



CORAL MONEY MARKET FUND

Q4 2024 Fund Managers Report

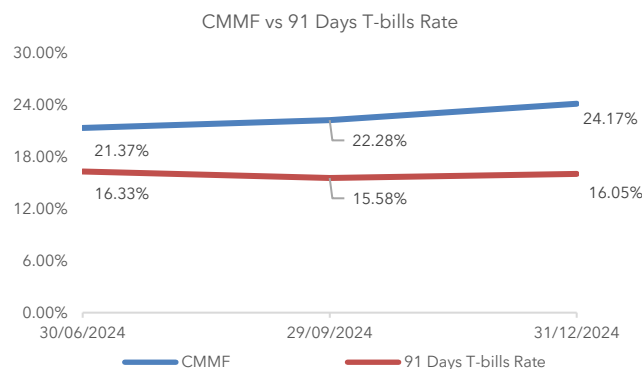
BACKGROUND INFORMATION

The Coral Money Market Fund "CMMF" is an actively managed open-ended unit trust scheme that invests exclusively in money market instrument – instruments with maturities less than 365 days.

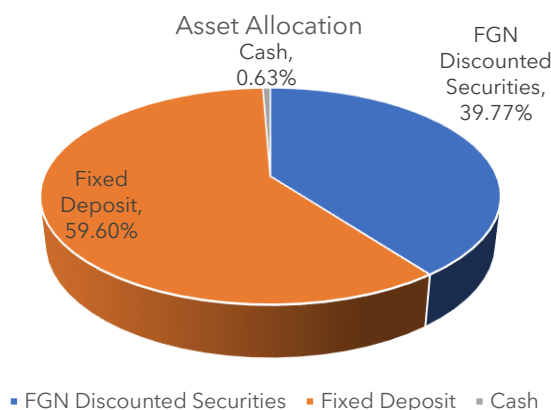
INVESTMENT OBJECTIVE

The objective of the Fund is to enable investors achieve consistent income streams through investment in a portfolio of money market securities and investments specified in the Trust Deed. The money market fund preserves capital, offers quarterly interest payment as well as safety and liquidity over the long term. It is also particularly 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. BENCHMARK.



ASSET ALLOCATION (% OF TOTAL ASSETS)



UPDATE ON THE CMMF

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

The Coral Money Market Fund "CMMF" is an actively managed unit trust scheme subsidiary of FSDH Merchant Bank Limited "FSDH". The CMMF 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, Lead way 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.

REVIEW OF THE FUND

Inception date:	June 2019
Net Asset Value:	N34.7bn
Base Currency	Naira
Management Fee	1.50%
Minimum Investment	N5,000.00
Distribution Frequency	Quarterly
Fund Rating	A – (f) (Agusto & Co)
Investment Managers Rating	BBB Long Term / A3 Short Term (GCR)

Current Asset Allocation: 39.77% in FGN Treasury Bills, 59.60% in Fixed deposits, cash 0.63%.

Benchmark:	91days FGN Treasury Bills
Risk Profile:	Low
Fund Custodian:	United Bank of Africa
Fund Trustee:	UTL Trust Management Service
Auditors:	KPMG Towers
Registrars:	United Securities Limited

Fund Manager's Comment

The CMMF returned 24.17% in Q4 2024 compared to 22.28% printed in Q3 2024. On the macro front, inflation rate was relatively high at 34.80% as at December 2024. Against this backdrop, we saw relatively high interest rate in the year as the Monetary Authority tried to rein in inflation and stabilize exchange rate. Hence, we saw money market rate and yield on various T-bills maturities went northward. We keyed into this trend by purchasing T-bills securities to boost the return on the Fund. Also, we positioned in relatively mid-tenured Fixed Deposit placement, as much as Weighted Average Maturities (WAM) could take, to elongate reward of high returns.

Strategy

We think rate in the money market has gotten to a resistance level, thus rate is expected to moderate in 2025 amid expectation of disinflation and stability of the exchange rate. Thus, we plan to exploit this situation to further key into long-tenured T-bills securities and lock in rate. Notably, we would position in relatively long-tenured Fixed Deposit placement as much as Weighted Average Maturities (WAM) can accommodate.

We will be very careful with CPs in the first half of 2025; however, we would consider only high-quality mid-tenor CPs in H2 2025 – when we expect interest rate environment would be less risky for corporates.

Increasing your investment in the Coral Money Market Fund just got easier!

- From the comfort of your space, you can increase your investment in the CMMF 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 Money Market Fund".

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