



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

Friday, 31st March 2023

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 (31.03.2023)	NGN 143.26
Units Outstanding	3,520,359 units
Rebalancing Frequency	Half-Yearly
Closing Price (31.03.2023)	₦ 158.43

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	611.76
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 March opened on a bullish note as coupon inflows of about N355bn spurred improved demand across the NTB and bond auctions, with rates contracting. Marginal rates on the one-year paper moderated to 9.49% levels from 9.90% levels recorded in February, while marginal rates on the 2028 and 2032 maturities remained sticky at 14.00% and 14.75% levels. The long-dated maturities of 2037 and 2049 witnessed decent contraction in marginal rates at 15.20% and 15.75% levels due to sustained demand from PFAs, who ramped up volumes on that end.

However, the bullish run was short-lived as persistent auction oversales, NDIC premium debits of c.N2bn and CRR debits by the CBN threw the market into negative territory, with the market being over N600bn short. As a result, the last NTB auction of March was significantly undersubscribed, with a record low level of demand of N145bn. The marginal rate on the one-year paper closed at 14.74% level, the highest seen all year. The bearish momentum that dominated the second half of March was further exacerbated by the 50bps hike in MPR to 18.00% by the MPC at the March MPC meeting.

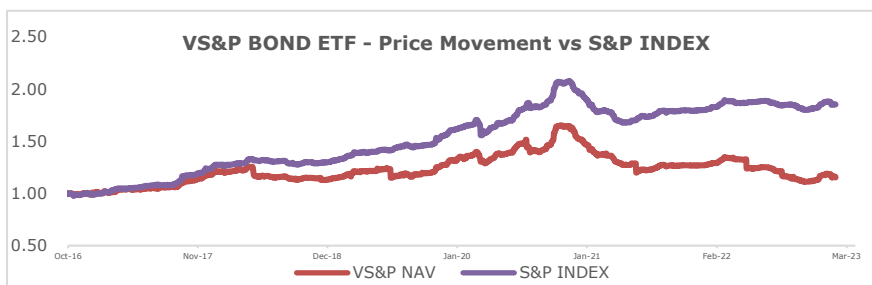
Money market rates across banks improved as they tried to shore up their balances to cater to day-to-day obligations, settling between 14.00% to 16.00%.

In April, the Fixed Income market is expected to remain under the grip of the bears, owing to the current significant system illiquidity. However, a positive shift is expected in the latter part of the month, as coupon and bond maturity inflows of approximately N1.12trn are anticipated to hit the system. The stance of the Debt Management Office (DMO) will also be a crucial factor in determining the direction of rates in April. It is believed that persistent rate management by allocating significant amounts to non-competitive bids might help to keep rates at relatively low levels.

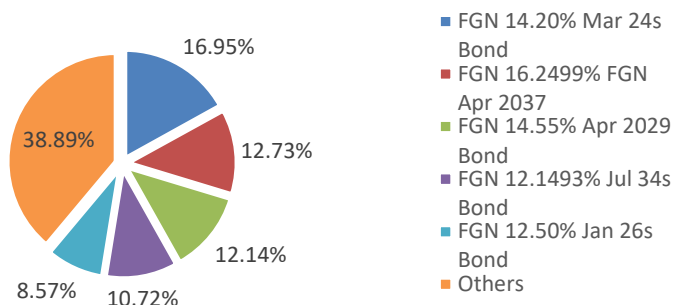
PERFORMANCE HISTORY¹

RETURN	ETF NAV*	S&P/FMDQ Nigerian Bond Index
Month to Date	1.20%	1.89%
Quarter to date	-0.80%	-0.41%
Year to Date	1.20%	-0.41%
Return from Listing Date	82.13%	134.31%

*Performance inclusive of distribution to unitholder within period



HOLDINGS



*Holdings are subject to change.



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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