

# AIICO BALANCED FUND

SEPT. | 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

The AIICO balanced fund closed the month of September with a YTD return of +6.66%, a decline from 7.73% recorded in August 2022.

For August, the Nigerian Stock Exchange All Share Index (NGX ASI) declined by 1.63% M-o-M, closing at 49,024.16 points, as selloffs on bellwethers like ACCESSCORP, NESTLE and GTCO dragged the index southwards.

The Treasury Bills market traded on a mildly bullish note for most of the month. However, the buying trend reversed towards the end of the month, as an increase in MPR to 15.50% (+150bps) and higher stop rates at the Monthly primary auctions drove bearish sentiments.

Across the monthly NTB auctions, stop rates for the 91, 182 and 364-day papers increased by c.249bps, c.250bps and c.350bps to close at 6.49%, 7.50% and 12.00% respectively, M-o-M.

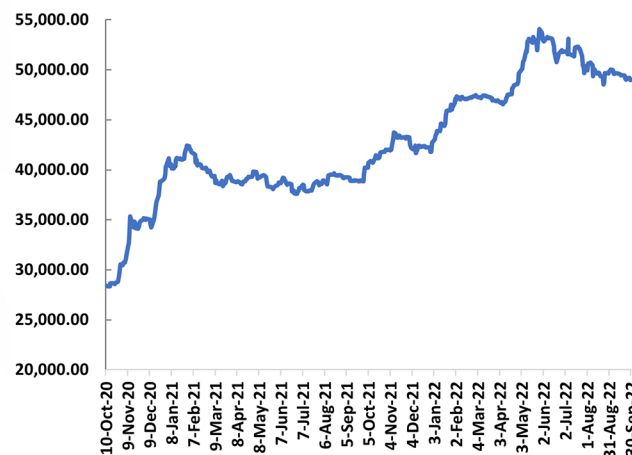
The local bonds market also witnessed few demand across the long dated papers, following an adjustment to September's FGN bond issuance calendar where 2042s was replaced with 2037s. However, liquidity strain and MPC's meeting towards the end of the month, swayed the market to a bearish theme.

At the monthly FGN Bond Auction, the Debt Management Office (DMO) raised the stop rates to 13.500%, 13.849% and 14.500% across the 2025, 2032 and 2037 papers respectively.

### FACT SHEET

Fund launch date	14 May 2018
Fund Size as at 30 September 2022	160,757,051.22
Bid Price as at 30 September 2022	3.6315
Offer Price as at 30 September 2022	3.6893
Minimum Investment	₦50,000.00
Minimum Holding Period	90 Days

## NSE-ASI PERFORMANCE

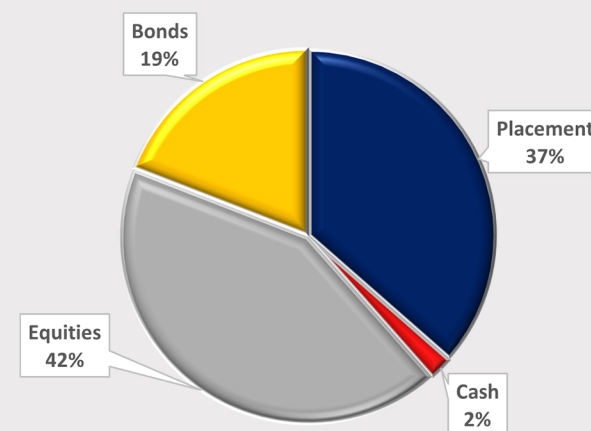


### Important Disclaimers

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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	60.00	57.58
Quoted Equities	40.00	60.00	42.42

## MONTHLY RETURNS

ABF	31-Aug	30-Sept
Gross year-to-date return	+7.73%	+6.66%
Gross Quarter-to-date return	+1.52%	+0.46%
Composite Benchmark rate	+8.23%	+7.41%