to maximize returns to unitholders amidst the elevated interest rate environment.



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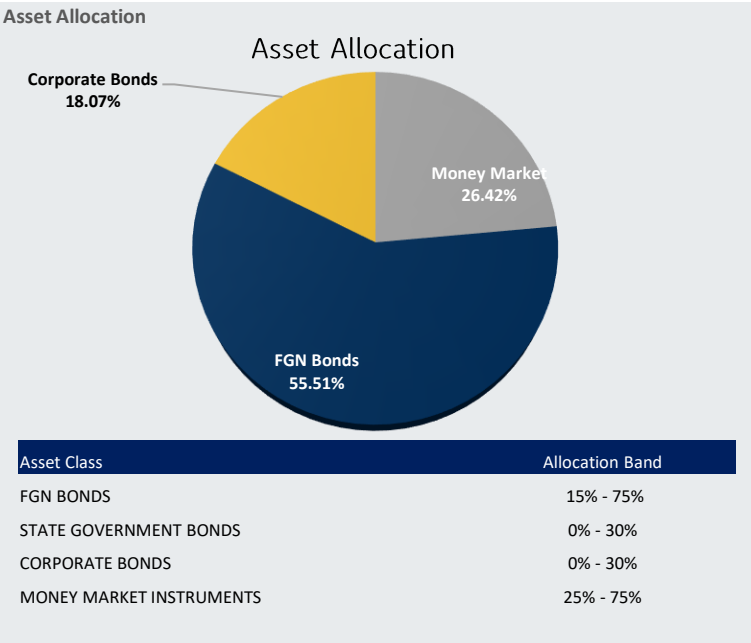
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FBN Bond Fund Overview

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	₦13.03bn
Base currency	(₦)
NAV per share	₦1,700.74
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



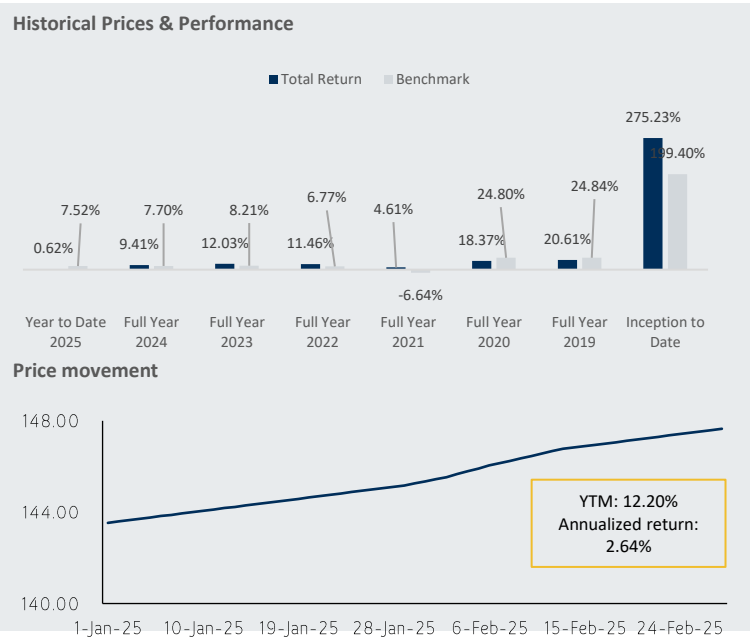
Fund Performance and Outlook

Fund Performance

The FBN Bond Fund ended the month with a Yield to Maturity of 12.20%. This performance is largely attributed to accrued income from various instruments, bolstered by improvement in rates at the short- to medium-term segment of the yield curve.

Fund Outlook

The fund manager will continue to actively monitor changes in interest rate trends and strategically allocate portfolio asset to attractive instruments across the yield curve, seeking to maximize returns to unitholders.

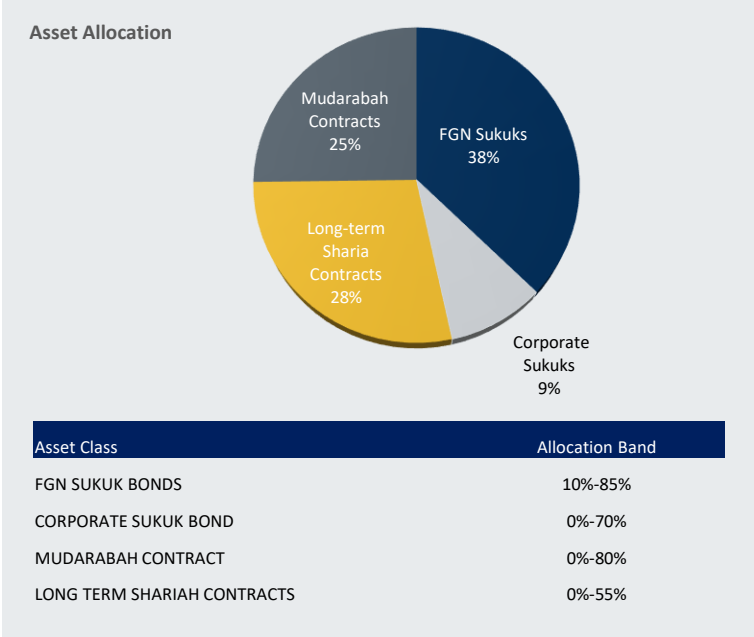


FBN Halal Fund Overview

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	₦5.21bn
Base currency	(₦)
NAV per share	₦147.65
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



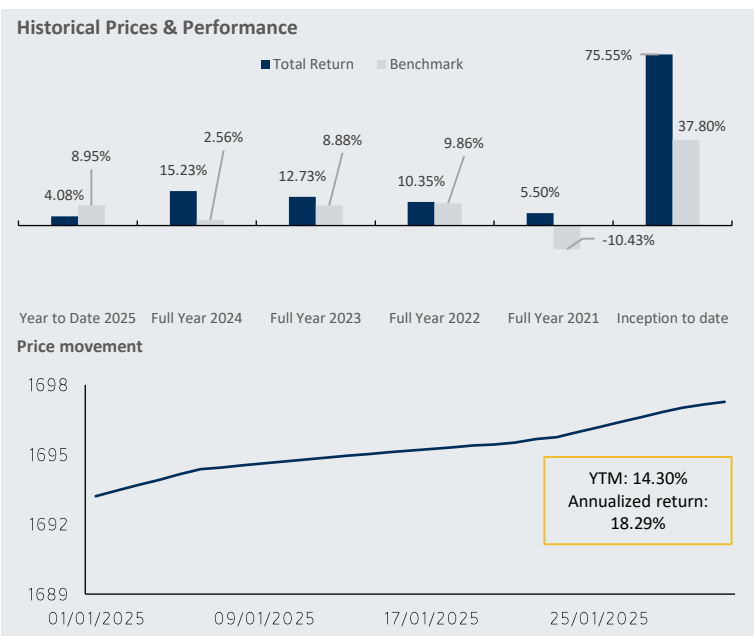
Fund Performance and Outlook

Fund Performance

The FBN Halal Fund concluded the month with a Yield to Maturity of 14.30% and an annualized return of 18.29%. This performance is attributed to accrued rental income from the Sharia-compliant assets in the portfolio in line with the elevated interest rate environment.

Fund Outlook

The fund manager will continue to actively monitor trends in the non-interest capital market to efficiently manage the Fund's investment duration. Additionally, the Fund will adhere to Sharia-compliant investment principles for investments while maintaining an attractive return profile.



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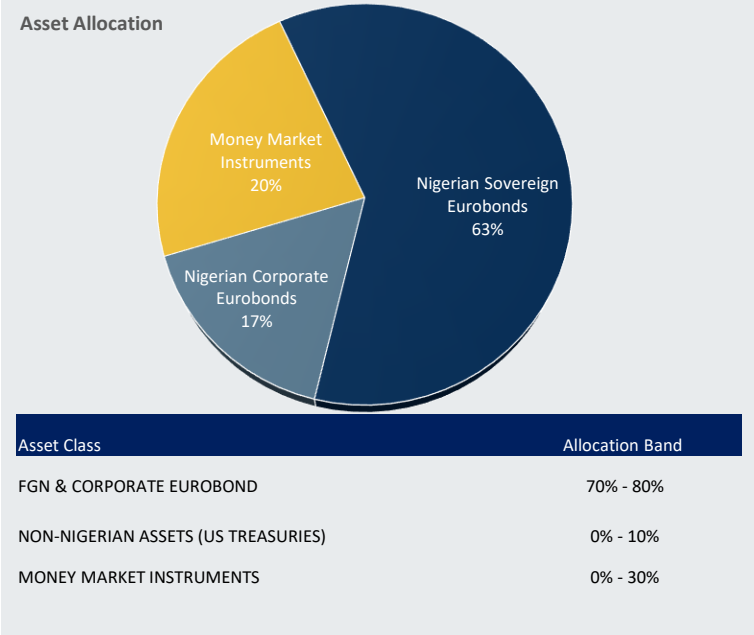
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FBN Dollar Fund Overview

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 institution

Fund Facts	
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA
Fund launch date	4 January 2016
Fund size	\$32.99mn
Base currency	US Dollars (\$)
NAV per share	\$127.96
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



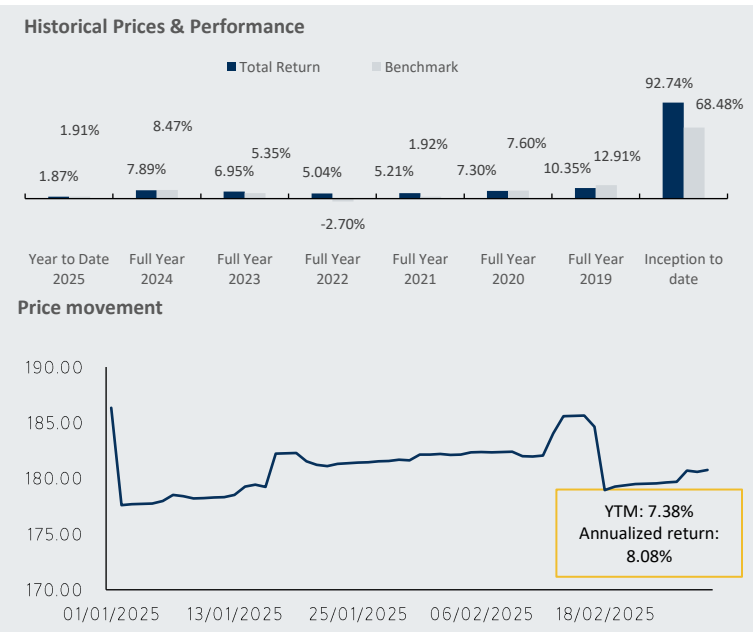
Fund Performance and Outlook

Fund Performance

The FBN Dollar Fund closed the month with a Yield to Maturity of 7.38% and an annualized return of 8.08%. This performance is driven by the strong yield profile of the portfolio's instruments amidst the declining USD interest rate environment.

Fund Outlook

The fund manager will actively track key economic indicators to assess the market impact of interest rate decisions. These insights will inform our asset selection strategy within the Fund, ensuring optimal returns for unitholders. Additionally, the manager will actively manage the Fund's duration and navigate the declining interest rate environment to optimize the Fund's performance.





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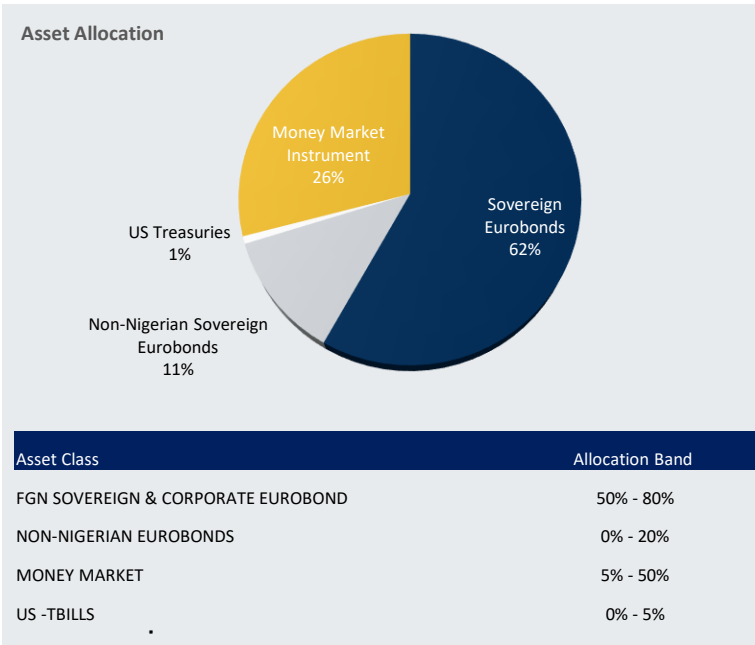
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FBN Specialized Dollar Fund Overview

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	\$80.69mn
Base currency	US Dollars (\$)
NAV per share	\$120.36
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



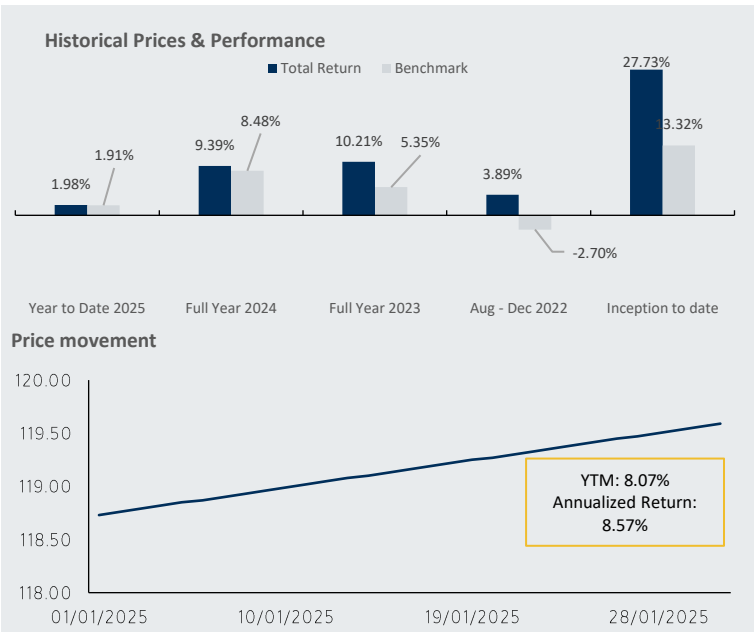
Fund Performance and Outlook

Fund Performance

The FBN Specialized Dollar Fund ended the month with a Yield to Maturity of 8.07% and an annualized return of 8.57%. The Fund's global fixed-income portfolio, delivering a competitive yield, has driven this performance.

Fund Outlook

The fund manager will monitor global central banks' interest rate policies and the gradual recovery of the African Eurobond market, focusing on the expectation of new issuances and debt restructuring progress. Additionally, the manager will actively manage the Fund's duration and navigate the declining interest rate environment to optimize the Fund's performance.



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### FBN Balanced Fund Overview

#### Investment Objective

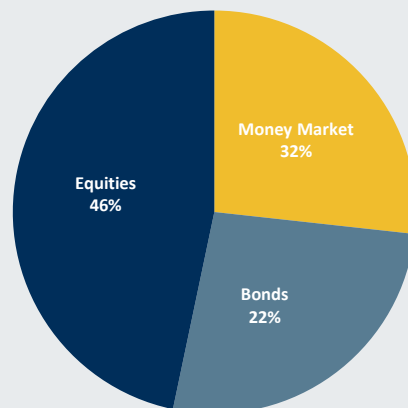
The Fund provides capital growth and downside protection to investors seeking exposure to equity. The downside is achieved through investments in less risky assets such as money market instrument and bonds

Fund Facts	
Fund Manager	Laura Fisayo-Kolawole, CFA Gbolahan Ologunro, ACCA
Fund launch date	1 April 2008
Fund size	₦10.00bn
Base currency	(₦)
NAV per share	₦344.31
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	26.82%
Agriculture	20.25%
Industrial Goods	17.46%
Oil and Gas	13.40%
Consumer Goods	12.62%

#### Asset Allocation



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

### Fund Performance and Outlook

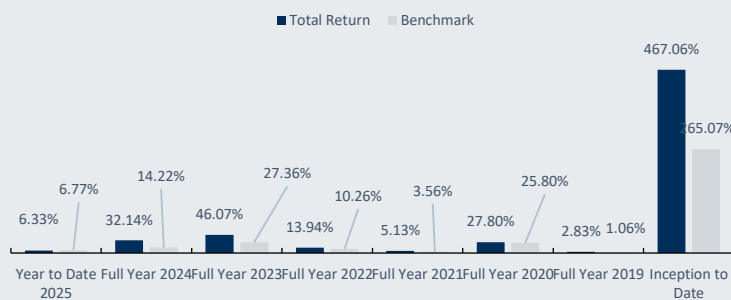
#### Fund Performance

The FBN Balanced Fund closed the month with a year-to-date return of 6.33%, slightly higher than 6.23% in the previous month. The fund's performance was suppressed by the bearish sentiment in the domestic equities market. Notwithstanding, the fund manager's proactive asset reallocation into fixed income instruments capitalized on locking-in attractive yields, further strengthened overall returns.

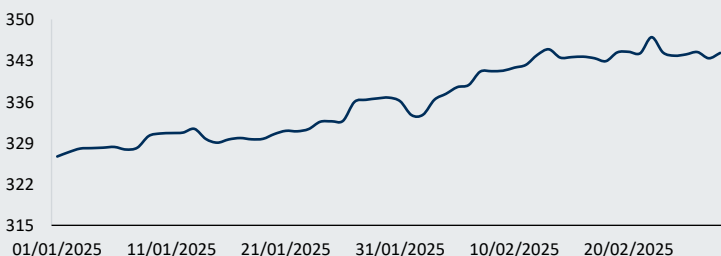
#### Fund Outlook

The fund manager plans to invest in cyclical stocks in anticipation of Q1 2025 earnings, as more dividend declarations are expected. Additionally, we will strategically position ourselves in the fixed income market, as we expect yields to remain high due to tighter system liquidity and increased government borrowing, aiming to optimize returns.

#### Historical Prices & Performance



#### Price movement





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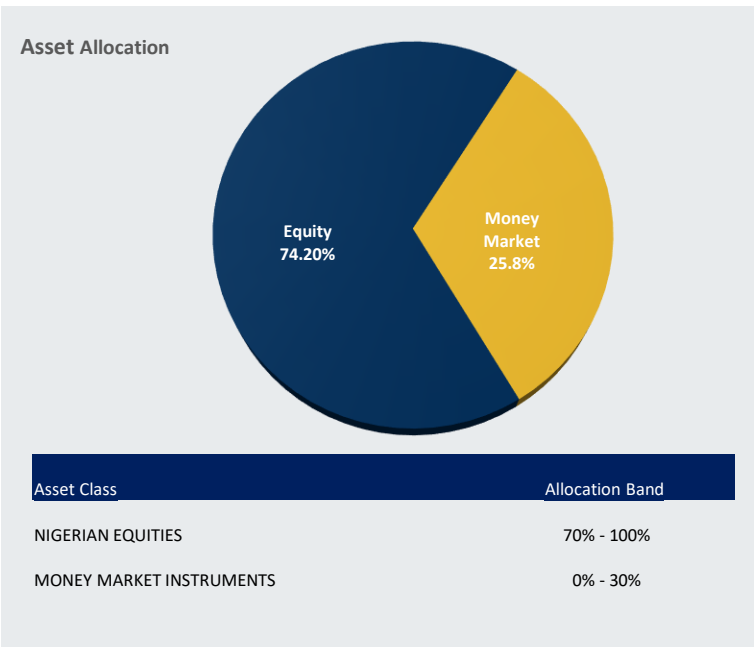
FBN Smart Beta Equity Fund Overview

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 Ogunro, ACCA
Fund launch date	4 January 2016
Fund size	₦1.53bn
Base currency	(₦)
NAV per share	₦360.84
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	55.45%
Industrial Goods	20.36%
Agriculture	19.06%
Oil and Gas	5.13%



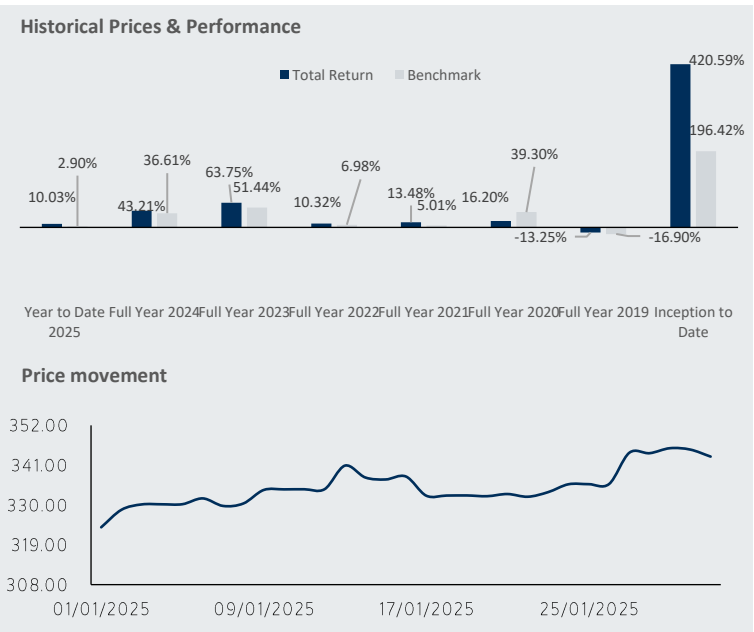
Fund Performance and Outlook

Fund Performance

The FBN Smart Beta Equity Fund ended the month on a positive note, delivering a year-to-date return of 10.03%, down from 11.43% in the previous month (NSE 30: 5.20%; NSE ASI: 4.72%). This performance mirrored the bearish tone in the local bourse as selloffs ruled the market. The fund’s gains were driven by its strategic overweight in banking stocks, alongside targeted exposure to agro-related names and industrials. The fund manager also proactively rotated funds into the fixed income market, to support performance.

Fund Outlook

The fund manager remains committed to a rigorous evaluation of fundamental factors guiding stock selection, ensuring the effective management of long-term equity volatility within the fund. Additionally, active trading in the money market portfolio is expected to further support the fund’s overall performance.



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### Outlook

- **Global economy** –In April, the global economy faces a volatile landscape shaped by economic and political factors, including the risk of a U.S. government shutdown, new tariffs, evolving central banks policies, and political shifts in Europe. Additionally, global markets remain on edge over the ongoing trade wars, with retaliatory tariffs potentially disrupting supply chains and economic growth.
- **Equity:** In the month of April, market activity is expected to focus on dividend-paying stocks. On a P/E multiple basis, the NGX is trading at 9.27x, below its ten year mean of c.12x. Investors are likely to hunt for bargains in banking stocks underpinned by strong fundamentals and attractive dividend yields. Also, we think the early bids will begin positioning in cyclical stocks ahead of Q1 2025 earnings even as more dividend declarations kick in.
- **Fixed Income:** We expect higher fixed-income yields in April, driven by tighter system liquidity and the government's increased funding needs from proposed Sukuk and bond issuances. While NGN652bn in OMO maturities will provide some early liquidity relief, total projected inflows of NGN3.3trn remain significantly lower than March (NGN4.8trn) and February (NGN6.8trn) inflows, reinforcing upward pressure on yields.

### 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 risk profile of the Funds range from 'Low-High' 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.