



**OVERVIEW**

The AVA Global Asset Managers Limited Fixed Income Fund (“AVA GAM Fixed Income Naira Fund” or the “Fund”) is an actively managed open-ended unit trust scheme authorized by the Securities and Exchange Commission (SEC), whose main objective is to ensure maximum returns to subscribers from a range of high-quality fixed income instruments.

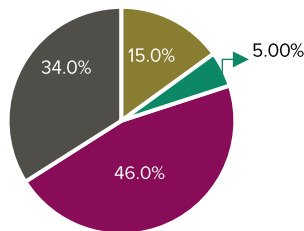
AVA GAM Fixed Income Naira Fund provides investors with the opportunity to invest in a range of high-quality fixed-income instruments which include bonds (such as FGN Naira Bonds, Sub-national bonds and Corporate bonds) and other money market securities. The Fund seeks to attract investors with a low-risk appetite who require liquid investments. The Fund is managed by AVA Global Asset Managers Limited.

**FUND SUMMARY**

<b>Date of Launch</b>	April 6 2021
<b>Fund Manager</b>	AVA Global Asset Managers Limited
<b>The Offer</b>	1,000,000 units of ₦1,000 each
<b>Fund Size</b>	₦1,000,000,000
<b>Units of Sale</b>	Minimum of 10 units and multiples of 10 units thereafter
<b>Method of Offer</b>	Offer for subscription
<b>Returns</b>	Returns from investments in the Fund will be accumulated as income and distributed periodically as stated in the Trust Deed.
<b>Mandatory Subscription</b>	5% by Fund Manager
<b>Risk Profile</b>	Low Risk

**CURRENT ALLOCATION**

Asset Allocation (July 2024)



• FGN Bonds • Corporate Bonds • Fixed Deposits • Cash Balance

In line with the provisions of the Trust Deed, investments in Federal and State bonds remain within the 20%-80% band, and other instruments (money market) less than 15%.

**INVESTOR PROFILE**

The Fund is targeted at institutional investors, high net worth individuals, and retail investors seeking a regular stream of income through low-risk investments and optimisation of returns on investment in fixed income securities.

**BENEFITS TO THE INVESTOR**

Investors have the opportunity to participate in a pooled investment vehicle that generates competitive returns at minimal risk. The Fund is managed with an active strategy, which takes advantage of market opportunities as they arise, while ensuring preservation of investors’ wealth. Furthermore, investors will also benefit from the diversified asset allocation of the Fund while ensuring a good return on investment.

**ASSET CLASSES**

SECURITY	ALLOCATION RANGE
FGN Bonds	20% – 80%
State and Corporate Bonds	20% – 80%
Other instruments	0% – 15%
Cash	1% – 5%

**MARKET OVERVIEW:**

In July, the FGN Bonds market started on a cautious note, with yields remaining unchanged at 18.68% in the first week, despite a positive start and midweek sell-offs. The second week turned bearish, driven by investor pessimism, pushing yields up by 30 basis points to 18.98%. This bearish sentiment continued into the third and fourth weeks, with persistent sell-offs leading to further yield increases to 19.09% and 19.14%, respectively.

The Debt Management Office (DMO) held its monthly auction for FGN Bonds in June, offering ₦300 billion across three tenors with notable investor interest, achieving subscription rates of 21.485%, 16.53%, and 241.649%, and ultimately allotting 93.221% of the total offered amount.

Inflation in Nigeria rose to 34.19% in June 2024, up from 33.95% in May. In July, the Nigerian T-bills market experienced a steady downtrend with heavy sell-offs, causing average yields to rise from 22.69% to 24.91%, despite occasional positive starts and oversubscriptions in primary auctions.

Nigeria’s exchange rate closed July 2024 at ₦1,608.73/\$1, marking a 6.43% depreciation on the official market for the month compared to ₦1,539.74 at the start of the month, and a daily turnover increased by 30% to \$4.34 billion from \$3.33 billion recorded in the previous month. Meanwhile, the country’s foreign exchange reserves increased to \$36.79 billion, driven by improved oil prices, increased diaspora remittances, and foreign investment inflows.

**FUND PERFORMANCE**

The AVA GAM Naira FIF closed July 2024 with its Net Asset Value at ₦1,065.08 and a year-to-date return of 15.77%. Below is a monthly comparison of the AVA GAM Naira FIF to an applicable benchmark – the S&P/FMDQ Nigeria Sovereign Bond Index.

YTD return	May 2024	June 2024	July 2024
AVA GAM	15.10%	15.24%	15.77%
S&P/FMDQ NSBI	-5.42%	-3.91%	-6.08%

**HOW TO PARTICIPATE**

1. Log on to [www.avacapitalgroup.com](http://www.avacapitalgroup.com)
2. Click on AVA GAM Fixed Income Fund
3. Click on Open Account and complete the online form
4. Fund the custodian account with the details below:  
Account name: STL Trustees Limited/AVA GAM Fixed Income Fund  
Account number: 0036574174  
Bank: Stanbic IBTC Bank Plc