



## OVERVIEW

The AVA Global Asset Managers Limited Fixed Income Fund ("AVA GAM Fixed Income 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 ensure maximum returns to subscribers from a range of high-quality fixed income instruments.

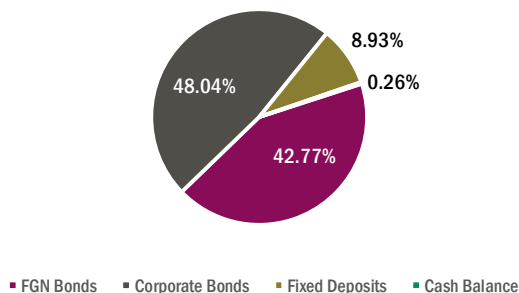
AVA GAM Fixed Income Fund provides investors with the opportunity to invest in a range of high-quality fixed income instruments which include bonds (such as FGN Naira Bonds, Sub-national bonds and Corporate bonds) and other money market securities. The Fund seeks to attract investors with low-risk appetite who require liquid investments. The Fund is managed by AVA Global Asset Managers Limited.

## FUND SUMMARY

<b>Date of Launch</b>	April 6 2021
<b>Fund Manager</b>	AVA GAM Limited
<b>The Offer</b>	1,000,000 units of ₦1,000 each
<b>Fund Size</b>	₦1,000,000,000
<b>Units of Sale</b>	Minimum of 10 units and multiples of 10 units thereafter
<b>Method of Offer</b>	Offer for subscription
<b>Returns</b>	Returns from investments in the Fund will be accumulated as income and distributed periodically as stated in the Trust Deed.
<b>Mandatory Subscription</b>	5% by Fund Manager
<b>Risk Profile</b>	Low Risk

## CURRENT ALLOCATION

Asset Allocation (November 2022)



In line with the provisions of the Trust Deed, investments in the Federal and State bonds remain within the 20%-80% band, and other instruments (money market) less than 10%.

## INVESTOR PROFILE

The Fund is targeted at institutional investors, high net worth individuals, and retail investors seeking a regular stream of income through low-risk investments and optimisation of returns on investment in fixed income securities.

## BENEFITS TO THE INVESTOR

Investors have the opportunity to participate in a pooled investment vehicle that generates competitive returns at minimal risk. The Fund is managed with an active strategy, which takes advantage of market opportunities as they arise, while ensuring preservation of investors' wealth. Furthermore, investors will also benefit from the diversified asset allocation system of the Fund while ensuring a good return on investment.

## ASSET CLASSES

SECURITY	ALLOCATION RANGE
FGN Bonds	20% - 80%
State and Corporate Bonds	20% - 80%
Other instruments	0% - 10%

## MARKET OVERVIEW

In a turn of events, the Nigerian fixed income market witnessed a bullish performance in the month of November as trading activity rebounded both in frequency and magnitude, reflecting a growth in demand for the securities among investors and fund managers.

Prices of FGN bonds rose month-on-month on the back of a possible return of investor confidence in the sovereign security, as well as a heightened need for portfolio rebalancing as the year draws to a close. The average FGN bond yield dipped to 14.61% from 14.74% recorded in the previous month. On the auction front, the Debt Management Office offered ₦225 billion of FGN bonds evenly split across the 2029, 2032 and 2037 bond maturities. The realised subscription level was at 52%, 47% and 360% respectively, whilst the aggregate subscription rate was 153%, indicating the upbeat purchasing attitude of investors.

Likewise, trading activity in the Nigerian treasury bill market saw a recovery in the month of November, with trades executing at higher prices compared to the previous month on the back of improved demand on the side of investors. Thus, the higher prices depressed the average T-bill yield for November to 10.83% versus the 10.98% observed in October.

Meanwhile, the naira kept depreciating against the US dollar on the official market. The exchange rate stood at ₦444.67/\$1 versus 439.02/\$1 in October, weakening by ₦5.65 or 1.29% month-on-month (~~₦6.15~~ or ~~-1.42%~~ in October). Nigeria's foreign reserves also fell by \$273.75mn to \$37.11bn (~~-\$807.57mn~~ in October). Weak revenue inflow and increasing foreign currency demand pressures limited the recovery of the nation's foreign currency reserves during the month. However, the slower pace of currency depreciation indicates a possible reversal in the near term.

## FUND PERFORMANCE

The AVA GAM Naira FIF closed the month of November with its NAV at ₦1,078.73 and a year-to-date return of 1.25%. Below is a quarterly comparison of the AVA GAM Naira FIF to an applicable benchmark - the S&P/FMDQ Nigeria Sovereign Bond Index.

YTD gain	Mar 2022	Jun 2022	Sep 2022
AVA GAM	9.11%	11.94%	9.41%
S&P/FMDQNSBI	8.56%	9.11%	4.33%

## HOW TO PARTICIPATE

1. Log on to [www.avacapitalgroup.com](http://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: STL Trustees Limited/AVA GAM Fixed Income Fund  
Account number: 0036574174  
Bank: Stanbic IBTC Bank Plc