

# AIICO MONEY MARKET FUND

APRIL | 2024



## OVERVIEW

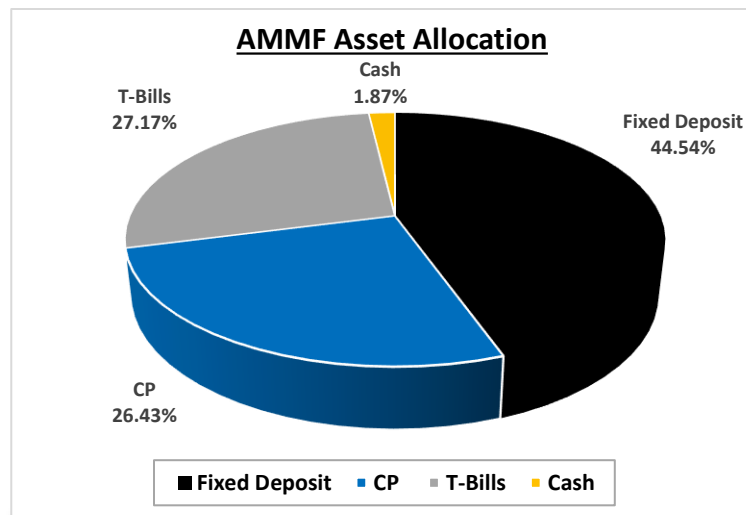
AIICO Money Market fund is an open-ended collective investment vehicles that pools investment monies from various individuals, Corporate organizations and High Net-worth Clients (HNC) for the purpose of investing in money market securities, designed to produce short to medium term growth, income or a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

## INVESTMENT OBJECTIVES

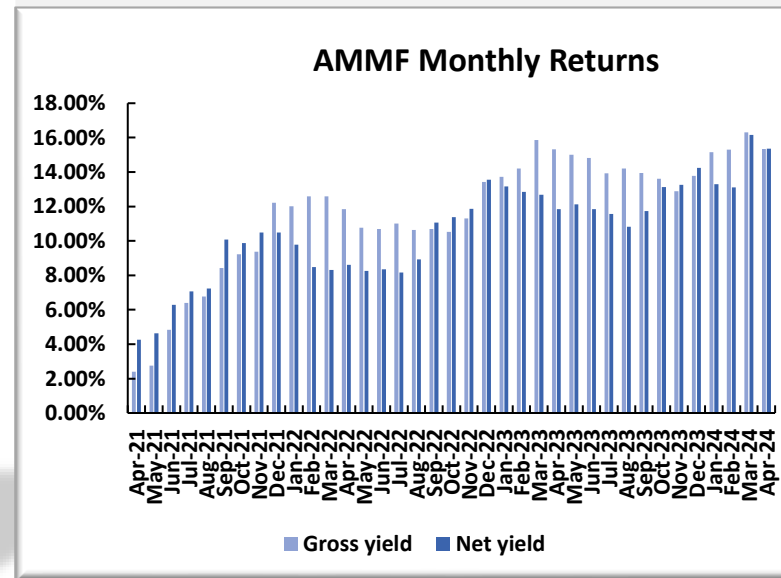
The investment objective of the Fund is to generate regular income for unit holders by investing in high-quality, liquid, and short-tenor fixed income instruments whilst ensuring safety of principal.

## 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	31-Mar-24	30-Apr-24
Gross Return	18.23%	17.62%
Net Return	16.16%	15.36%
Weighted Average Maturity	69.08	52.11
Rating (GCR)	A	A
Minimun Entry	N10,000	N10,000
Minimum Holding Period	91 Days	91 Days
Benchmark	91 Day Tbill	91 Day Tbill
Benchmark Rate	16.2400%	16.2400%



## FUND PERFORMANCE

The AIICO Money Market Fund returned a net yield of 15.36%, compared to the benchmark rate of 16.24% set by the 91-day NTB paper. The fund's return was attributed to prudent investments in high-yielding fixed deposits and short-term securities, such as commercial papers and Treasury bills, resulting in a weighted average tenor of approximately 52.11days.

In April, after the FAAC credit at the beginning of the month, system liquidity reported a negative balance for most of the month, given the less significant inflows from FGN coupon against substantial outflows, including OMO bills auction (₦676.67 billion), new treasury bills issues (₦1.00 trillion) and FGN local bonds auction (₦626.81 billion). Although, average opening system liquidity relatively increased from ₦830.43 billion in March to ₦490.48 billion. Overall, the average Open Repo Rate (OPR) increased by 27bps m/m to 28.22%, while the Overnight Rate (OVN) decreased by 25bps m/m to 29.20%.

The treasury bills market started the month with a bearish sentiment, driven by the OMO bills auction. However, the OMO bills auction maintained the same rates for the short and medium papers at 19.00% and 19.50%, respectively, while the stop rate for the long-dated paper declined by 38bps to 21.125% compared to the previous auction. Similarly, the first treasury bills auction result portrayed a comparable posture, while the final auction saw a stable stop across the three papers. Overall, the market settled bearish, as the average mid-rate closed higher at 19.26%, from 15.89% in March.

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