

AIICO BALANCED FUND

JUNE | 2024



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 OBJECTIVES

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 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 June-24 with a YTD return of 7.18%

The All-Share Index (ASI) closed the month bullish at 1.09% m/m to settle at 99,300.38 points, while The All-Share Index (ASI) closed the month bullish at 0.76% m/m to settle at 100,057.49 points, while the year-to-date return and market capitalization closed at 32.81% and ₦56.60 trillion, respectively.

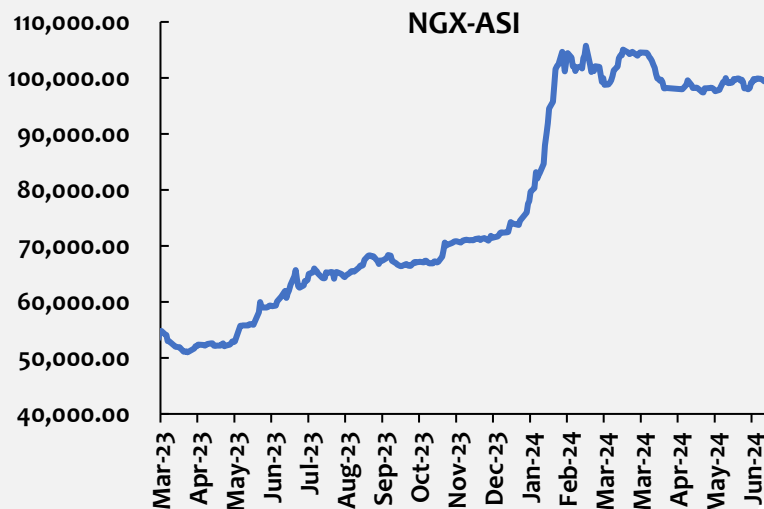
In the money market, the first half of the month showed a mixed trend, with most of the deficit balances driven by OMO auction debits (₦1.50 trillion). However, early FAAC inflows and Bond coupons (c.₦216.00 billion) boosted the liquidity balance around mid-month. Afterward, system liquidity stayed positive given the small size of the other OMO auctions (₦264.33 billion) and some additional inflows from Remita, Coupon inflows and NDF maturity (c.₦178.00 billion). Overall, average opening system liquidity increased from ₦227.77 billion in May to ₦236.98 billion in June. Accordingly, the average Open Repo Rate (OPR) contracted by 275bps m/m to 26.85%, while the Overnight Rate (OVN) fell by 288bps m/m to 27.49%.

The treasury bills market teetered bullish in the first half of the month but switched to a bearish bias in the second half of the month, supported by the uptick in stop rates at the primary markets. Four OMO auctions and three NTB auctions were held at the during the month. At the end of the month, the market settled bullish, as the average mid-rate fell 5bps m/m to 20.47%.

The FGN bond auction results surprised the market with a significant increase in stop rates. The 2029, 2031, and 2033 maturities were issued at 19.64% (up from 19.29%), 20.19% (up from 19.74%), and 21.50% (up from 19.89%). Overall, the market settled bearish, and the average mid-yield increased by 198bps m/m to close the month at 20.47%.

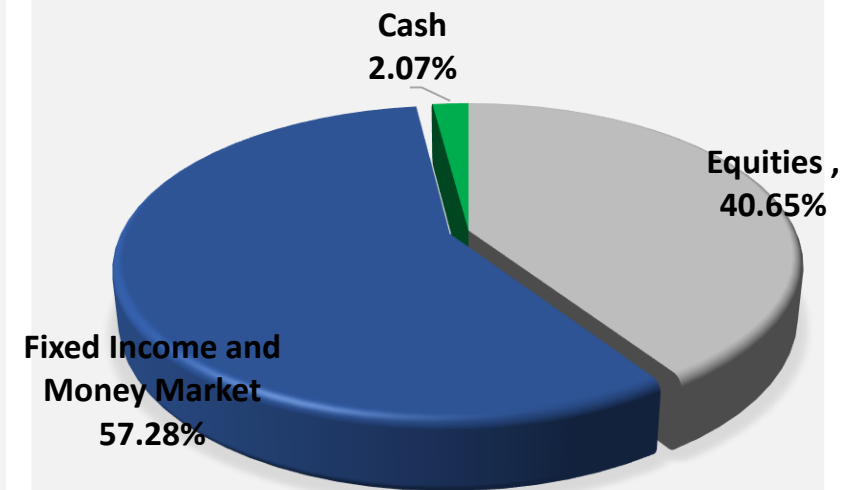
FACT SHEET

Fund launch date	14-May-18
Fund Size as of 30 JUNE 2024	240,162,546.00
Bid Price as of 30 JUNE 2024	5.3904
Offer Price as of 30 JUNE 2024	5.4676
Minimum Investment	₦50,000.00
Minimum Holding Period	90 Days



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:

ABF ASSET ALLOCATION



ABF	31-May	30-June
Year-to-date return	5.74%	7.18%
Composite Benchmark rate (YTD)	11.45%	13.95%
Quarter-to-date return	0.48%	1.84%
Composite Benchmark rate (QTD)	-0.35%	1.05%

Aim higher. Reach further ▶