

AIICO BALANCED FUND

JULY 2021

OVERVIEW

AIICO Balanced Fund is an open-ended mutual fund, investing in Fixed income instruments, Money market instruments and both Quoted and Unquoted equities.

INVESTMENT OBJECTIVE

The investment objective of the Fund is to create medium to long term capital growth as well as yearly income streams from declared dividends for unit holders. The fund also provides investors with the opportunity to diversify their investments into products that would hitherto have been more difficult to invest in.

FUND PERFORMANCE

The domestic bourse closed trading activities for July with a positive performance reinforcing a steady recovery. The Nigerian Stock Exchange All Share Index (NSE ASI) gained 1.69% month-on-month to close at 38,547.08pts, while market year-to-date loss pared to -4.28%.

Stop rates at the Nigerian Treasury Bills (NTB) Primary auction for May were unchanged for the 91-day and 182-day maturities, but trended lower by 47 bps for the 364-day maturity. As a result, the average rates for these maturities were 2.50%, 3.50%, and 8.20%, respectively.

Mixed sentiments were seen at the FGN bonds secondary market, as demand was initially seen predominantly at the long end of the curve, following the massive liquidity that hit the system. Although, toward the end of the month, market players indulged in profit-taking activities taking advantage of the lower yields.

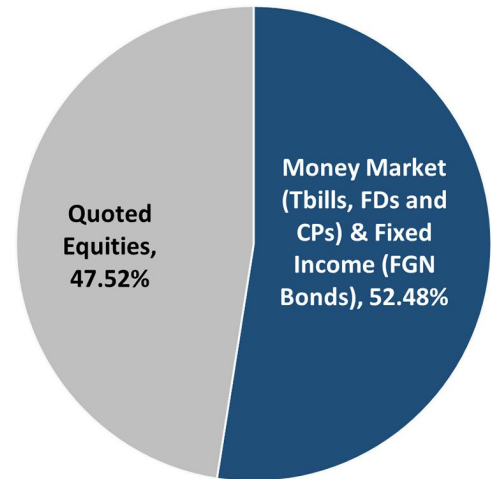
The fund's net yield marginally improved month on month to -4.83% at the end of July 2021, from -4.89% p.a. recorded in June. The fund's performance was influenced by the slight recovery in the equity market as well as the drag in bond yield levels observed in July.

FACT SHEET

ABF	31-Jun	30-Jul
Gross return	-4.89%	-4.83%
Minimum Entry	N50,000	N50,000
Minimum holding period	90 days	90 days
Composite Benchmark rate	-4.36%	-4.00%

ASSET ALLOCATION

In seeking to achieve all of the fund's objective, and inline with the SEC rules, the asset allocation of the fund is shown below:



NSE-ASI PERFORMANCE

