

AIICO BALANCED FUND

MARCH
2022

AIICO CAPITAL

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

For the month of March, the AIICO balanced fund had a somewhat bearish performance, with YTD returns down to 2.41% from 5.15%, the previous month.

The domestic stock market saw significant sell-offs in the month under review, even though dividend announcements flooded the market earlier in the month. The bargain hunt on equities with high dividend yields was short-lived, as they appeared to be priced in ahead of the releases. The Nigerian Stock Exchange All Share Index (NGX ASI) dipped 1.09% month-on-month while year-to-date returns reduced to ca 9.95%.

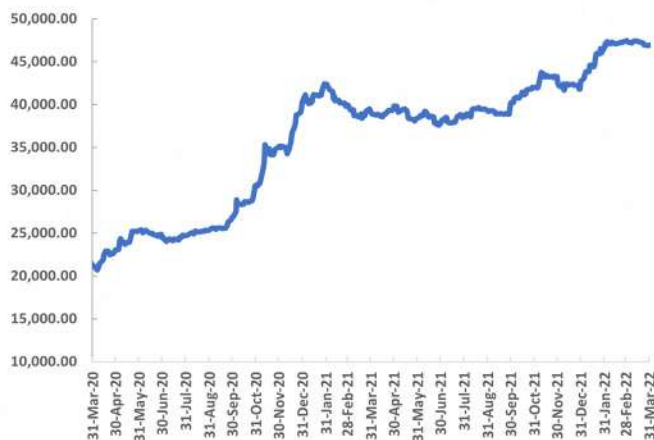
The NTB secondary market traded mixed to bullish in March, as OMO maturities and consecutive decline in 1- year stop rates at the first set (2) of NTB auctions, spurred buyside activity. However, the last NTB auction conducted in Q1 2022 ensured a slightly bearish end to the month, with stop rates on the 91 and 364-day papers increasing by 1bp and 45bps to settle at 1.75% and 4.45% respectively, while the 182-day paper was left unchanged at 3.00%. The total subscription by investors was ca 1.73 times the amount on offer (₦143.29billion), with the CBN selling ca ₦174.19billion across the three maturities.

The FGN bonds secondary market traded on a similar note as early bullish momentum due to coupon payments, reversed as the month drew to a close, amid uncertainty in yield direction going into Q2'2021

FACT SHEET

Fund launch date	14 May 2018
Fund Size as at 31 March 2022	157,092,492.10
Bid Price as at 31 March 2022	3.5746
Offer Price as at 31 March 2022	3.7409
Minimum Investment	₦50,000.00
Minimum Holding Period	90 Days

NSE-ASI PERFORMANCE

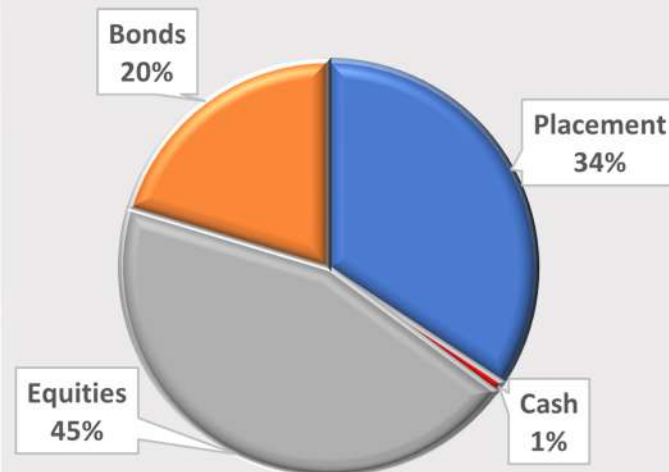


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ASSET ALLOCATION

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:



Asset Classes	LOWER LIMIT	UPPER LIMIT	ACTUAL
Money Market	40.00	60	55.47
Quoted Equities	40.00	60	44.53

MONTHLY RETURNS

ABF	28-Feb	31-Mar
Gross year-to-date return	+5.15%	+2.41%
Gross Quarter-to-date return	+5.15%	+2.41%
Composite Benchmark rate	+6.64%	+5.92%