



GLOBAL MARKET OVERVIEW

The January 2025 Consumer Price Index (CPI) report came in hotter than expected, with headline inflation advancing by 0.5% month-over-month (MoM), accelerating from the 0.4% increase recorded in December 2024. Core CPI, which strips out the more volatile food and energy components, registered a 0.4% MoM rise, doubling December's 0.2% gain. On a year-over-year (YoY) basis, inflationary pressures edged higher, with headline CPI climbing to 3.0%, up from 2.9% in December, while core CPI printed at 3.3%, marginally above the 3.2% recorded in the prior month. Market reaction was swift, with equity futures retreating in response to the upside surprise, while the U.S. dollar and Treasury yields moved higher as investors recalibrated their expectations for the Fed's policy trajectory.

LOCAL MARKET OVERVIEW

Nigeria's headline inflation dropped to 24.48% year-on-year (y/y) in January from 34.80% in December 2024, marking the first significant decline after months of rising rates. The decrease was primarily driven by the National Bureau of Statistics' (NBS) rebasing of the Consumer Price Index (CPI), which updated the reference year to 2024 and revised the basket of goods and services to reflect current economic realities. Food inflation fell to 26.08% y/y from 39.84%, while core inflation declined to 22.59% y/y from 29.28%, contributing to the overall moderation. Consequently, Also, after its 299th monetary policy meeting in February, the Monetary Policy Committee (MPC) retained the Monetary Policy Rate (MPR) at 27.50 percent and retained the asymmetric corridor around the MPR at +500 basis points (bps)/-100bps. Nigeria's economy advanced by 3.84% year-on-year in Q4 2024, the most since Q4 2021 and accelerating from 3.46% in the previous three-month period. The services sector remained the primary engine of growth, expanding by 5.37% and accounting for 57.38% of total GDP., largely propelled by financial and insurance institutions and the telecommunications sector.

Oil prices retreated at the close of February, poised for their first monthly decline since November, as market sentiment adjusted to a confluence of geopolitical and policy developments. Investors reacted to heightened tensions following a high-stakes Oval Office exchange between the U.S. and Ukrainian presidents, the prospect of new U.S. tariffs, and Iraq's decision to resume crude exports from Kurdistan. Against this backdrop, Brent crude settled at \$73.18 per barrel, down from \$76.81 in December, reflecting the interplay of supply-side shifts and broader macroeconomic uncertainties.

CAPITAL MARKET (FI & EQUITIES)

Fixed Income Market (NGN Bonds and Treasury Bills):

- The **Nigerian Fixed income** closed with a bullish theme in the month of February. Major interests were within the belly to the end of the curve. Consequently, average yield declined closing at c.20.32% (vs. 19.59% in December '24).
- At the auction, the Debt Management Office (DMO) allocated approximately ₦910.39 billion, with the 19.30% FGN APR 2029 and 18.50% FGN FEB 2031 bonds clearing at marginal rates of 19.20% and 19.33%, respectively. Following the auction, strong residual demand spurred increased activity in the secondary market, particularly in mid-tenor bonds, leading to a downward adjustment in yields.
- At the last NTB primary auction conducted during the month, stop rates stood at 17%, 18% and 18.43% for the 91-day, 182-day and 364-day papers, respectively. The DMO allocated N774.12 across the three tenors.

Equity Market:

- The NGX ASI YTD closed the month at c.3.18% (vs. 1.5% in January 2025) as market capitalization improved to c. NGN67.2trillion.

Sectoral performance closed in positively:

- NGX Banking Index outperformed recording a 9.8% gain.
- NGX Insurance declined by 1.1%.
- NGX Consumer Goods Index appreciated by 4.5%.
- NGX Oil/Gas Index declined by 1.64%.
- NGX Industrial Index edged lower by 8.5%.

Eurobonds Market: The Eurobond market opened the year on a subdued note but gradually gained momentum as risk appetite improved. Early sessions saw limited bids for Nigerian and Egyptian bonds, while Angola showed weakness. However, a bullish tone emerged mid-month, driven by increased demand for African sovereign bonds, particularly from oil-exporting nations like Nigeria and Angola, as oil prices climbed. Positive IMF developments also boosted sentiment for Egyptian bonds, while Angola announced plans to raise over \$2 billion in new Eurobonds.

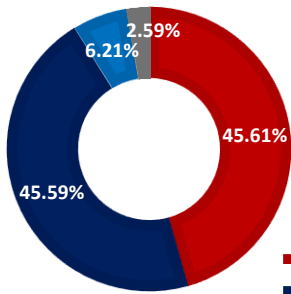
AXA MANSARD MONEY MARKET FUND

FUND OBJECTIVE

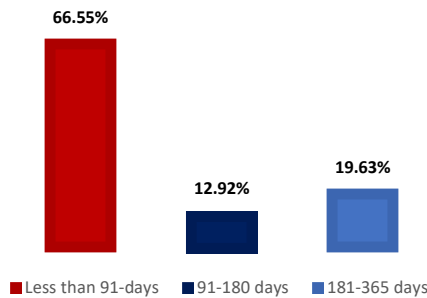
The AXA Mansard Money Market Fund's investment objective is to achieve a high level of income in conjunction with capital preservation and liquidity, through a diversified and low risk portfolio of money market and short-term fixed interest securities.

OUTLOOK

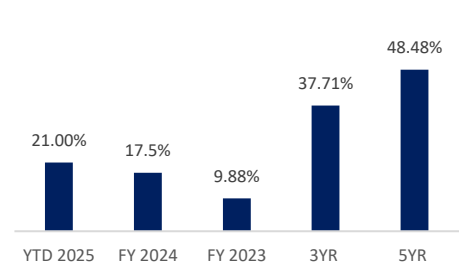
We expect system liquidity dynamics to help sustain current bullish trend. Furthermore, investors' sentiment will be shaped by monetary policy decisions, liquidity conditions, and yield movements with a cautious yet opportunistic approach to market participation.



Weighted Average Maturity



Historical Performance



FUND INFORMATION

Fund Manager	AXA Mansard Investments Limited	Base Currency	₦ (Nigerian Naira)	Min. Investment	₦2,000
Custodian	RMB Nigeria Nominees Ltd	Fund Size	NGN 98.4 billion	Fund Repricing	Daily
Trustees	Investment One Financial Services	Unit Price	₦1	Management Fee	1.15%
Benchmark	91Day NITTY	Fund Rating	A+ (Agusto)	Fund Performance (YTD)	21% as @ 28 th Feb '25
				Dividend Distribution	Quarterly

AXA Mansard Investments Limited (AXA MIL) is duly registered by the Securities and Exchange Commission of Nigeria as Fund/Portfolio Managers. AXA MIL is a wholly owned subsidiary of AXA Mansard Insurance Plc; a member of the AXA Group - the worldwide leader in insurance and asset management with assets under management of 1.4 trillion Euros, serving 103 million clients in 59 countries. A.M. Best rating for AXA Mansard is BB+



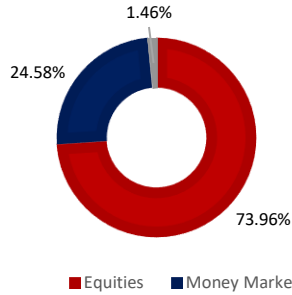
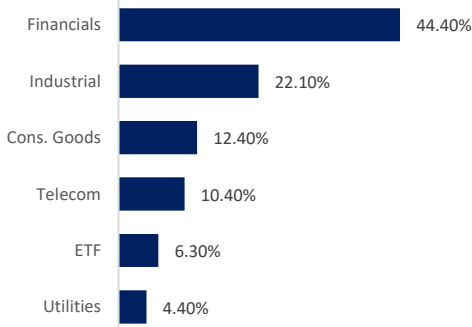
FUND OBJECTIVE

The AXA Mansard Equity Income Fund's investment objective is to generate income and capital growth from investments in a diversified portfolio of quoted equities and money market instruments.

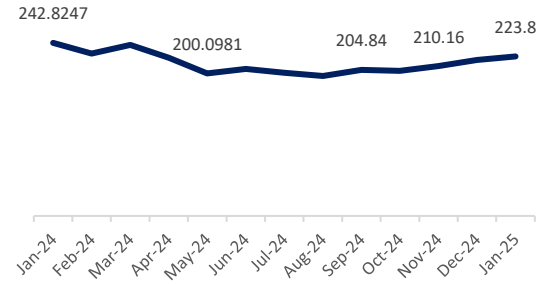
OUTLOOK

In March, we expect the bullish momentum to persist, driven by excitement around earnings releases. However, we remain cautious as weakening investor confidence could dampen further gains.

Fund Sectorial Distribution



Monthly Price Movement



FUND INFORMATION

Fund Manager	AXA Mansard Investments Limited	Base Currency	₦ (Nigerian Naira)	Min. Investment	₦5,000
Custodian	RMB Nigeria Nominees Ltd	Fund Size	NGN 616.73million	Fund Repricing	Daily
Trustees	Investment One Financial Services	Unit Price	₦ 228.01	Management Fee	1.5%
		Benchmark	YTD Blended Benchmark (NSEASI + 3-month T-Bill)	Fund Performance (YTD)	4.13% as @ 28 th Feb 2025

AXA MANSARD DOLLAR BOND FUND

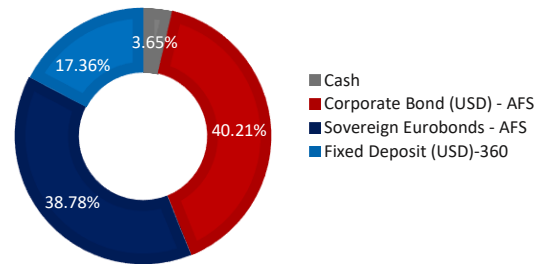
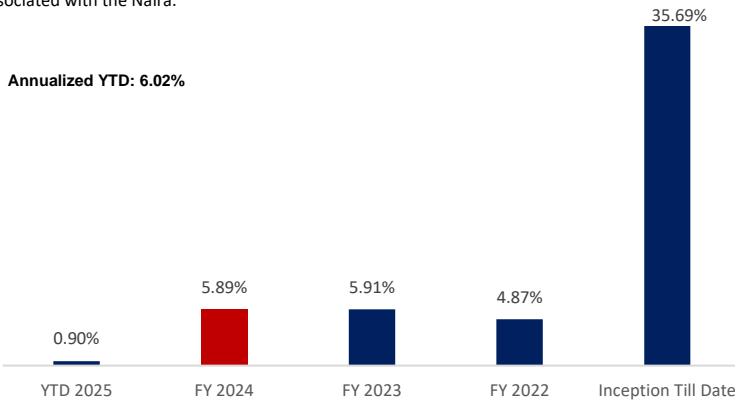
FUND OBJECTIVE

The AXA Mansard Dollar Bond Fund's investment objective is to provide short to medium-term USD denominated opportunities for investors seeking to optimize returns on their existing FX positions or hedge currently risks associated with the Naira.

OUTLOOK

The recent tariff war involving the US, Canada, Mexico, and China indicates that the Eurobond market may experience increased volatility. A stronger dollar is likely to reduce investor demand for African investments.

Annualized YTD: 6.02%



FUND INFORMATION

Fund Manager	AXA Mansard Investments Limited	Base Currency	\$ (US Dollar)	Min. Investment	\$2,000
Custodian	Standard Chartered Bank Nigeria Ltd	Fund Size	USD 15million	Lock in Period	6 Months
Trustees	UTL Trustees Financial Services Ltd	Redemption Period	3-5 working Days	Management Fee	0.75%
Pre-liquidation Charge	25% of Accrued Interest	Dividend Distribution	Annually	Fund Performance (YTD)	0.90% as @28 th Feb 2025
				Benchmark	Composite of 3 Yr. FGN Bond and 90D US treasury Bill

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Risk Factors and Mitigants

The investment in the fund involves a number of risks; hence investors should be willing to accept a high degree of volatility in the price of the units and the possibility of losses. Investors should consider these risks factors.

Market Risk

Market risk is the risk of losses arising from the movement in interest rates and prices. The changing interest rate could translate to unrealised gain or losses. However, the fund manager uses different strategies to achieve its goal of absolute return to investors; but in general, there is no guarantee that these strategies will not result in losses in a volatile or declining market. However, a portfolio that holds all securities to maturity is immune from market risk.

Credit Risk

Credit risk refers to the creditworthiness of the issuers of the securities in the portfolio and their ability to make timely interest payments; and to pay the face value on the maturity date. If the security issuer is unable to repay principal or interest on time, the issuer is said to be in default; and such event could adversely affect the fund.

Regulatory risk

The portfolio is subject to various forms of regulations and may have adverse implications. The Central Bank of Nigeria (CBN) may from time to time, issue new regulations and guidelines which may have direct or indirect impact on foreign currency domiciled securities. The regulations issued by the CBN to defend the currency, manage the country's external reserves, inflation or spur economic growth may negatively impact the portfolio performance. Additionally, regulators such as Securities and Exchange Commission from time to time, issue circulars that may also impact the fund's performance. These regulations may inadvertently, lead to higher cost impact on the portfolio. This risk may arise from the possible breach of regulatory guidelines or requirements. There is also the risk that possible amendments to the local and foreign legislation (including tax legislation), may cause additional expenses for the fund.

Liquidity Risk

This is the risk that a significant portion of the investment within the fund will not be readily converted to cash when required. The units may not be easily or readily tradable due to the quantum held and/or adverse market conditions. There is also the possibility of not being able to complete redemption request within the stipulated time as a result of the relative liquidity or minimum lot size with the Eurobond market.

Country Risk

The performance of the fund may be affected by changes in the economic environment and equity market conditions, political developments or changes in legislation and regulatory requirements. Country risk events may include sovereign defaults, banking or currency crises, social instability, and changes in government policies such as expropriation, nationalisation, and the confiscation of assets.