

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.

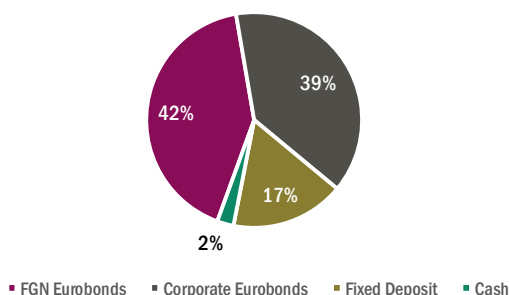
Given the recent compounding pressures on the naira, coupled with the observed decline in the rates for treasury bills and other conventional investment asset classes, the AVA GAM Dollar fund seeks to provide safety, liquidity and competitive investment return by investing in a diversified pool of investment 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 (December 2022)



In line with the provisions on the Trust Deed, Investments in the Federal and Corporate Eurobonds remain within the 80% band, while money market instruments within the 0% to 20% band.

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 market for FGN-issued Eurobonds had a bleak run in the final month in 2022 occasioned by the diminution of investor interest in the sovereign security. Unlike in the previous month where investors traded with bullish sentiments, December's trading activity was characterised by a dip in the price of most Eurobonds and a lower level of demand in the market.

The weak Eurobond performance may be attributable to investors' concern about Nigeria's debt sustainability. During the month, news arose that Ghana had defaulted on its outstanding loan obligations including Eurobonds, commercial loans and other bilateral and foreign debt due to its worsening economic crisis as well as the downgrades in its credit ratings. Questions thus arose about what impact Ghana's default event will have on Nigeria's Eurobonds, and whether Nigeria's prior credit rating downgrades have foretold a future loan default.

Elsewhere, the inflation rate in the United States continued on a freefall: CPI figures for November revealed that the country's headline inflation rate dipped to 7.1% YoY compared to 7.7% in October.

Key takeaways for the month in the currencies space: the US dollar kept on with its bullish trend on the back of surging demand for the greenback, giving it an edge over the British pound and the Euro. As of December 30, the USD/EUR printed at 0.9380 (Nov 30: 0.9680), while the USD/GBP logged 0.8295 (Nov 30: 0.8370) -Yahoo Finance.

Interest rates in the US should remain high until the 2% inflation target is reached; investors in US dollar-denominated investments should benefit from the high interest rates until that is achieved.

FUND PERFORMANCE

As of the end of December 2022, the AVA GAM Dollar FIF closed at \$95.09 to post a year-to-date return and yield of -7.52% and 4.96% 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	Jun 2022	Sep 2022	Dec 2022
AVA GAM	8.85%	-9.85%	-7.52%
S&P BMV	-20.06%	-23.15%	-21.56%

HOW TO PARTICIPATE

- Log on to www.avacapitalgroup.com
- Click on AVA GAM Fixed Income Fund
- Click on Open Account and complete the online form
- 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