



# VETIVA

FUND MANAGERS LIMITED  
RC: 981804



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

Sunday, 30<sup>th</sup> April 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 (30.04.2023)	NGN 144.07
Units Outstanding	3,520,359 units
Rebalancing Frequency	Half-Yearly
Closing Price (30.04.2023)	₦ 155.00

### 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	617.39
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](http://www.spdji.com).

### FIXED INCOME MARKET SUMMARY & OUTLOOK

In April 2023 system liquidity hovered around high levels majorly as a result of the maturity of the April 2023 FGN Bond (NGN735.96bn), coupon payments amounting to (NGN342.57bn), and Federal Account Allocation Committee distribution of about (NGN714.63bn) during the month.

Amid the higher liquidity levels, subscription at the T-bills primary auctions in the month was significant with a total amount of NGN281.10bn offered and sold following a total subscription level of NGN1.10trn. At the second PMA, the marginal rate on the 91-Day and 364-Day paper closed at 5.30% and 10.17%, lower than the rate of 6.00% and 14.70% earlier in the month, while the 182-Day instrument stayed flat at 8.00%.

The bond primary market auction recorded total subscription of NGN444.04bn (versus the NGN360.00bn offered) while NGN368.67bn was eventually allotted. The Apr 2037 and Apr 2049 FGN bonds were replaced by the Jan 2042 and Mar 2050. Subsequently, the marginal rates of Apr 2032 increased by 5 bps to 14.80% while that of Feb 2028 stayed flat at 14.75%. Also, the rates for 2042 and 2050 were 15.40% and 15.80% respectively.

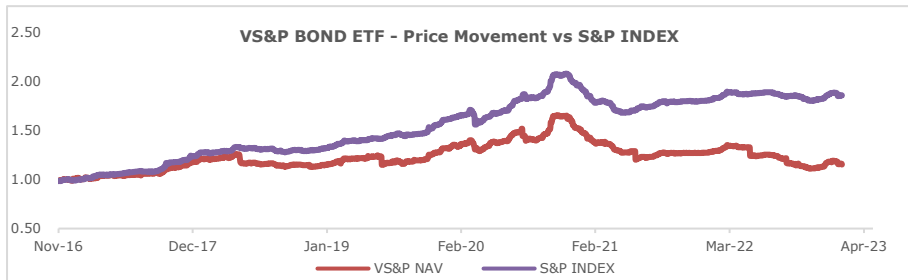
In the money market, the Open Repo Rate and Overnight Rate declined to 12.63% and 13.13% respectively at the end of the month (vs 18.50% and 18.88% at the end of March).

We expect trading in the fixed income market to remain positive, with the robust system liquidity level as the primary driver of the market's direction in May. While the anticipated Monetary Policy Rate hike is a factor that should prompt higher rates, the recent low correlation between the direction of policy rates and treasury instruments' rates is likely to limit the impact of the anticipated hike on markets.

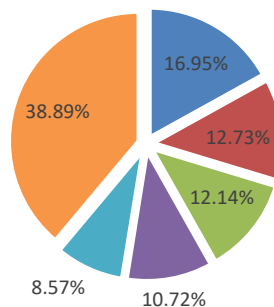
### PERFORMANCE HISTORY<sup>1</sup>

RETURN	ETF NAV*	S&P/FMDQ Nigerian Bond Index
Month to Date	0.57%	0.92%
Quarter to date	0.57%	0.92%
Year to Date	1.77%	0.50%
Return from Listing Date	82.77%	136.47%

\*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.



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](http://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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