

AIICO MONEY MARKET FUND

MARCH | 2023

AIICO CAPITAL

OVERVIEW

AIICO Money Market fund is an open-ended collective investment vehicles that pools investment monies from various individuals, Corporate organizations and High Net-worth Clients (HNC) for the purpose of investing in money market securities, designed to produce short to medium term growth, income or a combination of the two.

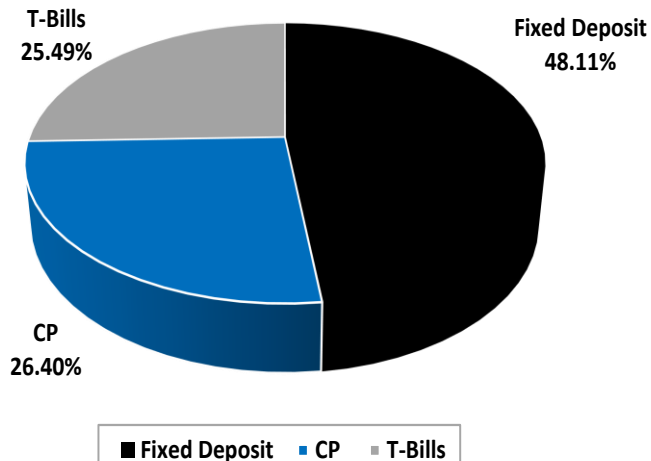
INVESTMENT OBJECTIVES

The investment objective of the Fund is to generate regular income for unit holders by investing in high-quality, liquid, and short-tenor fixed income instruments whilst ensuring safety of principal.

ASSET ALLOCATION

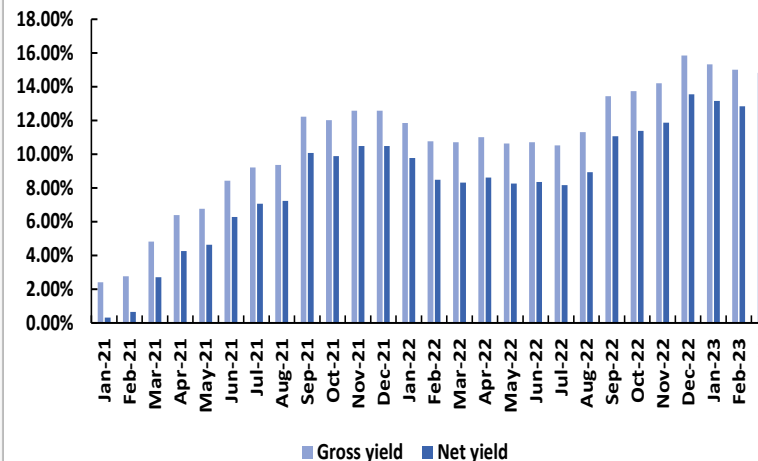
In seeking to achieve all of the fund's objective, and inline with the SEC rules, the asset allocation of the fund is shown below:

AMMF Asset Allocation



AMMF	28-Feb-23	31-Mar-23
Gross Return	15.00%	14.82%
Net Return	12.84%	12.69%
Weighted Average Maturity	61.12	65.24
Rating	A	A
Minimun Entry	N10,000	N10,000
Minimum Holding Period	90 Days	90 Days
Benchmark	91 Day Tbill	91 Day Tbill
Benchmark Average Rate	3.00%	6.00%

AMMF Monthly Returns



FUND PERFORMANCE

The AIICO Money Market Fund recorded a net yield of 12.69% p.a in Mar'2023, compared to 12.84% recorded in Feb'2023 but outperformed the benchmark closing rate (91-day NTB) of 6.00%.

This can be ascribed to the fund's prudent investment in high yielding fixed deposits and short-term securities such as commercial papers (CPs) and composite Treasury bills. The fund closed the month with a weighted average tenor of c.65.24 days.

System liquidity was relatively buoyant in Mar'23, however debits for the monthly FGN Bond auction, FX Retail auction and sustained CRR debits ensured the month closed negative. For context, Mar'2023, system liquidity averaged c.N166.97bn compared to c.N447.35bn, recorded in Feb'2023. Consequently, the Overnight Policy Rate (OPR) and Overnight (ON) rates rose to an average of c.13.72% and 14.17% respectively in Mar'2023 compared to 12.11% and 12.52% in the previous month.

The Treasury Bills market opened bullish, as investors continued to lock in idle funds early in the month. However, amid tight liquidity later in the month, bullish sentiments reversed with improved offers seen as market participants sought to raise liquidity to fund their obligations. Overall, the average mid yield rose by 383bps M-o-M to settle at 8.08%.

At the closing NTB auction, stop rates for the 91-day, 182-day and 364-day papers all improved to 6.00%, 8.00% and 14.74% respectively. This represents an average increase of c.4.20% from 3.00% (91-days), 3.24% (182-days) and 9.90% (364-days) recorded at the last auction in Feb'2023.