

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	N716 Million
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 February, 2017 net yield on the Fund was 17.32% p.a. while average duration of assets closed at 87.19 days.

Maturity Mix	
Call	0.22%
1 - 30 days	49.04%
31 - 60 days	0.00%
Over 60 days	50.74%

Market Commentary

The Nigerian Bureau of Statistics (NBS) released Nigeria's Gross Domestic Product (GDP) report for the fourth Quarter ended December 2016. According to the report, the economy contracted 1.3%/y during the fourth quarter whilst showing a reduction from the -2.24% reported in the third quarter. Headline inflation accelerated to 18.72% year-on-year (vs. 18.55% in December 2016) owing to the sustained impact of high electricity tariff, pass through effect of a weak currency and increased transportation cost due to higher fuel price. Liquidity in the system remained tight as CBN continued aggressive issuance of Open Market Operations (OMO) bills to mop up excess liquidity. The CBN sold N104 billion at 18% for maturities between 156-227days while N517 billion was sold at 18.60% for long end maturities between 311-324days. At the primary market, the DMO via the CBN conducted two auctions. At the first NTB Auction, the Apex bank sold N45.18 billion, N80 billion and N 177.22 billion of the 91-day, 182-day and 364-day bills at respective stop rates of 13.79%, 17.24% and 18.54%. At the second PMA, rates were slightly lower as the 91 day, 182 day and 364 day bills closed at 13.69%, 17.15% and 18.44% respectively.

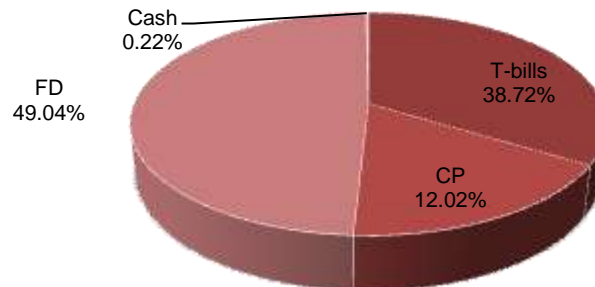
Market Outlook

Although we expect inflation rates to begin a downward trend from the month of February, we however opine that the MPC will maintain status quo at the next monetary policy committee meeting coming up on the 20th & 21st of March, 2017. In line with current spate of OMO issuances, we expect the apex bank to continue its aggressive mop up of system liquidity through continuous OMO. The fund manager will take advantage of volatility at the short end of the fixed income market to enhance fund performance.

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.