

February 28, 2018

Investment Objective

The fund's investment objective is to provide capital preservation and regular income to unit holders by investing in high-quality money market instruments.

Fund Overview

Inception Date	13 th Oct 2016
Financial Year End	31st December
Fund's NAV	N4.20 Billion
Price	N100
Benchmark	91-day T-Bill
Income distribution	Quarterly
Minimum Investment	N10,000
Subsequent Investment	N5,000
Annual Management Fee	1.00%
Risk profile	Low

*As at 28th February 2018

Target Investors

The Cordros Money Market Fund is an attractive investment option for retail, high net-worth individuals and institutional investors:

- with low risk appetite
- who seek safety and preservation of capital;
- that want to maximize current income
- who require regular income from the fund in the form of quarterly dividends.
- and have a short-term investment horizon.

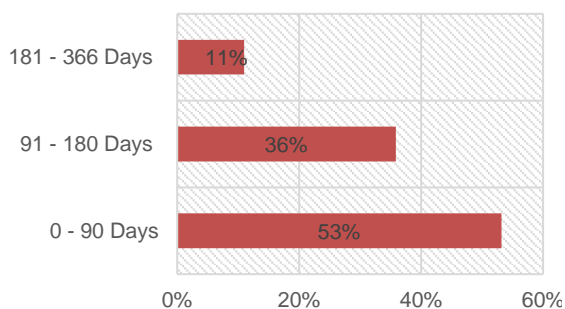
Benefits to Investors

- ⇒ Investment in low-risk short-term money market securities
- ⇒ Diversification
- ⇒ Capital preservation
- ⇒ Liquidity and Ease of entry and exit
- ⇒ Professional Management
- ⇒ Affordability
- ⇒ Competitive return with minimum investment

Fund Performance

The fund's yield as at the end of February, 2018 was 15.68% per annum while the weighted average Day to Maturity (DTM) was 90 days.

Maturity Mix (%)



Market Commentary

The overnight lending rate averaged 19.6% (vs 10.8% in January) indicating an 878-bps expansion, m/m. Sentiments in the NTB secondary market were mixed with average yield expanding by 690 bps to 14.57% on the short end (91 days), while the mid (182 days) and long (365 days) increased by 810 bps to 15.54% and 130 bps to 15.42% respectively. Two primary auctions were conducted during the month by the CBN and at the second auction, there was significant reduction in the supply size from earlier advised amount. Due to the unfilled demand, yields closed lower across all tenors by month end - 91-day closed at 11.85% (previously 11.95%), 182-day closed at 13.50% (previously 13.65%), and 364-day closed at 13.50% (previously 13.70%).

CMMF* Vs 91-day T-Bill**

Period	Q1' 17	Q2' 17	Q3 '17	Q4 '17	Feb-18
CMMF	19.26%	18.74	18.95%	18.62%	16.03%
91 Day T bills	15.07%	17.88%	17.95%	15.73%	13.84%

*Quarterly and February average yields of the Cordros Money Market Fund.

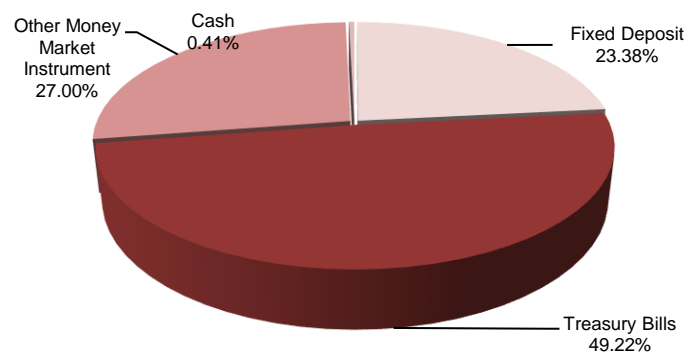
**Quarterly and February average yields of the 91-day T-bill.

Market Outlook

In February, we saw encouraging GDP figures for Q4 2017 and abating inflation. Steady oil production, improved business and consumer confidence, and the agricultural sector were contributory to 4Q17 GDP growth of 1.9% y/y, from 1.4% the previous quarter. This places average growth for 2017 at 0.8%. January's headline inflation printed at 15.13% YoY, lower than prior month's inflation of 15.4%. Despite this deceleration, upside risk to inflation persists given various price pressures still existing in the economy. We maintain our interest rate outlook and reiterate that the magnitude of rate cuts by the CBN will be limited by high inflationary pressures on the back of large projected government spending in 2018 and the need to provide continuous support for a still relatively weak currency. As such, the Fund Manager will increase allocation to asset classes that offer premium to government treasury bills without significantly increasing the Fund's duration.

Asset Allocation Range

Instrument	Range
Fixed Deposit	10% - 60%
Treasury Bills	25% - 80%
Other Money Market Instruments [^]	10% - 65%



The daily annualized yield is stated net of fees and expenses.

The fund manager is required to maintain a stable NAV of N100. However, the price of investments and the income from them may rise or fall and investors may not get back the full amount invested.

*** Past performance is not a guarantee of future results.

[^]Other money market instrument includes unsubordinated short-term debt securities such as Bankers' Acceptances and Commercial Papers of companies, other Money Market Funds and other instruments introduced and approved by the Central Bank of Nigeria from time to time and as permissible under Securities and Exchange Commission Rules & Regulations.