

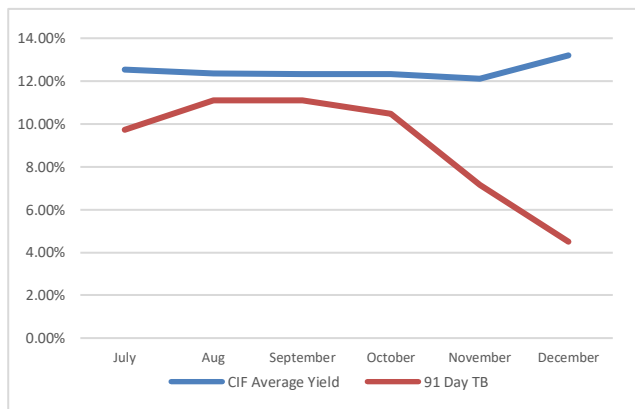
### BACKGROUND INFORMATION

The Coral Income Fund ("CIF") was established in May 2006 as an open ended income based collective investment scheme. The Fund invests a minimum of 70% and a maximum of 100% of its assets in investment grade fixed income investments.

### INVESTMENT OBJECTIVE

The objective of the CIF is to enable investors to earn income, while preserving their capital over the medium term. In particular, the CIF is designed to enable investors to satisfy a broad variety of financial needs as it can be used as a private investment plan towards children's educational, housing plan, retirement plan etc.

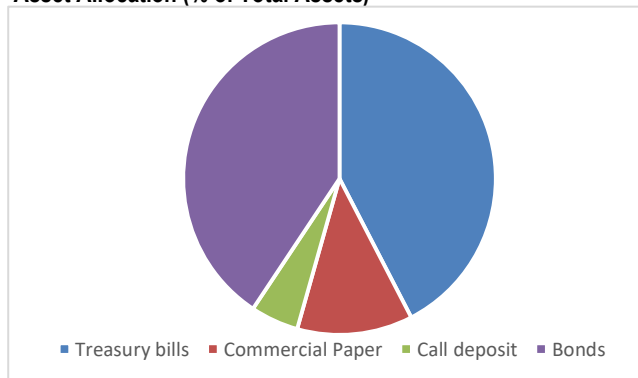
### Fund Performance vs benchmark



### FUND PERFORMANCE (Annualized Yield)

Months	Annualized Yield (%)
October 2019	12.33%
November 2019	12.11%
December 2019	13.20%

### Asset Allocation (% of Total Assets)



### UPDATE ON THE CIF

You can now monitor your investment online by viewing your statement at our website [www.fsdhaml.com](http://www.fsdhaml.com). Call Adedayo, Seun or Tolu on 01-2809740-1 to obtain your username and password. Alternatively, you can send an email to [coralfunds@fsdhgroup.com](mailto:coralfunds@fsdhgroup.com).

Follow us on twitter and Instagram via @fsdhcoralfunds and like our facebook page; FSDH Coral Funds [www.facebook.com/coralfunds](http://www.facebook.com/coralfunds).

### REVIEW OF THE FUND

Inception date:	May 2006
Net Asset Value:	N 3,643,454,274.43
Opening price:	N 2,761.64
Closing price:	N 3,098.22
Management Fee:	1.5% of GAV
Expense Ratio:	2.10%
Benchmark:	Avg 91 day Treasury bill
Risk Profile:	Low
Current Asset Allocation:	44.39% in Government TB Instrument, 36.27% in Government Bond Instrument, 19.34% in other Money Market Instruments
Investment Manager Rating:	A-(NG)(GCR)
Portfolio Manager:	Oladapo Adekoya
Custodian:	Stanbic IBTC Bank
Trustee:	United Capital Trustees Limited
Auditors:	PriceWaterCoopers
Registrar:	United Securities Limited

### Fund Manager's Comments

The CIF recorded a year to date net return of 13.23% in December 2019 thereby outperforming the average 91-day Treasury Bills rate which recorded 4.0% for the same period.

The money market experienced increased liquidity as the CBN restricted participation in its primary and secondary Open Market Operations for non-banking financial institutions. This sent yields crashing as non-bank institutional investors with sizeable funds jostled for limited alternatives.

This was further exacerbated by another policy of the CBN which mandated that Deposit Money banks to maintain a minimum loan to deposit ratio 65%. Consequently, banks reduced their deposit rates, as greater emphasis was placed on creating risky assets in order to meet the stipulated LDR threshold.

The impact of the OMO restriction was felt most acutely in the Nigerian Treasury Bills (market as demand skyrocketed, with yields crashing as a consequence NTBs of 91 182 and 364 day tenors which were sold at average stop rates of 10.95% 13.30% and 14.75% respectively, at the primary market auction in January 2019 had crashed to 4.00% 5.00% and 5.50% for the respective tenors as at the last auction held in December 2019

### Strategy

We expect greater activity in the corporate debt space, as more reputable corporate borrowers look to take advantage of the low interest rate environment through issuance of commercial papers and bonds. In view of the declining interest, we would taking advantage of the higher interest rate on corporate debt instruments and Federal Government Bonds.

### Increasing your investment in the Coral Income Fund just got easier!

From the comfort of your space, you can increase your investment in the CIF with as little as N5,000 through any of the following:

- Transfer funds to the Fund's custodian using your Naira Debit or Credit card
- Automatic transfer sums from any Nigerian bank to the funds custodian by issuing a direct debit instruction. You simply fill and execute the form, **we will process it on your behalf.**
- Pay a cheque into the funds custodians account.
- A cheque/ bank draft in favour of "FSDH Coral Income Fund/UBAT"