

# FIXED INCOME NAIRA FUND MONTHLY FACTSHEET



January 2025

## 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.

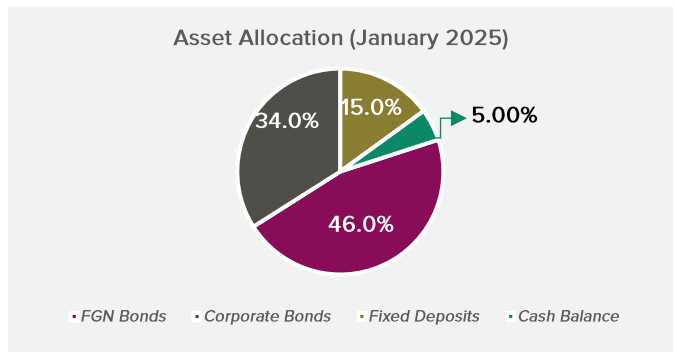
## BENEFITS TO THE INVESTOR

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.

## 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



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.

## 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 Bonds market remained bearish for most of the month, driven by sustained investor pessimism and increased sell-offs, pushing average yields higher from 19.03% to 20.09%. While mid-tenor bonds saw gradual increases, short-term instruments experienced modest gains, reflecting cautious investor sentiment amid economic uncertainties and a stable monetary outlook.

The DMO's January 2025 FGN Bond auction saw strong investor demand, especially for the new 2035 bond, which was oversubscribed at 184.15%. Total allotments were ₦78.86 billion (78.86%) for the 2029 bond, ₦153.87 billion (102.58%) for the 2031 bond, and ₦368.31 billion for the 2035 bond, reflecting confidence in government securities.

Nigeria's inflation rate hit 34.8% in December 2024, a near 30-year high, while food inflation slightly eased. The monthly CPI increase slowed to 2.44% as the National Bureau of Statistics prepares to rebase the index. The NTB market in January 2025 saw mixed trends, with 91-day and 182-day bills undersubscribed while the 364-day bill remained in demand. Yields fluctuated, ending at 25.58% in Week 1, dipping to 24.78% in Weeks 2 and 3, and rising slightly in Week 4, alongside a well-subscribed OMO auction with stop rates of 22.5% and 22.65% for 347-day and 361-day tenors.

The Naira appreciated by 2.77% against the U.S. dollar in January, strengthening from ₦1,543.58/\$1 in December to ₦1,500.77/\$1 by month-end. Despite fluctuations, the local currency showed resilience, peaking at ₦1,551.91/\$1 in Week 3 before ending the month stronger. Nigeria's foreign exchange reserves declined by 2.69% in January, falling from \$40.87 billion in December 2024 to \$39.77 billion. Despite a strong start, external reserves faced pressure, likely due to forex interventions and capital outflows.

## FUND PERFORMANCE

The AVA GAM Naira FIF closed January 2025 with its Net Asset Value at ₦1,098.10 and a year-to-date return of -1.36%. Below is a monthly comparison of the AVA GAM Fixed Income Naira Fund to an applicable benchmark – the S&P/FMDQ Nigeria Sovereign Bond Index.

YTD return	November 2024	December 2024	January 2025
AVA GAM	15.71%	15.46%	-1.36%
S&P/FMDQ NSBI	3.00%	4.13%	-2.01%

## HOW TO PARTICIPATE

- Step 1:** Log on to [invest.avacapitalgroup.com](https://invest.avacapitalgroup.com) or AVA mobile app available on the Apple app store or Google Play store.
- Step 2:** Click on AVA GAM Fixed Income Fund
- Step 3:** Click on Open Account and complete the online form
- Step 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

Invest and monitor your portfolio on the go!

Download the AVA Mobile App



\*Please note that historical performance does not guaranty future returns. Also, investors' returns may differ based on the duration of their investments.

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