

BACKGROUND INFORMATION

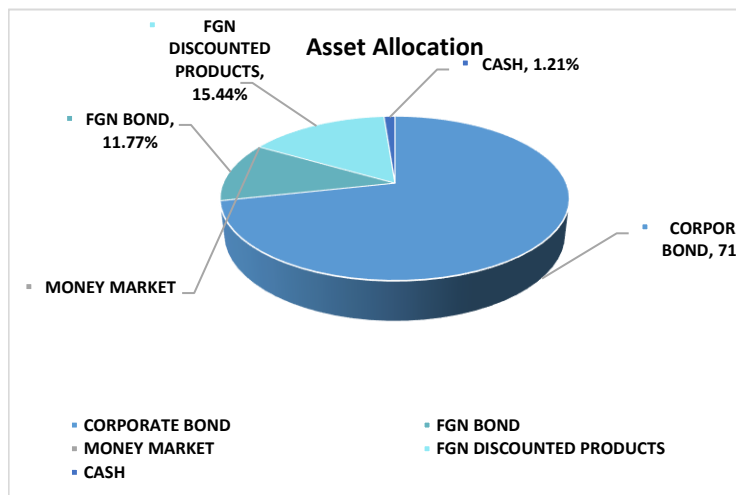
The FSDH Dollar Fund "FDF" is an actively managed open-ended unit trust scheme that invests in Dollar denominated Eurobonds, floated by the Federal Government of Nigeria, as well as top-tier corporate.

INVESTMENT OBJECTIVE

The objective of the Fund is to provide currency diversification, income generation and stable growth in USD. It seeks to achieve this by investing a minimum of 75% of the portfolio in high quality Eurobonds, maximum of 25% in short term USD deposits approved and registered by the Securities and Exchange Commission of Nigeria. Investors can expect to receive competitive short to medium term capital appreciation on their USD holdings invested in the Fund better than they would receive on domiciliary deposits.

Fund Performance vs. benchmark

ASSET ALLOCATION (% OF TOTAL ASSETS)



UPDATE ON THE FDF

You can now monitor your investment online by viewing your statement on our website www.fsdhaml.com.

You can also reach out to us via email at coralfunds@fsdgroup.com. Follow us on twitter and Instagram via @Fsdhcoralfunds and like our facebook page; FSDH Coral Funds www.facebook.com/coralfunds

REVIEW OF THE FUND

Inception date:	August 2020
Net Asset Value:	\$4.64Mn
Base Currency	US Dollar
Management Fee	1.00%
Minimum Investment	\$1,000.00
Investment Managers Rating:	A-(NG)(GCR)
Current Asset Allocation:	83.5% in Bonds, 15.44% in Fixed Deposit Instruments and Cash of 1.21%.
Benchmark:	Composite of 3-yr FGN sovereign bond
Risk Profile:	Medium
Fund Custodian:	United Bank for Africa
Fund Trustee:	Custodian Trustees
Auditors:	KPMG Towers

Fund Manager's Comment

The dollar fund was fraught with the risk of interest rate hike in advanced countries causing yields in the Eurobond market to be on the upward trajectory'

The United States and advanced countries have had inflation grow to unprecedented levels within the quarter necessitating various central banks to commence rate hike.

The Debt Management Office on behalf of the Federal Government DMO sold 7-year Eurobond at 8.375 percent, a premium over its dollar bonds due 2028, which currently trade at a 7.83 percent yield, the total allocation for the issue was \$3.9 b. The issuance took the market by surprise as global fund are of the opinion that now is not the best time to sale Euro bonds due to the Russia invasion of Ukraine.

Euro bond secondary market was bearish during the period

Strategy

Given our expectation of interest rate hike in the advanced countries and the geo-political tension in Eastern Europe, we are likely to continue to see the financial market remain volatile in the near future. As such our strategy will be to be short in our investment activities. Our Eurobond portfolio will be closely monitored to take profit in bonds that are in the money for future re-investment.

Increasing your investment in the FSDH Dollar Fund just got easier!

- From the comfort of your space, you can increase your investment in the FDF with as little as \$1,000 through any of the following:
- Automatic transfer sums from any domiciliary account to the funds custodian account.
- Transfer the investment sum to the funds' custodian account.