

FBN Money Market Fund

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All data as at 30th April 2015 unless otherwise stated

Fund Overview

Investment Objective

The Fund seeks to maximise current income in line with prevailing Nigerian money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity by investing in a broadly diversified portfolio of short-term, high quality money market securities.

Fund Facts

Fund Manager	Michael Oyebola
Assistant Fund Managers	Ifeoluwa Dixon, Opeyemi Odejide
Agusto & Co rating	Aa(f)
Fund launch date	24 th September 2012
Fund size	₦25.74bn
Base currency	(₦)
NAV per share	₦100.00 [^]
Minimum investment	₦5,000.00
Minimum holding period	30 days*
Income accrual	Daily
Income distribution	Quarterly
Annual management fee	0.75%
Risk profile	Low**

Fund Highlights

The Fund is an open ended mutual fund that invests in a broad range of money market securities such as Treasury Bills, Commercial Papers, Bankers Acceptances and Certificates of Deposits issued by rated banks in Nigeria.

The Fund is suitable for temporary or medium term cash investments and offers an efficient alternative to investing directly in cash deposits. The Fund aims to offer a high level of security coupled with a competitive yield.

Investor Profile

The Fund may be suitable for investors who are seeking an alternative to cash deposits for their medium term or temporary cash investments, including the liquidity components of investment portfolios or diversification to an existing equity portfolio.

Source: FBN Capital Asset Management

* Redemption period: 3 - 5 business days.

No additional charges are applied on redemption. However, units redeemed earlier than the 30 business days minimum holding period will incur a processing fee of 20% on the income earned on the value of such redemptions.

** The Fund has a 'Low' risk profile given it invests the majority of its assets in money market securities. A low risk fund is protected against any adverse losses. A low risk profile does not mean a risk-free investment.

[^] Price is stated net of fees and expenses. The fund manager is required to maintain a stable price (NAV) of ₦100.00.

^{^^} Annualised yield is stated net of fees and expenses.

Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested.

Monthly Comments

Fund and Market Review

During the month under review, the markets were highly liquid due to the maturity of over ₦1.5 trillion in treasury bills and Federal Government of Nigeria bonds as well as approximately ₦250 billion being disbursed to State and Local Governments as Statutory Allocation Revenue. Government bond yields declined by an average of 300 basis points when compared to last month and the Central Bank of Nigeria (CBN), in a bid to mop up excess liquidity, debited approximately ₦823 billion from the banks via treasury bill Open Market Operation auctions at a stop rate of 14% across all maturities. The CBN also continued to intervene in the foreign exchange market resulting in a relatively stable Naira between N197-N199 to the US dollar. The successful completion of the General Elections seemed to have rekindled interest in Nigerian markets, increasing foreign portfolio investments.

Market Outlook

We anticipate fixed income markets will be calm in May. There will be moderate liquidity in the markets as approximately ₦534 billion will be credited from treasury bill maturities and circa ₦220 billion from Federal Account Allocation Committee disbursement to the various tiers of government. When the Monetary Policy Committee meet on 18th and 19th of May, we do not envisage any change in the current benchmarks (Monetary Policy Rate, Cash Reserve Ratio and Liquidity Ratio). As we look ahead through May, we expect yields will rise above current levels with the fund being well positioned to take advantage of any volatility during this period.

Benchmark

91 days Nigerian Treasury bill (NTB)

Performance and Positioning

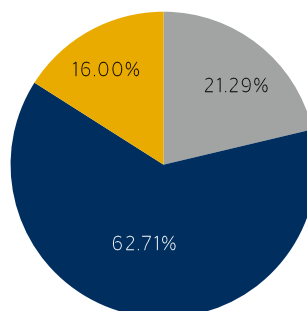
Historic Prices and Yields

	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
Price (₦) [^]	100.00	100.00	100.00	100.00	100.00
Annualised yield ^{^^}	11.9%	12.4%	12.5%	13.5%	14.4%

Asset Allocation Ranges

Bank tenored placements	10-75%
Treasury bills and short-government securities	25-100%
Other money market securities	10-75%

Current Allocation



■ Bank tenored deposits

■ Treasury bills and short term government securities

■ Commercial papers