



VETIVA S&P NIGERIAN SOVEREIGN BOND ETF ("VS&P BOND ETF")

Sunday, 31st July 2022

FUND DETAILS

| | |
|----------------------------|-------------------------|
| Listing Date | 24th October 2016 |
| Listing Price | ₦130.27 |
| Domicile | Nigeria |
| Currency | Naira (NGN) |
| Stock Exchange | Nigerian Stock Exchange |
| NSE Code | VSPBONDEF |
| ISIN | NGVSPBNDEF1 |
| Bloomberg | VSPBOND NL |
| Gross Expenses | 0.40% |
| NAV/Unit (31.07.2022) | NGN 154.56 |
| Units Outstanding | 3,520,359 units |
| Rebalancing Frequency | Half-Yearly |
| Closing Price (31.07.2022) | ₦ 198.00 |

DISTRIBUTION DETAILS

| | |
|------------------------|---------------|
| No. of Distributions | 7 |
| 2016 (Total) | ₦1.00 |
| 2017 (Total) | ₦15.00 |
| 2018 (Total) | ₦16.00 |
| 2019 (Total) | ₦16.50 |
| 2020 (Total) | ₦15.30 |
| 2021 (Total) | ₦15.00 |
| Distribution Frequency | Semi - Annual |

INDEX CHARACTERISTICS

| | |
|------------------------|--|
| Benchmark Index | S&P/FMDQ Nigeria Sovereign Bond Bond Index |
| Number of Holdings | 16 |
| Ticker | SPFINGU |
| S&P/FMDQ Nigeria Index | 610.90 |
| Benchmark Index | S&P/FMDQ Nigeria Sovereign Bond Bond Index |

FUND DESCRIPTION

The Vetiva S&P Nigerian Sovereign Bond ETF is an optimized Bond ETF issued by Vetiva Fund Managers Limited ("VFM" or "Fund Manager"). The ETF seeks to track the S&P/FMDQ Nigerian Sovereign Bond Index.

INDEX DESCRIPTION

The S&P/FMDQ Nigeria Sovereign Bond Index tracks the performance of local currency denominated sovereign debt publicly issued by the government of Nigeria in its domestic market. The Index level is available through S&P Dow Jones Indices' Web site at www.spdji.com.

FIXED INCOME MARKET SUMMARY & OUTLOOK

With the Central Bank of Nigeria joining the global rate hike trend, the local MPR rate increased by 100bps to 14.00% in July, as the apex regulator sought to temper runaway inflation. As a result, we have seen steep selloffs across the bonds space. Yields continued to climb in July, rising by an average of 10bps, as investors anticipate higher yields to be offered at the CBN's monthly bond and bi-weekly T-bills auctions.

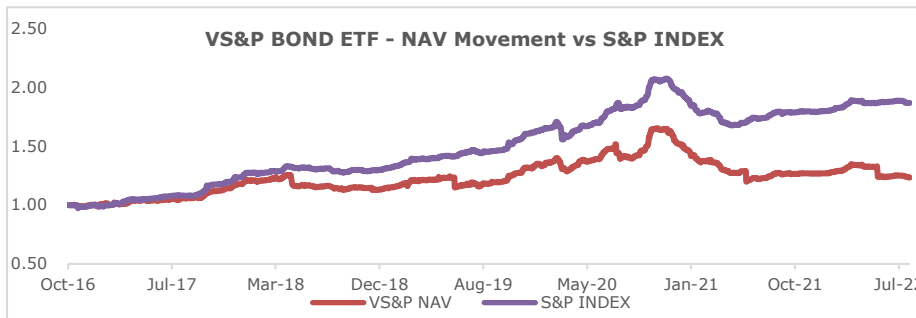
Expectations are that the Central Bank of Nigeria (CBN) will hike rates again, in line with other global and regional central banks, as they remain aggressive in their fight against inflation. Should we see another 100bps rate hike, we expect this to filter into the NTB space, leading to sell-offs across the curve, as T-bills investors seek to curtail their losses from holding lower yielding tenors.

Additionally, we expect the Q2'22 GDP numbers to shape how investors assess the long-term health of the Nigerian economy; a positive number should alleviate some pressure in the near term. However, we expect yields to remain elevated, as investors look to the CBN for guidance on future rate expectations in the secondary market.

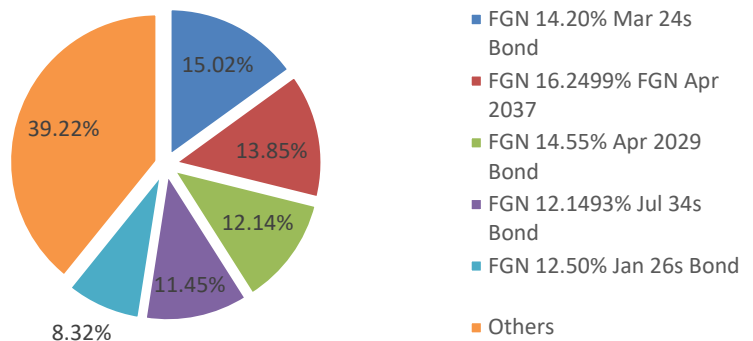
PERFORMANCE HISTORY¹

| RETURN | ETF NAV* | S&P/FMDQ Nigerian Bond Index |
|--------------------------|----------|------------------------------|
| Month to Date | -1.64% | -1.74% |
| Quarter to date | -1.64% | -1.74% |
| Year to Date | 5.62% | 7.21% |
| Return from Listing Date | 72.14% | 133.98% |

*Performance inclusive of distribution to unitholder within period



HOLDINGS





VETIVA
FUND MANAGERS LIMITED
RC: 981804

VETIVA S&P NIGERIAN SOVEREIGN BOND ETF

1. *The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling +234(01) 2700658 or by visiting www.vetiva.com/funds.*
2. *The Fund is subject to tracking errors which is the risk that its returns may not correlate accurately to those of the Index. Tracking errors can be caused by the following: capital gains distribution, index changes, cash drag, fund management and trading fees.*

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