



OVERVIEW

The AVA Global Asset Managers Limited Dollar Fixed Income Fund (“AVA GAM Dollar 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 achieve capital appreciation in the medium to long term for Investors in US Dollars.

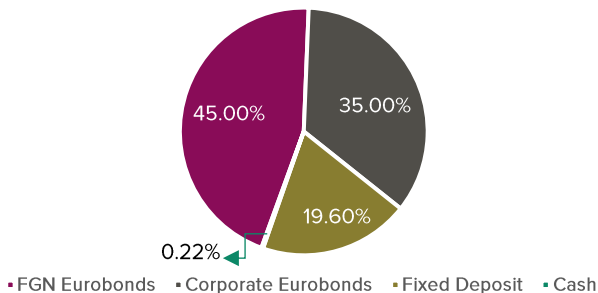
Given the steady rise in inflation coupled with continuous depreciation of the naira against the dollar, the AVA GAM Fixed Income Dollar Fund seeks to provide safety, liquidity and competitive investment return by investing in a diversified pool of investment grade dollar denominated securities.

FUND SUMMARY

Date of Launch	14th May 2020
Fund Manager	AVA Global Asset Managers Limited
The Offer	10,000 units of \$100 each
Fund Size	\$1,000,000
Units of Sale	Minimum of 10 units and multiples of 5 units thereafter
Method of Offer	Offer for subscription
Returns	Returns from investments in the Fund will be accumulated as income and distributed periodically as stated in the Trust Deed.
Mandatory Subscription	5% by Fund Manager
Risk Profile	Low Risk

CURRENT ALLOCATION

Asset Allocation (July 2024)



In line with the provisions on the Trust Deed, Investments in Federal and Corporate Eurobonds remain within the 80% band, while money market instruments within the 0% to 20% band.

INVESTOR PROFILE

The Fund is targeted at High-Net-Worth Individuals (HNIs), Africans in diaspora, and institutional investors (both local and foreign), who desire exposure to Dollar denominated fixed income investment instruments.

BENEFITS TO THE INVESTOR

The Fund will deliver capital appreciation with competitive returns in the medium to long term for investors in US Dollars. This is significantly higher than what is obtainable from the average domiciliary account in the local banks. The fund affords investors liquidity, diversification and professional portfolio management.

ASSET CLASSES

SECURITY	ALLOCATION RANGE
FGN Eurobonds	30% – 45%
Corporate Eurobonds	10% – 40%
Money Market Instruments	0% – 20%

MARKET OVERVIEW

In July, the Eurobond market experienced a mix of bullish and bearish trends. The first week saw a slight decline in yields to 9.88% due to increased demand midweek despite initial sell-offs. The bullish momentum continued into the second week, driven by local and international investor interest, resulting in yields dropping further to 9.57%. However, the third and fourth weeks saw a resurgence of bearish sentiment with aggressive sell-offs, causing yields to rise to 9.87% and 9.95%, respectively, despite occasional gains.

Despite numerous foreign exchange interventions aimed at stabilizing the naira, Nigeria's foreign reserves saw a significant increase of \$2.61 billion in July, rising to \$36.8 billion from \$34.19 billion at the end of June. This 7.62% growth, reported by the Central Bank of Nigeria (CBN), indicates a robust accumulation of foreign assets despite efforts to support the local currency.

In the U.S., the annual inflation rate fell to 3% in June 2024, marking the third consecutive monthly decline and the lowest rate since June 2023. This decrease from 3.3% in May 2024 was slightly below the forecasted 3.1%. The drop in the inflation rate reflects ongoing efforts to control price increases and indicates a trend towards stabilization after significant inflationary pressures in the previous years.

Meanwhile, the exchange rate for USD:EUR indicated a slight strengthening of the Euro relative to the US Dollar, moving from 0.9338 on June 28 to 0.9245 on July 31, 2024. Similarly, the USD:GBP exchange rate on July 31, 2024 was 0.7789, compared to June 28, 2024 at 0.7908. (Source: Yahoo Finance)

FUND PERFORMANCE

The AVA GAM Dollar FIF closed July 2024 at \$104.69 per unit and posted a year-to-date return of 7.70%. Below is a monthly comparison of the AVA GAM Dollar FIF to an applicable benchmark – the S&P BMV Sovereign International UMS Bond Index.

YTD return	May 2024	June 2024	July 2024
AVA GAM	7.70%	7.70%	7.74%
S&P BMV	-2.13%	5.24%	-47.48%

HOW TO PARTICIPATE

1. Log on to 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 details below:
Account name: UTL TRUST MANAGEMENT SERVICES LTD/AVA GAM DOLLAR FUND (USD)
Account number: 1022700288
Bank: United Bank for Africa