

January 31, 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 <sup>th</sup> Oct 2016
Financial Year End	31st December
Fund's NAV	N3.58 Billion
Price	N100
Benchmark	91-day T-Bill
Benchmark Yield*	13.12%
Fund Yield	17.95%
Weighted Average DTM	89 Days
Income distribution	Quarterly
Minimum Investment	N10,000
Subsequent Investment	N5,000
Annual Management Fee	1.00%
Risk profile	Low

\*As at 1<sup>st</sup> 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.

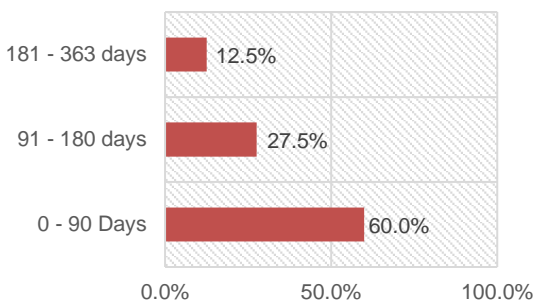
### Benefits to Investors

- ⇒ 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

Average yield for the month of January was 16.75% per annum while the weighted average Day To Maturity (DTM) was 89 days.

### Maturity Mix



### Market Commentary

The overnight money market rate expanded by 75 bps to 5.25% in January, compared to last month's close of 4.50%, following substantial outflows via OMO auctions and FX sales valued at NGN2.08 trillion and USD1.41 billion respectively. Sentiments in the NTB secondary market were mixed with average yield expanding by 220 bps to 13.18% on the short end (91 days), while the mid and long end contracted by 64 bps and 150 bps respectively to close at 13.42% (181 days) and 13.65% (above 335 days) respectively. Three primary market auctions were conducted during the month by the CBN, with two consistent themes -- oversubscription across all offered bills and lower-than-previous stop rates across board. At the last auction, demand remained solid, with yields declining on the 91-day (12.00%; previously 12.10%), 182-day (13.65%; previously 13.75%), and 364-day

### CMMF Vs 91-day T-Bill\*\*

Period	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Feb-18
CMMF	19.26%	18.74	18.95%	18.62%	17.95%
91 Day T bills	15.07%	17.88%	17.95%	15.73%	13.12%

\*\*2017 Quarterly Average & Yield as at 1<sup>st</sup> of February, 2018

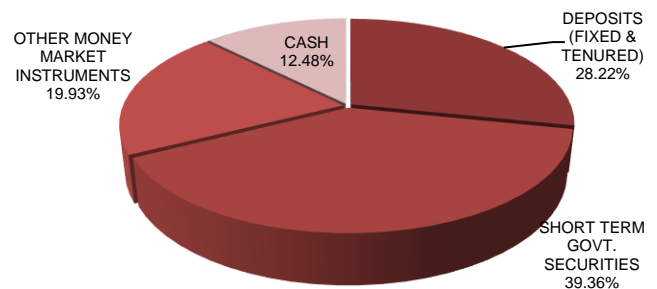
### Market Outlook

The first Monetary Policy Committee (MPC) meeting of 2018 slated for January could not hold due to inability to form a quorum as the presidential appointees are yet to get the requisite legislative confirmation. In view of this, the CBN hinted of plans to hold an emergency meeting of the MPC in the month of February, 2018. The last MPC statement of 2017 pointed to a rate cutting cycle by the Central Bank of Nigeria (CBN) in 2018; as such we continue to see declining yields across all government treasury bill tenors. As stated in our last factsheet, 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%

### Current Asset Allocation



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.