



OVERVIEW

The AVA Global Asset Managers Limited Dollar Fixed Income Fund (“AVA GAM Dollar Fund” or “the Fund”) is an actively managed open-ended unit trust scheme authorized by the Securities and Exchange Commission (SEC), whose main objective is to achieve capital appreciation in the medium to long term for Investors in US Dollars.

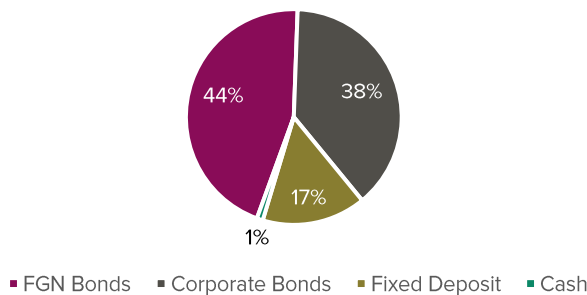
Given the recent compounding pressures on the naira, coupled with the observed decline in the rates for treasury bills and other conventional investment asset classes, the AVA GAM Dollar fund seeks to provide safety, liquidity and competitive investment return by investing in a diversified pool of investment grade dollar denominated securities.

FUND SUMMARY

Date of Launch	14th May 2020
Fund Manager	AVA GAM Limited
The Offer	10,000 units of \$100 each
Fund Size	\$1,000,000
Units of Sale	Minimum of 10 units and multiples of 5 units thereafter
Method of Offer	Offer for subscription
Returns	Returns from investments in the Fund will be accumulated as income and distributed periodically as stated in the Trust Deed.
Mandatory Subscription	5% by Fund Manager
Risk Profile	Low Risk

CURRENT ALLOCATION

Asset Allocation (June 2022)



In line with the provisions on the Trust Deed, Investments in Federal and Corporate Eurobonds remain within the 20%-80% band, and other instruments (Money market) less than 20%.

INVESTOR PROFILE

The Fund is targeted at High-Net-Worth Individuals (HNIs), Africans in diaspora, and institutional investors (both local and foreign), who desire exposure to Dollar denominated fixed income investment instruments.

BENEFITS TO THE INVESTOR

The Fund will deliver capital appreciation with competitive returns in the medium to long term for investors in US Dollars; significantly higher than what is obtainable from the average domiciliary account in the local banks. The fund affords investors liquidity, diversification and professional portfolio management

ASSET CLASSES

SECURITY	ALLOCATION RANGE
FGN Eurobonds	30% – 45%
Corporate Eurobonds	10% – 40%
Money Market Instruments	0% – 20%

MARKET OVERVIEW

The initial trading sessions for the month of June 2022 reflected high buying interest in the Federal Government bond market. The number of trades were higher on average in June compared to the previous month, and the magnitude of upward price movement signalled a growth in demand for the FGN bonds among investors and fund managers.

Nigeria’s Debt Management Office released the auction result for the month of June 2022, showing that the reopened bond maturities – the 13.53% FGN MAR 2025, 12.50% FGN APR 2032 and 13.00% FGN JAN 2042 – were all oversubscribed by 77%, 12%, and 347% respectively. This is a result of the sustained interest of investors and managers in the risk-free investment, amidst Nigeria’s peculiar investment and economic environment. Therefore, June closed with higher prices and a lower average FGN bond yield of 11.54% compared to 11.65% in May.

In the short-term Nigerian treasury bill market, the reverse was the case as prices went southward at the close of June 2022. The average yield on NTB rose to 5.38 compared to 3.87%, owing to a rising apathy towards the instrument among investors and managers.

Across the official Importer & Exporter FX window, the Nigerian naira slightly depreciated against the dollar on a month-on-month basis, losing ₦0.07 from ₦415.65/\$ in May to ₦415.72/\$ exchanged in June. This follows the rapid decline in FX earnings due to weak production and exports of crude oil, agricultural products, and other export items. These created a bottleneck in the inflow of the US dollar, which, despite the increase in the policy rate to 13%, has not had a progressive impact in the naira’s value.

FUND PERFORMANCE

In the month of June 2022, the AVA GAM Dollar FIF closed at \$105.99 to post a year-to-date return and yield of 8.85% and 4.45% respectively. Below is a quarterly comparison of the AVA GAM Dollar FIF to an applicable benchmark - the S&P BMV Sovereign International UMS Bond Index.

YTD gain	Dec 2021	Mar 2022	Jun 2022
AVA GAM	6.13%	7.31%	8.85%
S&P BMV	0.03%	9.54%	-20.06%

HOW TO PARTICIPATE

1. Log on to www.avacapitalgroup.com
2. Click on AVA GAM Fixed Income Fund
3. Click on Open Account and complete the online form
4. Fund the custodian account with details below:
Account name: UTL TRUST MANAGEMENT SERVICES LTD/AVA GAM DOLLAR FUND (USD)
Account number: 1022700288
Bank: United Bank for Africa