

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	N1.106 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 May, 2017 net yield on the Fund was 18.70% p.a.

Maturity Mix

Call	0.30%
1 - 30 days	35.47%
31 - 60 days	0.00%
61 - 90 days	0.85%
Over 60 days	63.38%

Market Commentary

According to the National Bureau of Statistics' (NBS) GDP report, the Nigerian economy contracted by 0.52% y/y in Q1 of 2017. Having declined throughout year 2016, the contraction in the first quarter of 2017 extends the country's recessionary trend, and marks the fifth successive quarter of negative output growth rate. However, this quarterly contraction is the best performance in four quarters. The Central Bank of Nigeria's Monetary Policy Committee (MPC) voted to maintain status quo at the 3rd MPC meeting of the year sighting global uncertainties and need to address inflation. The Nigerian headline consumer price index recorded its third deceleration in sixteen months. Headline inflation was 17.24% year-on-year in April (vs. 17.26% in March, 2017). This marginal decline could be attributed to the continued benefit from higher base effect of 2016 headline inflation. Liquidity in the system remained tight as CBN continued aggressive issuance of Open Market Operation (OMO) bills to mop up excess liquidity in the system. The CBN sold N10.39 billion at 18% for maturities between 154-205 days while N239.9 billion was sold at 18.60% for long end maturities between 304-364 days. At the first NTB Auction, the Apex Bank sold N29.14 billion, N23.43 billion and N178.03 billion of the 91-day, 182-day and 364-day bills respectively at stop rates of 13.60%, 17.26% and 18.81%. At the second PMA, rates were lower as the 91 day, 182 day and 364 day bills closed at 13.50%, 17.14% and 18.70% respectively.

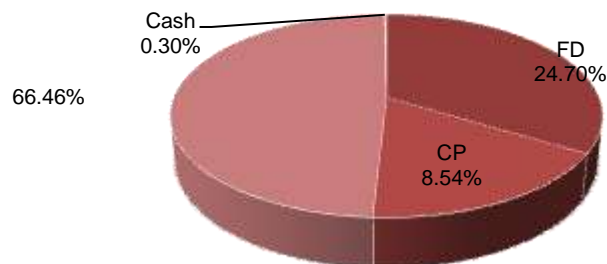
Market Outlook

We expect yield to remain elevated in the near term in view of CBN's foreign exchange demand management strategy. The fund manager would take advantage of the attractive yields in the fixed income space to bolster 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.