



Market Review and Outlook

On the Global Scene, U.S YOY inflation ticked up for the first time in a year, partly due to an increase in energy and housing prices. Consequently, YOY inflation printed at 3.20% (from 3.00% recorded in the previous month) – with core inflation rising by 4.7% YoY.

The drastic moderation in inflation numbers (currently at 3.20% vs a one year high of 9.10%) suggests the likelihood that the FEDs would hold rates at current level (5.25%-5.50%) at the next Federal Open Market Committee (FOMC) meeting in September. As economic data suggest that the economy has remained resilient, with jobless claims declining and PMI expanding during the month.

On the Domestic Scene, headline inflation printed at c.24.08%, rising by 129bps from July's print of 22.79%. The very much expected acceleration is reflective of the impact of the recent policy reforms by the new administration, which saw the removal of fuel subsidy and the devaluation of the country's currency. Food inflation surged to 26.98% (vs 25.25% in the previous month, while core inflation printed at 20.80%, recording a 10bps jump from the previous month.

According to the report from the National Bureau of Statistics, **the domestic economy grew by 2.51% YoY**, representing a slowdown from the 3.54% growth recorded in Q2'22. The growth recorded was on the back of improved economic activities during the quarter, as the economy phased out the cash crunch era. However, we reckon that the slowdown Y/Y was on the back of sustained relapse in the oil sector as Crude oil production volumes declined to 1.22mbpd (vs 1.43 mbpd and 1.51mbpd recorded in Q2:2022 and Q1:2023, respectively).

The Nigerian Fixed income market was largely bearish in the month of August, with sell pressure dominating the curve across all ends. Consequently, average yields increased by 64bps to settle at 14.09% (vs 13.45% in July'23).

At the FGN Bond Auction, the DMO offered four maturities- Apr'29, Jun'33, Jun'38 and Jun'53 with stop rates at 13.85%, 15.00%, 15.20% and 15.85% respectively with the DMO selling N227.76bn as against initial offer of N360bn across all maturities.

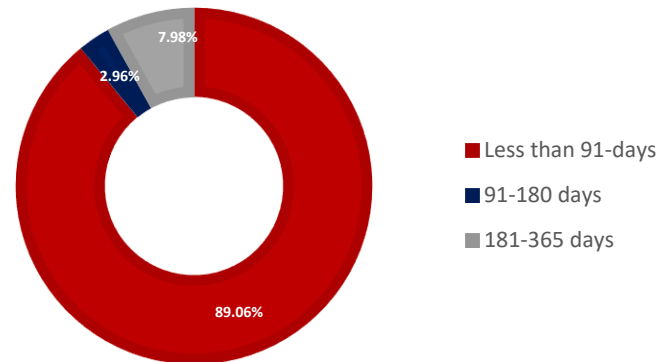
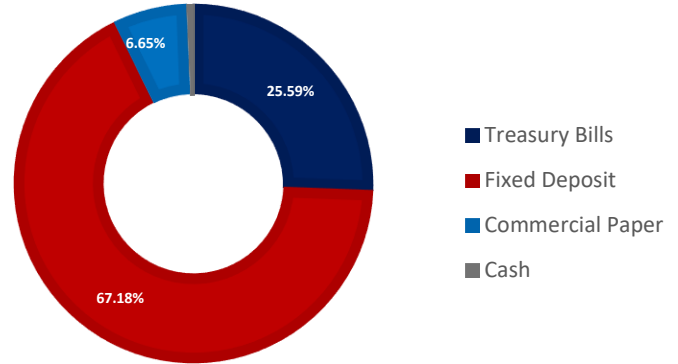
At the last NTB primary auction conducted during the month, stop rates increased by 19bps for the 91-day, 210bps for the 182-day and 417bps for 364-day bill to print at 5.19%, 8% and 13.97% respectively. The DMO only allocated the N303bn, of the N1,542bn subscription levels

In September, we expect lower yields hinged on expectation of elevated liquidity levels.

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.

Fund Asset Allocation & Weighted Average Maturity



Fund Information	
Fund Manager	Axa Mansard Investments Limited
Custodian	RMB Nigeria Nominees Ltd
Trustees	Investment One financial services
Base Currency	₦ (Nigerian Naira)
Fund size	₦ 40.34 billion
Unit Price	₦ 1.00
Minimum Investment	₦ 2000
Fund repricing	Daily
Dividend Distribution	Quarterly
Management Fee	1.66%
Fund Rating	A+ (Agusto)
Fund Performance	9.90% as of 31 st August 2023

Historic Performance

