



OVERVIEW

The AVA Global Asset Managers Limited Fixed Income Fund (“AVA GAM Fixed Income Naira 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.

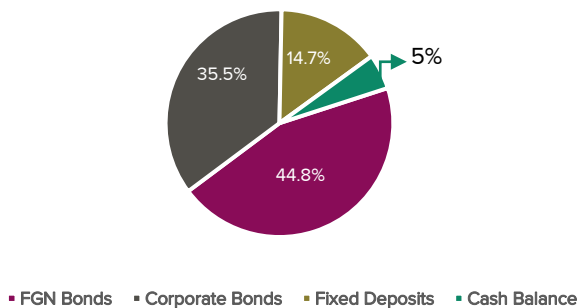
AVA GAM Fixed Income Naira Fund provides investors with the opportunity to invest in a range of high-quality fixed-income instruments which include bonds (such as FGN Naira Bonds, Sub-national bonds and Corporate bonds) and other money market securities. The Fund seeks to attract investors with a low-risk 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 Global Asset Managers 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 (March 2024)



In line with the provisions of the Trust Deed, investments in Federal and State bonds remain within the 20%-80% band, and other instruments (money market) less than 15%.

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 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% – 15%
Cash	1% – 5%

MARKET OVERVIEW

The Nigerian fixed income market sustained its bearish trend from the previous month due to pessimistic sentiment from investors and fund managers who continuously disposed more units of fixed income instruments from their portfolio.

The month observed decreased investor confidence for the sovereign instruments which may be attributed to the persistent rise in the inflation rate as reported by the National Bureau of Statistics (NBS) in February at 31.70%. The continuous rise in inflation rate possibly brought concerns to investors who held to the sell-side of the counter across the fixed income instruments.

Consequently, the FGN Bond market performed poorly as investors' appetite was weak which was evident across nearly all the bonds issued. The month recorded price losses as yields scaled upwards for the entire four weeks. Hence, the average FGN Bond yield rose to 19.29% relative to 17.23% the prior month.

The Debt Management Office (DMO) through its March auction offered FGN bonds worth ₦450billion evenly split across the newly issued 2027s and re-opened 2031s and 2034s tenors. The subscription from investors was fair recording a rate of 176.41%, 34.524% and 199.06% respectively. The allotment rate was 105.70% of the total amount offered.

In addition, the Nigerian T-bill secondary market had a mixed performance as the month kicked off with price losses before witnessing price gains in the remaining weeks. Thus, the average yield scaled up to 17.63% versus 17.12% in the previous month.

Whilst, in the foreign exchange market, the naira appreciated against the US dollar at the end of March, closing at ₦1309.39/\$ relative to ₦1595.11/\$ in February. Similarly, the country's foreign reserve increased to \$33.82bn from \$33.71bn possibly due to the reforms by the Central Bank and rise in crude oil prices.

FUND PERFORMANCE

The AVA GAM Naira FIF closed March 2024 with its Net Asset Value at ₦1,122.57 and a year-to-date return of 14.65%. Below is a monthly comparison of the AVA GAM Naira FIF to an applicable benchmark – the S&P/FMDQ Nigeria Sovereign Bond Index.

YTD return	January 2024	February 2024	March 2024
AVA GAM	14.36%	14.66%	14.65%
S&P/FMDQ NSBI	-0.42%	-7.70%	-11.20%

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

AVA Global Asset Managers Limited (RC 1210383)

Address: 3, Glover Road, Ikoyi, Lagos. Tel: +234 812 345 6789 Website: www.avacapitalgroup.com

Chairman: Dr. Adeyinka Adedeji, Managing Director: Omoeife Shaire, Directors: Olukayode Fadahunsi, Samson Adekunle, Taiwo Okurunmu