

AIICO EUROBOND FUND

JUNE | 2025

AIICO CAPITAL

OVERVIEW

AIICO Eurobond Fund is an open-ended Dollar denominated mutual fund, strategically investing in high-quality Nigeria sovereign & non-sovereign Eurobonds and in investment-grade money market instruments.

INVESTMENT OBJECTIVES

The investment objective of the fund is to offer investors the opportunity to diversify their portfolios, ensure long term capital appreciation and capital preservation while generating a steady stream of income on USD denominated securities.

FUND PERFORMANCE

The AIICO Eurobond Fund closed June with a net yield of 7.51%, an improvement of 24 basis points from the previous month.

The Nigerian Eurobond market recorded a strong bullish performance despite global volatility. The month began with a rally driven by Moody’s upgrade of Nigeria’s credit rating to B3 from Caa1, supported by improved external and fiscal metrics. This spurred strong buying interest, with yields tightening by 13 basis points midweek to 9.21 percent.

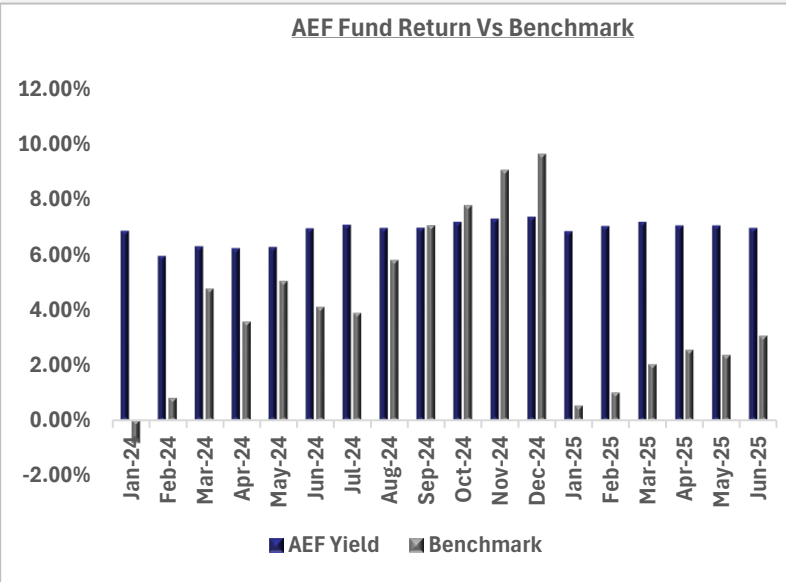
Midmonth, Nigerian papers benefited from easing tensions in the Middle East, particularly the temporary ceasefire between Israel and Iran, which calmed fears of crude supply disruption. Oil prices rallied, lifting demand for oil-linked assets. Despite a more hawkish U.S. Federal Reserve outlook and rising geopolitical risks, demand for Nigerian Eurobonds persisted. Late in the month, profit-taking set in but was insufficient to erase gains.

Overall, Nigerian Eurobonds closed June with a yield compression of 83 bps m/m, ending at 8.60%.

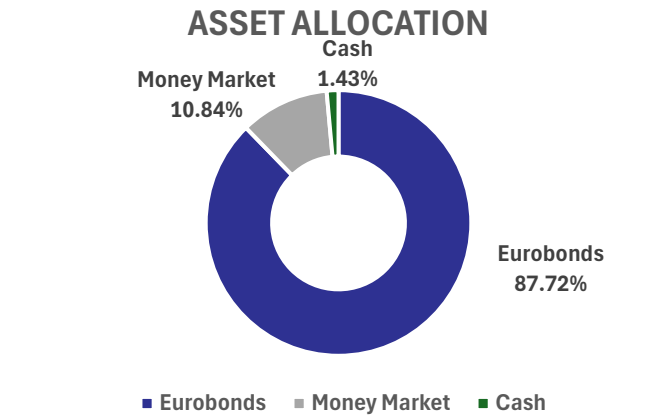
Outlook: The market will likely stay cautiously hopeful but shaky, heavily influenced by global events. If the U.S. and China ease trade tensions, emerging market bonds could rally. But if tariffs rise in July, African debt may face renewed pressure.

FACT SHEET

Fund launch date	20 Dec 2023
Net Asset Value as of 30 June 2025	\$ 3,120,116.47
Minimum Investment	\$1,000.00
Minimum Holding Period	180 Days
Benchmark	3-year NIG Eurobond
Net Yield as at 30 June 2025	7.51%
Fund Return – Year-to– Date	6.95%
Benchmark Rate	3.06%



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
NIG Sovereign, Supranational & Corporate Eurobonds	50.00%	100.00%	87.72%
Money Market	0.00%	30.00%	10.84%
Cash	0.00%	5.00%	1.43%

Aim higher. Reach further ►