





MUTUAL FUND FACTSHEET

PUBLIC

All data as at 30 April 2022 unless otherwise stated

Executive Summary

- The World Bank downgraded the global growth forecast for 2022 to 3.2% from 4.1%, citing the pressure that Russia's invasion of Ukraine has placed on the global economy. Similarly, the International Monetary Fund (IMF) cut its global growth forecast, projecting a 3.6% GDP growth rate for the global economy this year and for 2023, this is about an 80bps and 20bps drop respectively from its forecasts published in January. According to the IMF, the Ukrainian and Russian economies are expected to contract by 35% and 8.5% respectively in 2022. They added that the loss of life, destruction of physical capital, and flight of citizens will severely impede economic activity for many years to come.
- April was a bad month for global stocks as prices plummeted and major indices recorded their worst performance in years. Stocks slumped anew in volatile April trade, marked by large daily and intraday swings, with investors hand-wringing over rising interest rates, relentless inflation, corporate earnings, and global unrest. The Dow Jones Industrial Average (DJIA), S&P 500, NASDAQ Composite and Russell 2000 all shed 4.91%, 8.80%, 13.37% and 9.95% respectively in April, bringing their year to date (YtD) return to -9.25%, -13.31%, -21.23% and -16.98%. It was the biggest monthly percentage declines since March 2020 for the Dow and S&P 500, and the largest for the Nasdaq since October 2008. This was the same in other markets as well with the FTSE 100 shedding 3.90%, CAC (-6.61%), Japan Nikkei (-9.48%) and the DAX (-8.00%).
- Nigeria's headline inflation rate rose for the second consecutive month at 15.92% in March 2022, from 15.70% in February 2022. This represents the highest rate recorded since October 2021. Food inflation rose to 17.20%, 9bps higher than the 17.11% recorded in the preceding month. On the other hand, the core inflation rate dropped to 13.91% in March from 14.01% recorded in February 2022.

Asset Class	Benchmark	1M (April) %	Year to Date (%)	Commentary
 Money Market	91-day T-bill	1.74*	2.05**	Money market rates traded between single and double digit levels in the month, as credit inflows from coupons, FAAC disbursements and NTB maturities were also met with funding obligations. Ultimately, rates hovered between 4%-11% with the OPR and OBB closing at 12% levels at month end. At the primary market auction for treasury bills, the Debt Management Office (DMO) had two auctions in the month with rates sustained at 1.74% and 3.00% for the 91-day and 182-day papers respectively. The stop rate on the 364-day paper on the other hand, edged higher at 4.60% at the first auction and 4.79% at the second auction. As usual, subscriptions were higher with the DMO over allotting especially the 364-day bill. Overall, the DMO sold NGN159.04bn and NGN130.04bn worth of bills at the first and second auction, compared to the initial offer of NGN141.26bn and NGN120.97bn.
	181-day T-bill	3.00*	3.18**	
	364-day T-bill	4.70*	4.71**	
 Fixed Income	S&P/FMDQ Nigeria Sovereign Bond Index	-1.28	7.16	Yields trended higher in the secondary market for bonds during the month with average yields advancing by 67bps to 11.26%. Across the yield curve, increases were prevalent especially on the short and mid end of the curve. At the monthly auction, the Debt Management Office (DMO) allotted bonds worth N250.88bn from an offered amount of N225.00bn, with stop rates for the 2025 and 2042 papers allocated at 10.00% and 12.90% respectively while the newly issued Apr 2032 security was allocated at 12.50%. Investor patronage also remained robust with bid to cover ratio of 1.45x, 1.04x and 2.97x for the 2025, 2032 and 2042 papers.
	3 Year Federal Government Bond	-1.51	4.46	
 Eurobond	3 Year Nigerian Sovereign Eurobond	-3.70	-3.96	The Sub Saharan African (SSA) Eurobond market traded bearishly in the month, with average yields on the Nigerian sovereigns edging higher to 9.11% from 7.62% in the previous month. The longer end of the curve registered most of the increases with prices trading at significant discounts to par and yields ticking above 11.06%. Sell side activities also reigned in the Ghanaian Eurobond market with average yields advancing by 316bps to 16.29%. Yields at the short end of the curve remains elevated at the 18% levels while the longer end traded at 15% levels.
	5 Year Nigerian Sovereign Eurobond	-6.11	-8.95	
 Equites	NGXASI	5.69	16.21	It was a bullish month in the Nigerian equities market as the all-share index advanced by 5.69% to 48,459.65pts, bringing up the year to date return to 16.21%. Positive market sentiment was sustained by the positive corporate earnings performance of Q1:2022. Several stocks across the large, mid, and small weighted market cap categories gained in the month with notable names like NB (+41.16%), GUINNESS (+30.62%), SEPLAT (+29.03%), AIRTELAFRI (+9.97%), ZENITHBANK (+9.38%) amongst others. All the sectorial indices closed positive but the oil and gas sector was the best performing index in the month (+19.06%), followed by the consumer goods sector (+11.54%). MEYER was the top gainer in the month (+354.55%) while NPFMCRFBK led the losers' table (-20.48%).
	NGX30	5.31	9.52	

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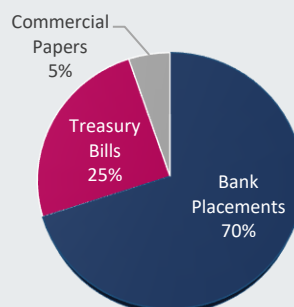
FBN Money Market Fund Overview

Investment Objective

The Fund seeks to preserve capital and maximise income by offering access to a diversified range of low risk money market instruments in Nigeria. The Fund also provides liquidity and competitive returns.

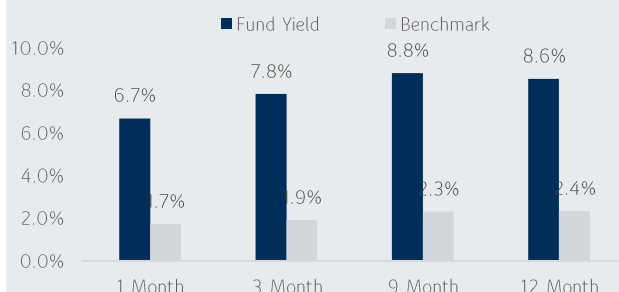
Fund Facts	
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA
Fund launch date	24 September 2012
Fund size	₦173.22bn
Base currency	(₦)
NAV per share	₦100
Minimum investment	₦5,000
Minimum holding period	30 days
Income accrual	Daily
Income distribution	Quarterly
Annual management fee	1.25%
Total Expense Ratio	1.36%
Risk profile	Low
Custodian	Citibank
Benchmark	Average 91-day Treasury Bill (NTB) primary auction stop rates.

Asset Allocation



Money Market Fund Yield: 6.39%

Historical Prices & Performance



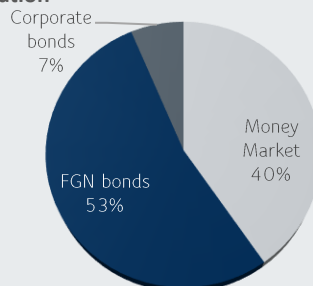
FBN Bond Fund Overview

Investment objective

The Fund is designed to provide income generation by investing in long tenured debt instruments and short-term high quality money market securities issued in Nigeria.

Fund Facts	
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA
Fund launch date	24 September 2012
Fund size	₦58.07bn
Base currency	(₦)
NAV per share	₦1,444.40
Minimum investment	₦50,000
Minimum holding period	90 days
Income accrual	Daily
Income distribution	Annually
Total Expense Ratio	1.23%
Annual management fee	1.00%
Risk profile	Low-Medium
Custodian	Citibank
Benchmark	70% 3Year FGN Bond 30% Average 91-day Tbill rate
Weighted portfolio duration	2-3 years

Asset Allocation



Bond Fund Yield: 10.27%

Historical Prices & Performance



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FBN Dollar Fund Overview

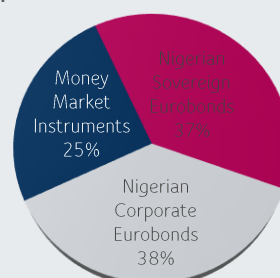
Investment objective

The Fund provides an opportunity to diversify across currencies and serve as a hedge through its exposure to USD denominated assets. It provides income generation by investing in debt instruments issued by the Nigerian government, corporates and financial institutions

Fund Facts

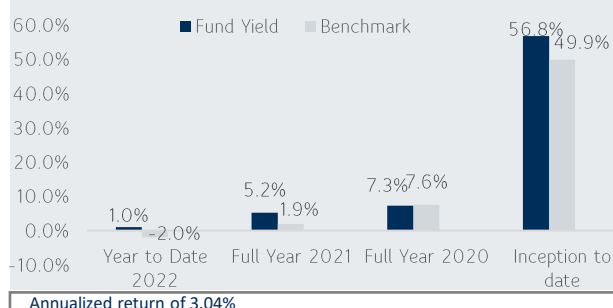
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA
Fund launch date	4 January 2016
Fund size	\$20.87mn
Base currency	US Dollars (\$)
Unit classes	R unit class: Retail
NAV per share	\$123.52
Minimum investment	\$1,000
Minimum holding period	180 days
Risk profile	Medium
Total Expense Ratio	1.68%
Management fees	1.50%
Income distribution	Annually
Benchmark	70% 3 Year FGN Bond 30% Average 1yr US Tbill rate
Weighted portfolio duration	1-2 years

Asset Allocation



Dollar Fund Yield: 4.57%

Historical Prices & Performance



FBN Halal Fund Overview

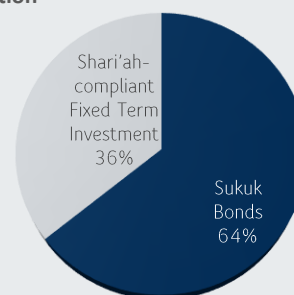
Investment objective

The Fund is designed to provide long-term income generation by investing in Shari'ah compliant instruments such as Sukuku, Ijarah (Lease), Murabaha (Cost plus mark-up) and Mudarabah (Working Partner) contracts.

Fund Facts

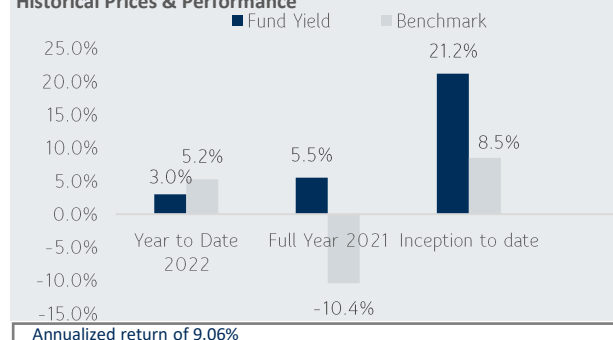
Fund Manager	Ifeoluwa Dixon, Tutu Owolabi-Kadiku CFA, CAIA.
Fund launch date	4 May 2020
Fund size	₦5.73bn
Base currency	(₦)
NAV per share	₦119.08
Minimum investment	₦5,000
Minimum holding period	90 days
Income accrual	Daily
Income distribution	Semi-annually (April and October)
Total Expense Ratio	1.70%
Management fees	1.50%
Risk profile	Low-Medium
Custodian	Standard Chartered
Benchmark	FGN 3 Year Benchmark Bond

Assets Allocation



Halal Fund Yield: 9.20%

Historical Prices & Performance



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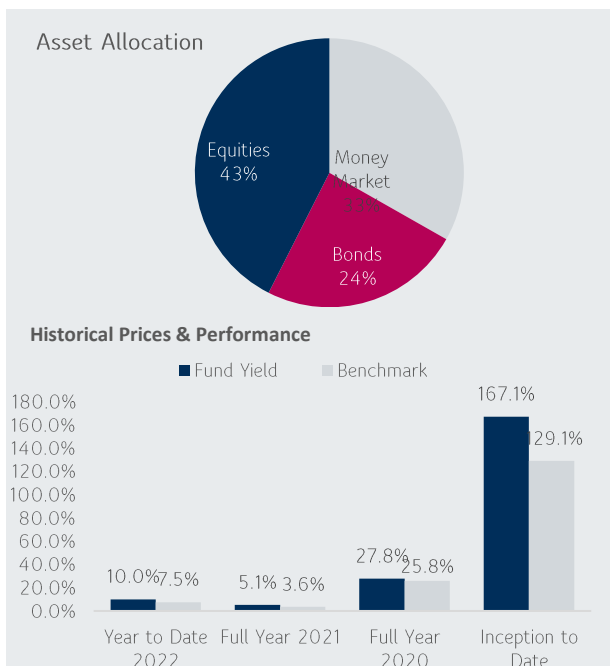
FBN Balanced Fund Overview

Investment objective

The Fund provides capital growth and downside protection to investors seeking exposure to equity. The downside is achieved through investments in less risky assets such as money market instrument and bonds

Fund Facts	
Fund Manager	Laura Fisayo-Kolawole, CFA,
Fund launch date	1 April 2008
Fund size	₦4.53bn
Base currency	(₦)
NAV per share	₦192.80
Minimum investment	₦50,000
Minimum holding period	180 days
Income accrual	Daily
Annual management fee	1.50%
Total Expense Ratio	1.69%
Risk profile	Medium
Benchmark	40% NSE30 40% 5 year FGN bond 20% 90day average Tbill rate
Custodian	Citibank

Top 5 equity holdings	
Financial Services	18.87%
Consumer Goods	5.31%
Telecommunications	5.29%
Oil & Gas	45.84%
Agriculture	3.94%



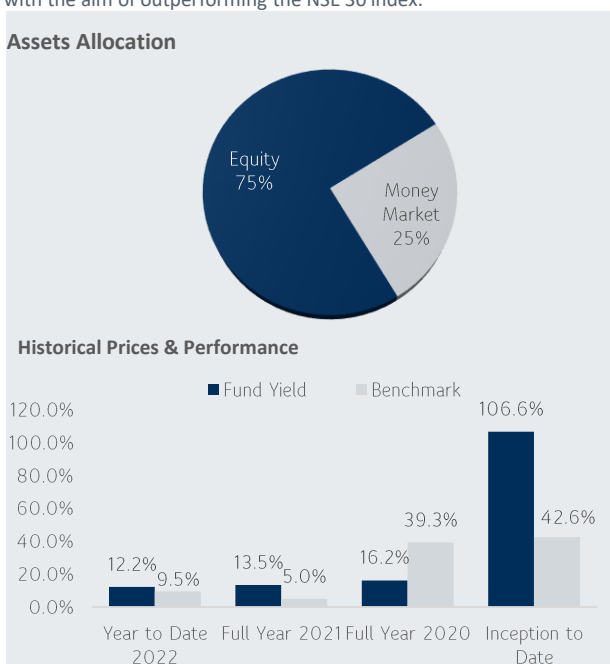
FBN Smart Beta Equity Fund Overview

Investment objective

The Fund seeks to provide capital growth by selecting the best twenty (20) out of the forty (40) most capitalised stocks listed on the Nigerian Stock Exchange. The Fund is appropriate for investors who want equities with the aim of outperforming the NSE 30 index.

Fund Facts	
Fund Manager	Laura Fisayo-Kolawole, CFA, Oyelekan Olorunkosebi CFA
Fund launch date	4 January 2016
Fund size	₦409.31mn
Base currency	(₦)
NAV per share	₦168.46
Total Expense Ratio	1.63%
Annual management fee	1.50%
Minimum investment	₦50,000
Risk profile	High
Benchmark	NSE 30
Custodian	Standard Chartered Bank

Top 5 equity holdings	
Financial Services	41.87%
Consumer Goods	9.19%
Agriculture	10.35%
Telecommunications	5.82%
Oil & Gas	6.92%



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Outlook

- Concerns over geopolitics, the global macro economy and monetary policy remain at the top of investors' minds. Unusually high uncertainty surrounds global outlook as downside risks dominate - a possible worsening of the war, escalation of sanctions on Russia, a sharper-than-anticipated deceleration in China growth due to the re-emergence of COVID etc. While a gradual resolution of supply-demand imbalances is expected in the baseline, risks are still tilted to the upside.
- Equities (NGN) – Unlike its regional peers and the global market, the Nigerian bourse has remained bullish with stock prices hitting year highs. The market currently trades at a price to earnings ratio (P/E) of 10.5x, well above its peers (Ghana- 6.9x, Egypt – 7.9x, Kenya- 8.2x) with the All-share index also crossing 50,000pts. These suggest that the market might be over-valued, and correction might be on the horizon.
- Fixed Income (NGN) – As stated in our last factsheet, we expect lower inflows into the market this second quarter, therefore interbank rates will continue to swing between single and double digit levels based on banks' funding obligations. In May, we expect lesser coupons of NGN23.49bn and NTB maturities of NGN280.50bn.
- Eurobonds – As projected, the positive momentum seen last month was not sustained as the SSA Eurobonds market went back to its bearish state. With the Fed further hiking rates coupled with existing risk factors, we posit that yields might still go higher in the coming period which on one hand, presents entry point for potential investors.

Terms and Conditions

- Redemption period: 3 - 5 business days.
- No additional charges are applied on redemption. However, units redeemed earlier than the minimum holding period will incur a processing fee of 20% on the income earned on the value of such redemptions.
- The Funds range from 'Low-High' risk profile depending on what security it is invested in. The value of securities may change significantly depending on economic, political, inflationary and interest rate conditions.
- Bid prices and yield to maturity are stated net of fees and expenses with dividends reinvested (where applicable).
- The yield to maturity (YTM) is the rate of return anticipated on the portfolio if the current bonds in the portfolio were held until the end of their lifetime. YTM is an annualised rate and takes into account the current market price, par value, coupon interest rate and time to maturity for each bond in the portfolio. It is also assumes that all coupon payments are reinvested at the same rate as the bond's current yield.
- 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