

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	N5.82 Billion
Price	N100
Benchmark	91 day T-Bill
Income distribution	Quarterly
Minimum Investment	N10,000
Subsequent Investment	N5,000
Fund Rating	Bbb-
Rating Agency	Agusto & Co. Ltd
Annual Management Fee	1.00%
Risk profile	Low

Target Investors

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

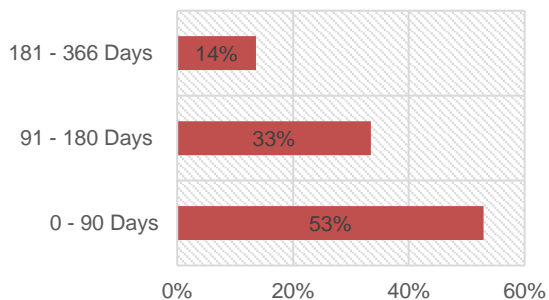
- with low risk appetite
- who seek safety and preservation of capital
- that want to maximize current income
- who require regular income from the fund in the form of quarterly dividends
- and have a short-term investment horizon.

Benefits to Investors

- ⇒ 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 July, 2018 was 12.29% while the weighted average Day To Maturity (DTM) was 83 days.



Market Commentary

Inflation extended deceleration (which started in 2017) to the eighteenth consecutive month. Headline inflation which was 11.14% y/y in July, moderated from 11.23% y/y in June. On month-on-month basis, the headline index increased by 1.13% (vs. 1.24% the previous month) – the first month-on-month decline since February 2018. The seventh month of the year saw treasury bill yields moderate, by 116 bps on average, to 11.82%, as buoyant liquidity drove bullish sentiments. Average yield fell across all ends (short: -164 bps, mid: -93 bps, and long: -70 bps) of the curve, with the 27-SEP-18 (-219 bps), 1-NOV-18 (-219 bps), and 31-JAN-19 (-137 bps) bills recording significant contractions, respectively. At the last Nigerian Treasury Bill (NTB) primary auctions for the month, 91-day, 182-day, and 364-day bills were allotted at respective stop rates of 10% (previously 10%), 10.5% (previously 10.5%),

CMMF Vs 91-day T-Bill

Period	Jan '18	Feb '18	Mar '18	Apr '18	May '18	Jun '18	Jul '18
CMMF*	16.75%	15.68%	14.98%	15.29%	14.20%	13.01%	12.29%
91 Day T bills*	13.18%	14.05%	14.64%	10.80%	11.93%	12.87%	10.94%

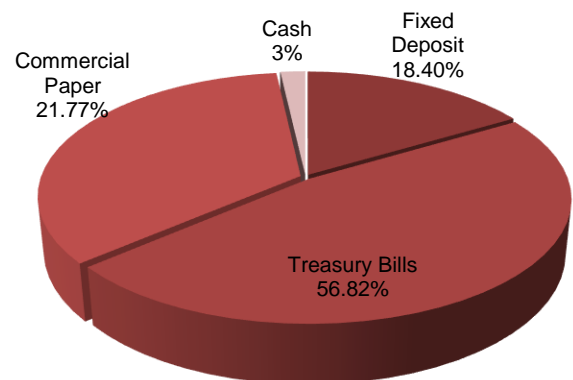
*Yields as at end of the month.

Market Outlook

We expect yields on money market instruments to inch up in the near term anchored on (1) domestic monetary policy direction, (2) capital flight amid higher yields in safe haven assets, (3) political uncertainty stemming from the upcoming general elections, and (4) government borrowing to fund the 2018 budget. As such, the Fund Manager sees merit in positioning for higher yields in H2 2018 at the OMOs by shortening duration and avoiding unattractive yields at the longer tenors. Furthermore, we reiterate our asset allocation strategy which will be skewed towards high quality money market instruments that offer premium to government treasury bills.

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.