



# CORAL INCOME FUND

## Q2 2023 Fund Managers Report

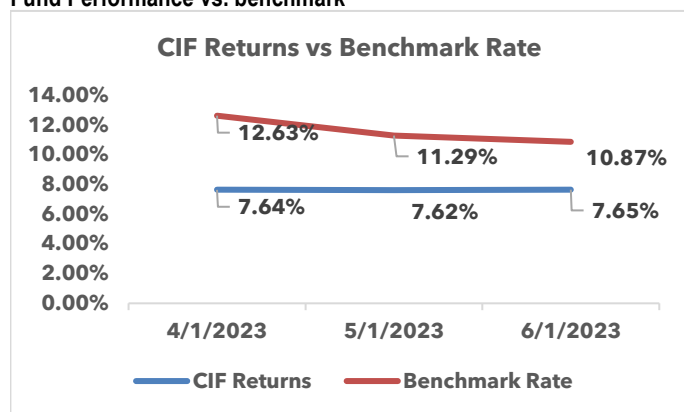
### BACKGROUND INFORMATION

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.

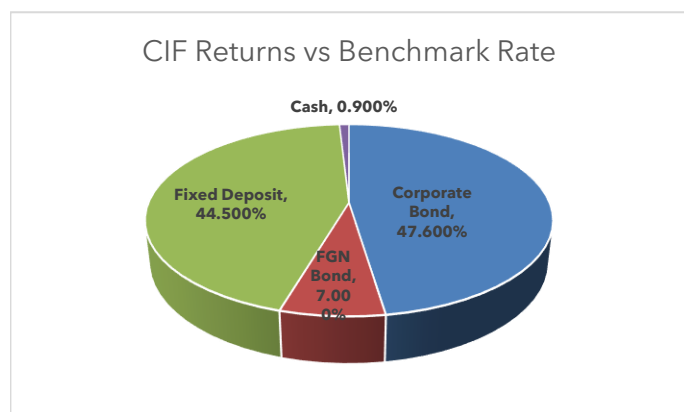
### INVESTMENT OBJECTIVE

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



### ASSET ALLOCATION (% OF TOTAL ASSETS)



### UPDATE ON THE CIF

You can now monitor your investment online by viewing your statement on our website [www.fsdhaml.com](http://www.fsdhaml.com).

### REVIEW OF THE FUND

Inception date:	May 2006
Net Asset Value:	N3.37bn
Base Currency	Naira
Management Fee	1.50%
Minimum Investment	N5,000.00
Opening Price	3,784.38
Closing Price	3,855.41

Investment Managers Rating: BBB Long Term / A3 Short Term (GCR)

Current Asset Allocation: 54.7% in Bond%, 44.4% in Fixed deposit and Cash 0.9%

Benchmark: (70% of 3Y Federal Government of Nigeria Bond Yield and 30% of 12M Nigerian Inter-bank Treasury Bill's True Yield)

Risk Profile:	Medium
Fund Custodian:	Stanbic IBTC
Fund Trustee:	UTL Trust Management Service
Auditors:	KPMG Towers

### Fund Manager's Comment

The CIF's return for Q2 2023 rose to 7.65% from 7.64% as printed in Q1 2023. The Fund delivered 70.37% of the benchmark rate (10.87%) despite the intense challenging macro-economic environment associated with electioneering uncertainty. Against the backdrop of accelerating inflationary figure, the Monetary Policy Committee further took a hawkish stance in the quarter under review, delivering an increase in the bps hike to the benchmark rate (to 18.50%).

### Strategy

We expect yields in the fixed income space to continue elevating. We also expect volatility in the fixed income market as a result we would enter Q3 with mild activity in fixed income space but gradually take position in the space as we observe rise in yields. We shall invest in short-dated bonds, at the beginning of Q3 and gradually dilute our holdings of short dated securities with mid to long dated securities as yields rise.

### 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:
- 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.
- Transfer the investment sum to the funds' custodian.
- Issue a cheque/ bank draft in favor of "Coral Income Fund."

You can also reach out to us via email at [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](https://www.facebook.com/coralfunds)