

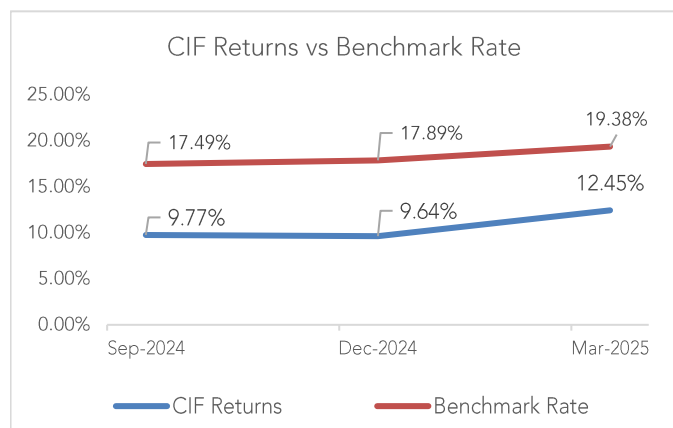
## BACKGROUND INFORMATION

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.

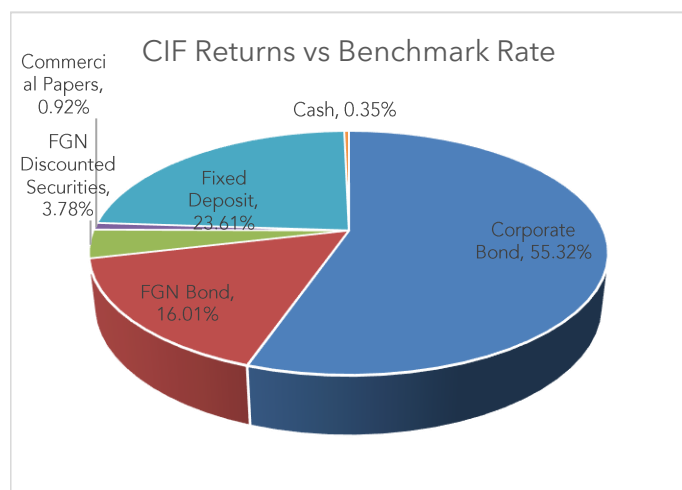
## INVESTMENT OBJECTIVE

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:	N2.08bn
Base Currency	Naira
Management Fee	1.50%
Minimum Investment	N5,000.00
Opening Price	4,386.60
Closing Price	4,514.34

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

Current Asset Allocation: 71.33% in Bond%, 23.61% in Fixed deposit, 0.92% Commercial Papers, 3.78% in FGN discounted securities and Cash 0.35%

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 Q1 2025 was 12.45% an increase from 9.64% performance level in Q4 2024. We saw stability in the exchange rate and inflation rates cool amid rebasing of the Gross Domestic Products and Consumer Price Index. Hence, there was gradual reduction of the interest rate across the yield curve. Nonetheless, the downside risks were to lower interest rate like disruption to global disinflation and Trump's economic policies. Thus, we quickly keyed into long-tenured T-bills securities and some short to mid-tenured bonds to lock in rate and for possible capital gains as we trade away those bonds. On the fixed-income side, we were very cautious purchasing CPs in the first half of 2025.

## Strategy

In Q2 2025 we expect bond yields for the short to mid-end tenors to increase marginally amid trade war fears; hence, our strategy would be to lock-in high rate (particularly at the point of inflection) in that space, especially for CIF portfolio. Also, we expect money market rate and yield on various T-bills maturities to be a little higher than current levels. Hence, we would exploit this situation to further key into T-bills securities (longer maturities) and lock in rate for sale later in 2025.

We would consider only high-quality mid-tenor CPs when interest rate environment becomes less risky for corporates.

We plan to position in bonds (to hold some to maturity and others for trading) amid expectation of high volatility in rate...

## 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](http://www.facebook.com/coralfunds).