

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	N1.30 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 July, 2017 net yield on the Fund was 18.61% p.a.

Maturity Mix

Call	0.51%
1 - 30 days	44.28%
31 - 60 days	5.66%
61 - 90 days	11.98%
Over 90 days	37.27%

Market Commentary

According to released inflation figures from the Nigeria Bureau of Statistics for the month of June, the Consumer Price Index recorded deceleration for its fifth consecutive month. Headline inflation decelerated to 16.10% year-on-year in June (vs. 16.25% in May) attributable to the continued benefit from higher base effect of 2016. In line with consensus expectation, Nigeria's Monetary Policy Committee (MPC) voted to maintain status quo at the 4th MPC meeting of the year leaving Monetary Policy Rate at 14%, the Cash Reserve Ratio at 22.5% and the liquidity Ratio at 30% citing global uncertainties and need to support output growth. Liquidity in the system remained tight as CBN continued aggressive issuance of Open Market Operation (OMO) bills to mop up excess liquidity. The CBN sold N114.87 Million at 17.90% for 156 day maturity, N391.4 Million at 17.945% for 189-191day maturity, N16.19 billion at 17.95% for maturities between 185-199 days and N708.78 billion was sold at 18.55% for long end maturities between 332-364days. At the primary market, the DMO via the CBN conducted two auctions. At the first NTB Auction, the Apex Bank sold N28.69 billion, N21.24 billion and N127.05 billion of the 91-day, 182-day and 364-day bills respectively at stop rates of 13.50%, 17.50% and 18.59%. At the second PMA, rates were slightly lower as the 91 day, 182 day and 364 day bills closed at 13.425%, 17.398% and 18.549% respectively.

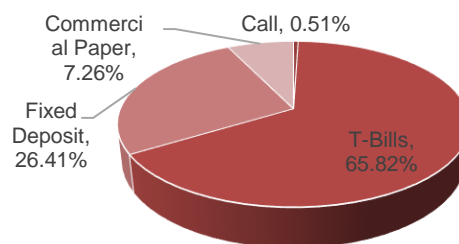
Market Outlook

Rates are expected to remain elevated in Q3 on the back of government's tightening stance and sustained OMO issuances. Although, there is possibility that the MPC might cut rate by 100bp in Q4 in a bid to spur economic growth. Reduction in rates posits profit taking opportunities for some of the fixed income instruments. The fund manager would ensure effective market timing and also take advantage of treasury bill yields to enhance the 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.