



VETIVA

FUND MANAGERS LIMITED
RC: 981804

Friday, 30th December 2022



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

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 (31.12.2022)	NGN 144.42
Units Outstanding	3,520,359 units
Rebalancing Frequency	Half-Yearly
Closing Price (31.12.2022)	₦ 165.93

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 Bond Index
Number of Holdings	16
Ticker	SPFINGU
S&P/FMDQ Nigeria Index	614.29
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

The month of November saw high marginal rates on both NTBs and bond securities, with the marginal rate on the one-year paper closing at 14.84%, the highest seen during the year and the marginal rate on the 2037 maturity closing at 16.20%, also the highest seen during the course of the year. We expected December to take a cue from November, due to the low maturity profile and coupon inflow of around N34bn, as well as subdued market activities due to holiday celebrations. However, the market rallied significantly in December, due to strong system liquidity, as the CBN avoided the usual occasional CRR debits. This resulted in a marginal rate on the one-year paper contracting by 635bps month-on-month to close at 8.49%, and the long end of the bond spectrum-2037 maturity contracted by 40bps to close at 15.80%.

As we head into the new year, there are generally expectations of increased rates across the board due to the government's projected high borrowing to cover the large budget deficit of N11trn. However, the market may open the new year in a muted manner as investors await the release of the Q1 bond issuance calendar from the DMO for further clarity. Additionally, the strong liquidity profile in January with coupon inflows totaling N250bn could support buying interests across the board.

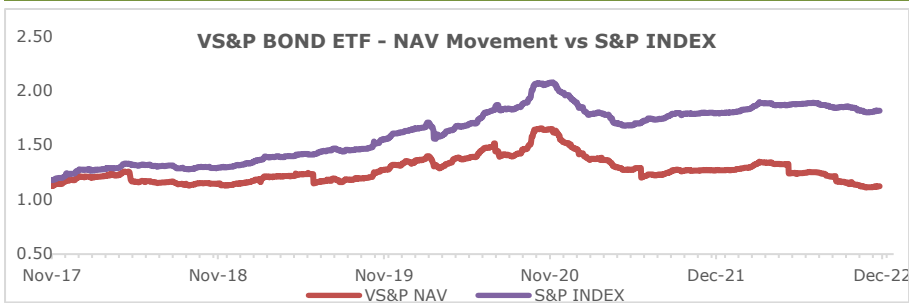
On a month-on-month comparison basis, we had rebalanced our portfolio holdings adequately and took advantage of the higher yields offered in the fixed income space by money market instruments. The portfolio rebalancing led to the Vetiva Money Market Fund delivering an average 30 days return of 15.05% which was higher than the 91-day Tbill average benchmark rate of 6.00% that held at the two NTB Primary Auctions in the month of December.

Going forward, we expect to continue to take advantage of the higher yields offered by quality money market instruments in the fixed income space and rebalance our portfolio adequately to ensure competitive returns for the benefit of the unitholders.

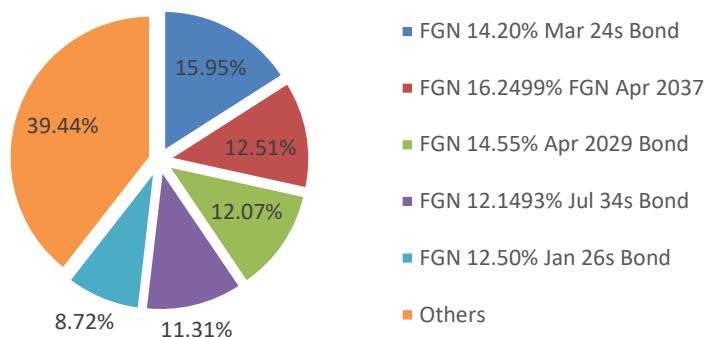
PERFORMANCE HISTORY¹

RETURN	ETF NAV*	S&P/FMDQ Nigerian Bond Index
Month to Date	6.21%	6.14%
Quarter to date	3.87%	3.34%
Year to Date	4.82%	7.81%
Return from Listing Date	83.05%	135.28%

*Performance inclusive of distribution to unitholder within period



HOLDINGS



*Holdings are subject to change.



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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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