

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.

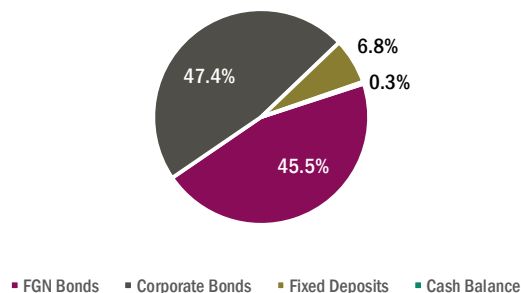
AVA GAM Fixed Income Fund provides investors with the opportunity to invest in a range of high-quality fixed-income instruments which include bonds (such as FGN Naira Bonds, Sub-national bonds and Corporate bonds) and other money market securities. The Fund seeks to attract investors with a low-risk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

FUND SUMMARY

Date of Launch	April 6 2021
Fund Manager	AVA GAM Limited
The Offer	1,000,000 units of ₦1,000 each
Fund Size	₦1,000,000,000
Units of Sale	Minimum of 10 units and multiples of 10 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 (December 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

The Nigerian fixed income market experienced a breakthrough in demand and positive price performance in December and also proceeded to end the year 2022 on a very strong note, characterised by higher trading activities in terms of frequency and value of trades.

In the FGN bond space, investors and fund managers strove to take positions in the sovereign security across all maturities, perhaps as part of their year-end investment strategy. The higher bond prices depressed the average FGN bond yield by 131 basis points month-on-month to 13.31% in December (*November: 14.61%*). On the auction front, the Debt Management Office offered ₦225 billion of FGN bonds evenly split across the 2029, 2032 and 2037 bond maturities, recording a subscription rate of 65%, 146% and 499% respectively and a total oversubscription of 37%. This indicates the high level of demand for the bonds.

In a similar manner, December saw the sustenance of investor demand and confidence in the Nigerian treasury bill market as more trades were executed at higher prices than in the previous month. The higher prices thus deflated the average T-bill yield from 10.83% in November to 5.29% in December.

Elsewhere, the Nigerian naira depreciated against the US dollar on the official market, howbeit at a decreasing rate: the exchange rate stood at ₦449.05/\$1 versus 444.67/\$1 in November, weakening by ₦4.38 or 0.99% month-on-month (*-₦5.65 or -1.29% in November*). Nigeria's foreign reserves also declined at decreasing rate, dipping by \$23.86mn to \$37.09bn (*-\$273.75mn in November*). Nigeria's improving crude oil output appears to have given rise to a gradual recovery of the country's currency and reserve value; this improvement should continue into the new year, *ceteris paribus*.

FUND PERFORMANCE

The AVA GAM Naira FIF closed the month of December 2022 with its NAV at ₦1,126.08 and a year-to-date return of 5.69%. 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	Jun 2022	Sep 2022	Dec 2022
AVA GAM	11.94%	9.41%	5.69%
S&P/FMDQNSBI	9.11%	4.33%	7.70%

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: STL Trustees Limited/AVA GAM Fixed Income Fund
 Account number: 0036574174
 Bank: Stanbic IBTC Bank Plc