

CARDINALSTONE FIXED INCOME ALPHA FUND FACTSHEET

April 2022

About Fund

The CardinalStone Fixed Income Alpha Fund is a safe, reliable, suitable and attractive investment vehicle targeted at retail investors, high net worth individuals and institutional investors. The Fund welcomes participation from both Nigerian residents and non-Nigerian residents.

Fund Objective

The objective of the Fund is to provide investors with steady return on capital, liquidity and capital preservation by investing in a diversified portfolio of high-quality short-term money market instruments and long-term fixed income instruments which will include Sovereign Treasury Bills, Fixed deposits, Certificate of deposits, Commercial papers, Collateralized repurchase agreements, Banker's acceptances, Corporate Bonds, State Bonds, Sovereign Bonds and any other instrument approved by the SEC.

Fixed Income Market Review

The month of April was lined with several events that sparked reactions in the market. The DMO released the Q2 bond calendar signaling a pickup in borrowing from 150billion in Q1 to 225billion per auction leading to a sell off in the bond market. Other market moving events and announcements were Nigeria's plans to tap the Eurobond market again in May, fewer maturities leading to tighter system liquidity, among others. The DMO sold 349billion at the April auction across 3 tenors including the new 10-year (April 2032) bond which closed at 12.5%, the 25s which was reopened and closed at 10.0% and the 42s closed at 12.9% (12.7% March)

In the NTB space rates continued to inch higher at every auction, majorly on the 1-year bill. Rates on the 1-year bill climbed about c.40bps in April from 4.45% in March to 4.79% at the last auction in April.

Outlook

We expect yield direction to be shaped by tighter system liquidity, increased debt supply and the outcome of the may MPC meeting. Our expectation is that yields continue to trend upwards gradually for the rest of Q2

Contact Details

5 Okotie Eboh Street, Off Awolowo Road, Ikoyi, Lagos, Nigeria.

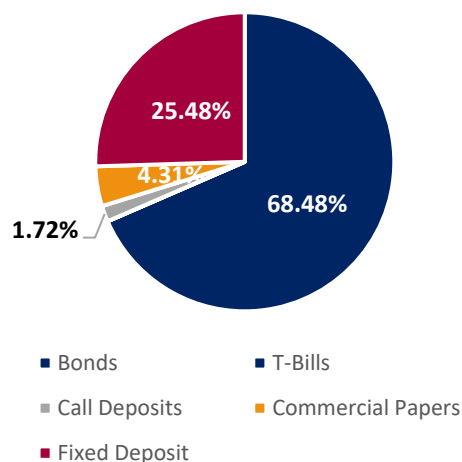
Email: mutualfunds@cardinalstone.com

Website: Cardinalstoneassetmanagement.com/mutual-funds/

Fund Facts

Launch Date	February 1, 2021
Fund Type	Open-Ended
Asset Class	Fixed Income
Risk Profile	Moderate
Benchmark	70% 3-year FGN Bond and 30% Nigeria Inter Bank Treasury True Yield.
Currency	Nigeria Naira (₦)
Fund Size	₦ 1.60 bn
Offer Price	₦ 1.0000
Current Price	₦ 1.0352
Distribution	Semi Annual
Distribution Paid	₦ 0.0390
Minimum Holding Period	90 Days
Minimum Investment	₦ 10,000.00
Management Fee	1%
Early Redemption Charge	20% on earned income

Fund Asset Allocation



Fund Performance

