

Cordros Milestone Fund 2028. Fund Factsheet

September 30, 2019



Investment Objective

The fund's investment objective is to maximize total returns and reduce volatility as the fund approaches its target date. The fund will provide diversification across asset classes; investing in eligible securities.

Fund Overview

Inception Date	27 th Sep 2018
Financial Year End	31st December
Fund's NAV	N267,196,749.33
Price	N100
Benchmark	NSE 30
Income distribution	Annually
Minimum Investment	N2,500
Subsequent Investment	N1,000
Annual Management Fee	1.50%
Risk profile	Medium

Target Investors

The Cordros Milestone Fund 2028 is an attractive investment option for retail, high net-worth individuals, and institutional investors:

- Who seek capital appreciation and growth
- With medium to long term financial milestones
- Who require annual income from as an inflation hedge
- And have a long-term investment horizon.

Benefits to Investors

- ⇒ Diversified fund rebalancing
- ⇒ Diversification investment approach
- ⇒ Unique equity allocation
- ⇒ Professional Fund Management
- ⇒ Affordability
- ⇒ Competitive returns with minimum investment

Fund Performance

Despite the relatively flat yield curve during the period, the fund managed to minimize the impact of a bearish equities market on the fund. Profit taking in equities and elevated yields from long dated fixed income instruments also bolstered fund performance.

CMF 2028	
BID PRICE (₦)	OFFER PRICE (₦)
Sep-19	97.47
Aug-19	94.18

Market Commentary

The Nigerian equities market recovered slightly in September from the previous month in August and reversing its three-month consecutive downward trend which has been persisting since May 2019.

This rally can be traced to the second week in the month where investors capitalized on the bottomed-out market, hence hunting for the bargains and cherry-picking undervalued stocks with big upside potentials. Other than the said week, other weeks closed negative, however, m/m figures on the benchmark index printed +0.38% (+140.75), closing the month of September in the green at 27630.56. Accordingly, Ytd losses worsened to 12.09%.

Sectoral performance at the last trading day of the month saw major segments reporting positive figures m/m as Oil and Gas index led gains (+20.63% m/m), trailed by Insurance (+1.32% m/m) Consumer Goods (+7.85% m/m), Banking (+7.10% m/m) and Industrial (+1.32% m/m) indices.

The treasury bills market space was largely bullish as average yield across tenors closed at 13.40% in September, shedding 14bps m/m as mixed pressures saw the short and mid tenor bills declining m/m by 20bps and 94bps respectively while the long expanded by 71bps.

Similarly, trading in the bond market was mixed with a bullish tilt as average yield stooped marginally by 2bps to 14.24%. Investors demand for the JULY-2026 (-16bps) bond led to a contraction at the mid (-11bps). Conversely, sell-offs of the APR-2023 (+13bps) and JUL-2034(+11bps) bonds led to yield expansion at the short (+2bps) and long (+6bps) ends of the curve.

Market Outlook

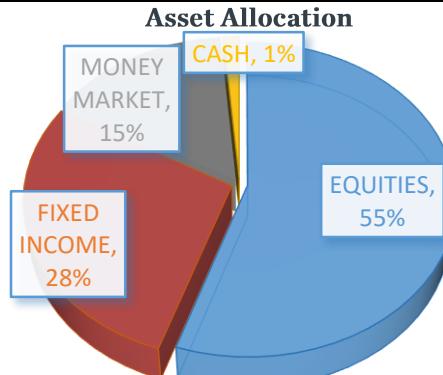
Notwithstanding any strong drivers that could boost the Nigerian equities market, we expect sentiments to remain bearish while awaiting the 3rd quarter results from tickers and the Nigerian 2019 Budget proceedings to shed some light on any positive indicators to spur increase economic activities which will rally the market. Furthermore, as the resolution of the trade war between the world's largest economies remains uncertain while global economic growth lags below estimates, the weight of salvaging the markets into a reversal rests on domestic action inspired by advantageous policy announcements that can lift our local markets.

Expectations on tenured bond market supports quiet sentiments picking off higher yield instruments in the short-medium term, anchored on our expectations for (1) an uptick in inflation stemming from upcoming festivities of Q4 2019, (2) currency stability, (3) Oil prices and stable oil inflows favoring budget estimates despite capital flow reversals and marginal depletion in the foreign reserves.

Therefore, the Fund Manager will continue to invest in fundamentally viable instruments and maintain its position to capitalize on high yield prospects in equities as a precautionary measure against rate declines in fixed income space.

Current Asset Allocation

Instrument	Weighting	Allocation Band
Equities	55.16%	5% - 65%
Fixed Income	28.27%	10% - 60%
Money Market	15.25%	10% - 85%
Cash	1.43%	0% - 5%



The daily annualized yield is stated net of fees and expenses.

The fund manager is required grow the unit price of the fund in line with annual return projection. However, the price of investments and the income from them may rise or fall and investors may not get back the full amount invested.

*** Past performance is not a guarantee of future results.

^Other money market instrument includes unsubordinated short-term debt securities such as Bankers' Acceptances and Commercial Papers of companies, other Money Market Funds and other instruments introduced and approved by the Central Bank of Nigeria from time to time and as permissible under Securities and Exchange Commission Rules & Regulations.

Regulated by Securities & Exchange Commission

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