

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	13th October '16
Financial Year End	31st December
Fund Rating	A(f)
Rating Agency	Augusto & Co
Fund's NAV	N1.93 Billion
Price	N100
Benchmark	90 day treasury bill
Income distribution	Quarterly
Minimum Investment	N10,000
Subsequent Investment	N5,000
Annual Management Fee	1%
Risk profile	Low

Target Investors

The Cordros Money Market Fund is an attractive option for retail investors, high net-worth individuals and institutions (Corporates, societies, religious bodies, employee schemes amongst several others). In view of the fund's competitive return, it is particularly suitable for investors who seek:

- Safety and preservation of capital;
- A short to medium term investment horizon;
- Liquidity and regular stream of income as the fund is structured to pay dividend on a quarterly basis;

Benefits to Investors

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

Fund Performance

At the end of September, 2017 net yield on the Fund was 19.11% p.a.

Maturity Mix

Call	0.008%
1 - 30 days	2.53%
31 - 60 days	1.79%
61 - 90 days	3.69%
Over 90 days	91.69%

Market Commentary

The Nigerian economy exited recession after five consecutive quarters of negative growth with real GDP growing by 0.55% y/y in Q2 of 2017 from a revised -0.9% in Q1 2017. This marginal growth was mainly driven by improvement in FX liquidity, oil production regaining momentum and agricultural growth. In line with our expectation, the MPC maintained status quo leaving the Monetary Policy Rate at 14%, the Cash Reserve Ratio at 22.5% and the liquidity Ratio at 30%. Headline inflation decelerated to 16.01% year-on-year in August (vs. 16.05% in July). This represents the seventh consecutive month of price decline. The overnight money market rate expanded by 583 bps to 14.25% in the month of September vs. 8.42% the previous month, following substantial outflows from auctions and FX sales. Demand rebounded in the Nigerian Treasury Bills market, supported by relatively stable and improved system liquidity and partly renewed foreign investor interest. At the first NTB Auction, the Apex Bank sold N22.92 billion, N25.14 billion and N126.08 billion of the 91-day, 182-day and 364-day bills respectively at stop rates of 13.25%, 17.36% and 17.75% respectively. At the second PMA, rates came lower as the 91 day, 182 day and 364 day bills closed at 13.15%, 16.80% and 17.00% respectively. The apex bank continued to defend the Naira via continuous intervention in the FX market. However, the Naira weakened against the USD at the interbank market and remained flat at the parallel market.

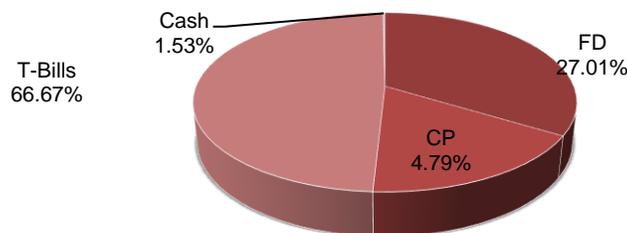
Market Outlook

While the recovery in economic activities remains fragile, we expect real GDP in Q3 2017 to inch slightly higher on the back of improvement in oil prices and FX liquidity. We expect the current downward trend in yield to be sustained in the months ahead as the CBN ensures interest rates are supportive of domestic production. Although, this posits reinvestment risk for the fund, it also provides profit taking opportunities for the fund. The fund manager will also ensure its asset allocation strategy is skewed in favour of high quality money market instrument with attractive yield.

Asset Allocation

Instrument	Range	Target
Fixed Deposit	10% - 60%	30%
Treasury Bills	25% - 80%	40%
Other Money Market Instruments*	10% - 65%	30%

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.