



VETIVA

FUND MANAGERS LIMITED
RC: 981804

Monday, 31st July 2023



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 (31.07.2023)	NGN 144.44
Units Outstanding	3,520,359 units
Rebalancing Frequency	Half-Yearly
Closing Price (31.07.2023)	₦ 148.83

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 (Total)	₦14.60
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	665.83
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

Coming into the month of May and June, it was anticipated that the bears would take over due to the limited coupon inflow of barely N50 billion for both months.

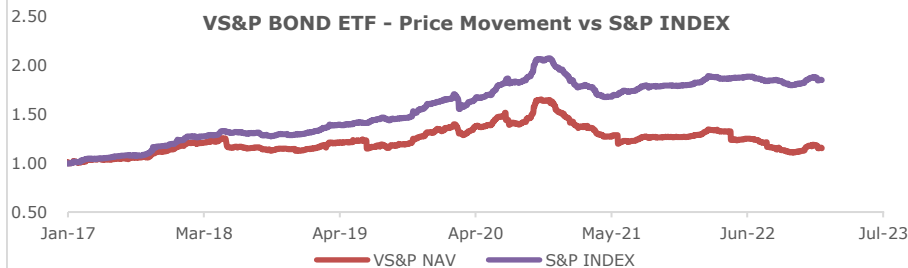
However, the actual outcome turned out quite differently, largely because many market participants had similar expectations and thus created a different position. We saw a surplus of sellers emerge in the bonds market, leading to rates remaining relatively steady across the bond's spectrum. The NTB spectrum experienced decent buy-side interest as investors ramped up volumes, causing the marginal rate on the one-year paper to decline from 14.70% levels to 10.17%. Contrary to market expectations, both May and June saw significant appreciation across the NTB and bonds spectrum, despite the weak maturity profile and the 50bps hike in MPR announced during the MPC meeting in May. This rally was largely driven by the market-friendly policies introduced by the new administration, particularly the removal of fuel subsidy and harmonization of all FX windows.

Going forward, we foresee system liquidity being a critical factor influencing rate direction. It is essential to acknowledge that the CBN's stance at subsequent MPC meetings could exert influence on rate direction. There remains a possibility that the CBN might opt to increase interest rates across the board to attract Foreign Portfolio Investment (FPI) inflows.

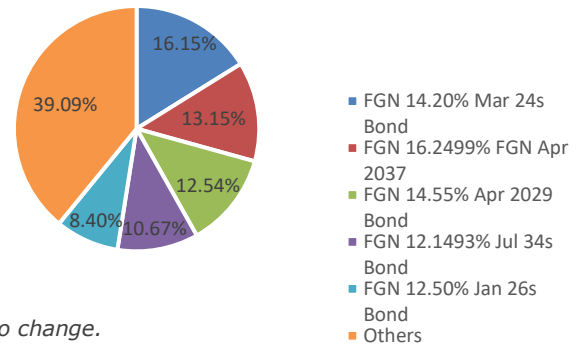
PERFORMANCE HISTORY¹

RETURN	ETF NAV*	S&P/FMDQ Nigerian Bond Index
Month to Date	0.14%	1.29%
Quarter to date	0.14%	1.29%
Year to Date	5.28%	8.39%
Return from Listing Date	89.11%	155.02%

*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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