



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.

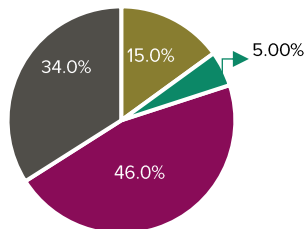
AVA GAM Fixed Income Naira Fund provides investors with the opportunity to invest in a range of high-quality fixed-income instruments which include bonds (such as FGN Naira Bonds, Sub-national bonds and Corporate bonds) and other money market securities. The Fund seeks to attract investors with a low-risk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

FUND SUMMARY

Date of Launch	April 6 2021
Fund Manager	AVA Global Asset Managers Limited
The Offer	1,000,000 units of ₦1,000 each
Fund Size	₦1,000,000,000
Units of Sale	Minimum of 10 units and multiples of 10 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 (December 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:

The FGN bond market remained subdued over the four weeks, with limited trading activity focused on mid-to-long-term papers, particularly the February 2031 bond. Despite occasional selective demand, the average mid-yield steadily increased from 19.42% in Week 1 to 19.55% in Week 4, reflecting cautious market sentiment.

In December, the Debt Management Office (DMO) conducted its monthly FGN Bonds auction, offering ₦120 billion across two tenors (2029 and 2031) with subscription rates of ₦51.85 billion and ₦211.36 billion. Investors exhibited strong demand resulting in oversubscribing by a total allotment of 175.95% of the initial offer.

Nigeria's inflation rate climbed for the third consecutive month in November 2024, reaching a nearly 30-year high of 34.6%, up from 33.9% in October. The increase was driven by the lingering effects of naira devaluation, successive petrol price hikes and surging food prices, which pushed food inflation to 39.93%. The Treasury bills market saw mixed activity over four weeks, driven by NTB and OMO auctions, with yields fluctuating amid tight liquidity and investor caution. Average mid-rates increased from 22.96% in Week 1 to a peak of 23.38% in Week 2, before settling at 23.15% in Week 4.

The Nigerian Naira (NGN) appreciated against the dollar in December, strengthening from ₦1,672.69/\$1 in November to ₦1,543.58/\$1, showing a decrease by approximately 7.71% from November to December. Nigeria's external reserves surged to \$40.87 billion as of December 31, 2024, up from \$32.91 billion at the end of 2023, reflecting a 24.2 percent increase, driven by enhanced crude oil production, improved foreign exchange inflows, and contributions from diaspora remittances.

FUND PERFORMANCE

The AVA GAM Naira FIF closed December 2024 with its Net Asset Value at ₦1,112.84 and a year-to-date return of 15.46%. 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	October 2024	November 2024	December 2024
AVA GAM	15.83%	15.71%	15.46%
S&P/FMDQ NSBI	1.36%	3.00%	4.13%

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 the details below:
Account name: STL Trustees Limited/AVA GAM Fixed Income Fund
Account number: 0036574174
Bank: Stanbic IBTC Bank Plc