



CORAL GROWTH FUND

Q1 2023 Fund Managers Report

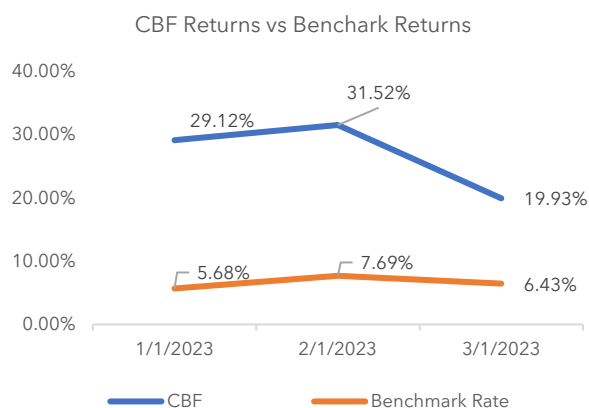
BACKGROUND INFORMATION

The Coral Balanced Fund "CBF", established in February 2001, is an actively managed open-ended unit trust scheme that invests a minimum of 40% and a maximum of 60% of its assets in equity securities quoted on the Nigerian Stock Exchange "NSE", and a minimum of 40% in investment grade fixed income investments.

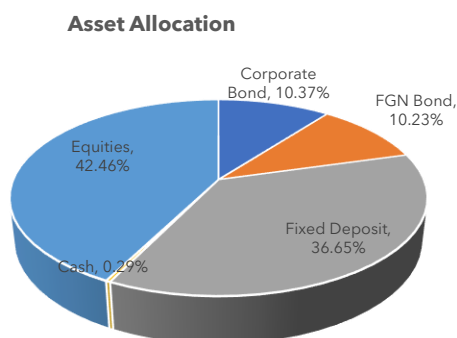
INVESTMENT OBJECTIVE

The objective of the Fund is to enable investors achieve capital growth over the long term. In particular, the CBF is designed to enable investors satisfy a broad range of financial needs as it can be used as a private pension/retirement plan, investments plan, or children's educational plan.

Fund Performance vs NGX ASI



ASSET ALLOCATION (% OF TOTAL ASSETS)



UPDATE ON THE CBF

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

REVIEW OF THE FUND

Inception date:	February 2001
Net Asset Value:	N 2.36 billion
Opening price:	N 4,414.76
Closing price:	N 4,232.63
Management Fee:	1%
Expense Ratio:	
Investment Managers Rating:	BBB+ Long Term / A2 Short Term (GCR)
Current Asset Allocation:	42.04% in Equities, 19.53% in Fixed income Instruments, Fixed deposit 38.20%, and Call placement 0.23%
Benchmark:	50% NGX ASI and 12M Nigerian Inter-Bank Treasury Bill's True Yield
Risk Profile:	Medium
Fund Custodian:	Stanbic IBTC bank
Fund Trustee:	United Capital Trustees
Auditors:	KPMG Towers
Registrars:	United Securities Limited

Fund Manager's Comment

The CBF's return for Q1 2023 was 19.93% compared to 11.98% achieved in Q1 2022; outperforming the benchmark returns which stood at 5.68% at the end of Q1 2023. The Balanced fund positive performance was largely stimulated by the bullish momentum in the equity market as listed corporates on NGX released positive Q4 2022 unaudited financial results. Also, the fund return was better than 8.21% recorded in the last quarter of 2022; despite electioneering uncertainty, depreciation of the Naira, and the hike in Monetary Policy Rate (MPR) witnessed in the review period.

Strategy

On the equity side, after dividend announcements and post financial results releases, we expect share prices to be marked down. Hence, we will use the opportunity to cherry-pick and mop up some of the stocks that are fundamentally strong at relatively cheap prices ahead of the expected market rally. Our outlook for equity market in Q2 2023 is positive amid expectation of market-driven policy pronouncements from the new administration – part of our expectations are removal of petroleum subsidy and convergence of exchange rate; we note that these would help stimulate foreign portfolio and foreign direct investments – in the short and long term. For the money market segment of the portfolio, we will continue to take short position to catch up early with repricing of the Fixed deposits.

Increasing your investment in the Coral Balanced Fund just got easier!

- From the comfort of your space, you can increase your investment in the CBF with as little as N5,000 through any of the following:
- Automatic transfer sums from any Nigerian bank to the funds Custodian by issuing a direct debit instruction. You simply fill and execute the form while we will process on your behalf.
- Transfer the investment sum to the funds' custodian
- Issue a cheque/ bank draft in favour of "FSDH Coral Growth Fund/UCAT"

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