



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

Wednesday, 31st August 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 (31.08.2022)	NGN 141.71
Units Outstanding	3,520,359 units
Rebalancing Frequency	Half-Yearly
Closing Price (31.08.2022)	₦ 180.93

DISTRIBUTION DETAILS

No. of Distributions	9
2016 (Total)	₦1.00
2017 (Total)	₦15.00
2018 (Total)	₦16.00
2019 (Total)	₦16.50
2020 (Total)	₦15.30
2021 (Total)	₦15.00
2022 (Interim)	₦7.00
Distribution Frequency	Semi - Annual

INDEX CHARACTERISTICS

Benchmark Index	S&P/FMDQ Nigeria Sovereign Bond Index
Number of Holdings	16
Ticker	SPFINGU
S&P/FMDQ Nigeria Index	597.38
Benchmark Index	S&P/FMDQ Nigeria Sovereign 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 in reaction to surging inflation. As a result, we have seen steep selloffs across the bonds space. Yields continued to climb in August, as investors anticipate higher yields to be offered at the CBN's monthly bond and bi-weekly T-bills auctions.

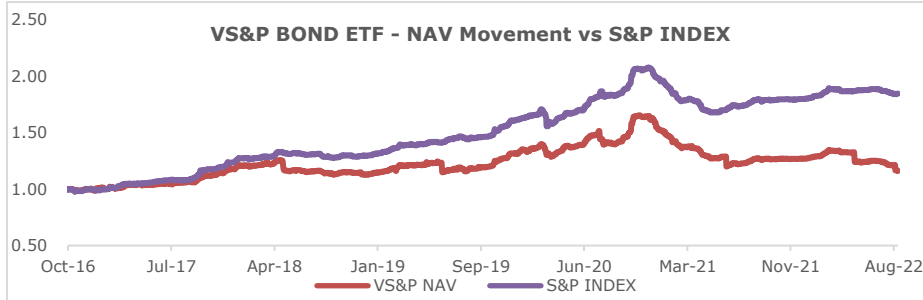
Whilst the positive Q2'22 GDP numbers released during the month alleviated some near-term pressure on how investors assessed the long-term health of the Nigerian economy, we still expect yields to remain elevated as investors look to the CBN for guidance on future rate expectations in the secondary market.

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.

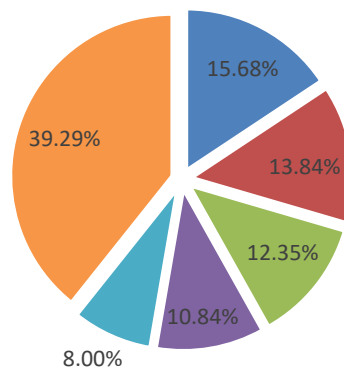
PERFORMANCE HISTORY¹

RETURN	ETF NAV*	S&P/FMDQ Nigerian Bond Index
Month to Date	-2.61%	-2.21%
Quarter to date	-4.21%	-3.91%
Year to Date	3.11%	4.84%
Return from Listing Date	80.90%	128.80%

*Performance inclusive of distribution to unitholder within period



HOLDINGS



- FGN 14.20% Mar 24s Bond
- FGN 16.2499% FGN Apr 2037
- FGN 14.55% Apr 2029 Bond
- FGN 12.1493% Jul 34s Bond
- FGN 12.50% Jan 26s Bond
- Others

*Holdings are subject to change.



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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