



FSDH DOLLAR FUND

Q2 2023 Fund Managers Report

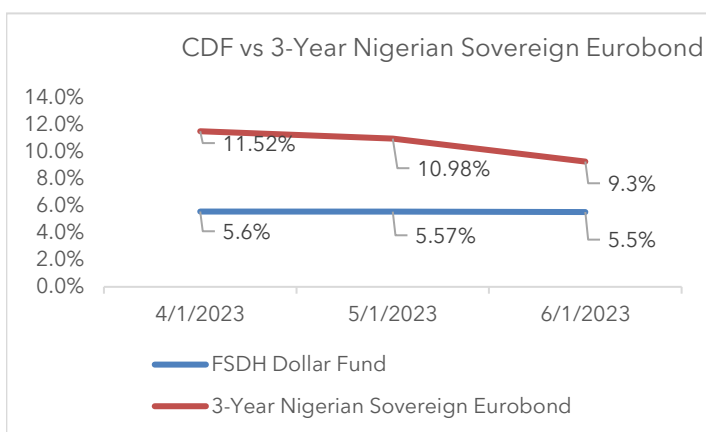
BACKGROUND INFORMATION

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.

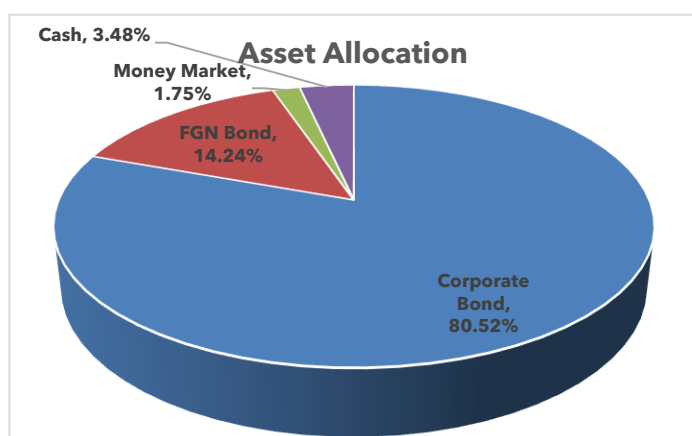
INVESTMENT OBJECTIVE

The objective of the Fund is aimed 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)



REVIEW OF THE FUND

Inception date:	August 2020
Net Asset Value:	\$3.61Mn
Base Currency:	US Dollar
Management Fee:	1.00%
Minimum Investment:	\$1,000.00
Investment Managers Rating:	BBB Long Term/ A3 Short Term (GCR)

Current Asset Allocation: 94.77% in Bonds, 1.75% in Fixed Deposit Instruments and Cash of 3.48%.

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 fund returned 5.55% in Q2 2023 reporting period compared to 5.58% recorded in Q1 2022. The performance was underscored by better rate on bond placements done in the quarter. There was the collapse of the Silicon Valley bank and credit risk coupled with the hawkish stance of central banks to tame inflation.

Strategy.

Our strategy in the upcoming quarter is to go long Eurobond as they appear to be getting cheaper in the wake of continued hike of policy rates by most central banks. We expect that as we move to the end of 3rd quarter, central banks will slow down on the rate hike, this may drive interest rate down and consequently prices would go up thereby improving the valuation of the portfolio.

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.

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

The FSDH Dollar Fund "FDF" is an actively managed unit trust scheme managed and administered by FSDH Asset Management Limited "FSDHAM", a wholly owned subsidiary of FSDH Merchant Bank Limited "FSDH". The FDF is registered with the Securities & Exchange Commission. The replication of historical returns is not guaranteed. FSDH Asset Management Limited, UAC House (4th Floor) 1/5 Odunlami Street, PMB 12913 Lagos, Nigeria; Abuja Office: Ground floor, Leadway House, Plot 1061, Herbert Macaulay Way Central Business District Abuja; Port Harcourt Office: 2nd Floor Main Street Bank Building (former Afribank Building) 5 Trans Amadi Road Port Harcourt.