

CardinalStone Guaranteed Investment Plan ("CSGtdIP")

Quarterly Newsletter – March 2017



FUND FACTS

Fund Manager:	CardinalStone Asset Management
Launch Date:	April 2010
Initial Investment:	₦100,000
Additional Investment:	₦50,000
Net Assets Value per Share:	₦1.9040

FUND PERFORMANCE

FUND	3Q16	4Q16	1Q17	YTD
FUND	2.80%	3.43%	3.66%	3.66%
10Y BOND*	3.72%	3.84%	3.91%	3.91%

*Average yield on 16.39% FGN Bond 2022 pro-rated for period

FUND OBJECTIVE

The Plan offers a guarantee on the principal amount invested as well as a guaranteed income to investors who have zero-tolerance for market volatility. The Plan seeks to achieve its objectives by investing all of its funds in fixed income securities that provide less risky and assured returns relative to equities.

PORTFOLIO MANAGER'S COMMENTARY

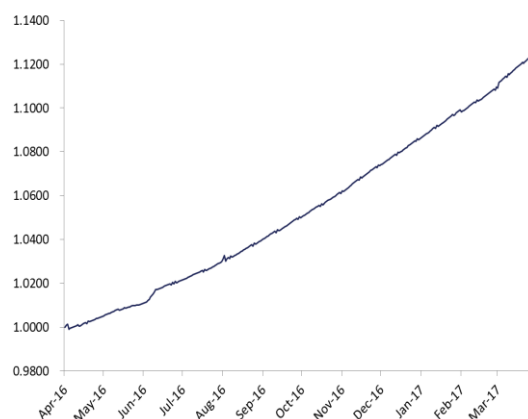
The CardinalStone Guaranteed Investment Plan ("CSGtdIP") opened for the quarter on 1 January 2017 with an Offer price of ₦1.8368 and closed for the quarter at an Offer price of ₦1.9040, a return of 3.66%

The Central Bank of Nigeria (CBN), following the Monetary Policy Committee (MPC) meeting which held in March 2017, kept all policy rates unchanged. The Monetary Policy Rate (MPR) was maintained at 14% while the asymmetric corridor around the MPR was retained at +200bps/-500bps. The Cash Reserve Requirement (CRR) on private and public sector deposits was also maintained at 22.5% and the Liquidity Ratio was left unchanged at 30%. The committee agreed to this stance in the March MPC meeting as the inflation rate despite consecutive reductions in the rate of increase.

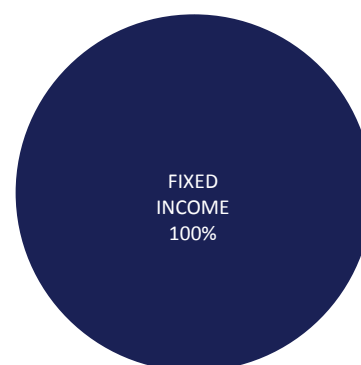
Yields on sovereign bonds closed largely stable as the monetary authorities maintained a tightening stance and mopped liquidity often. The yields on the 5yr, 7yr, 10yr were relatively flat, falling by an average of just 1bps across all tenors. The 20yr bond was the biggest mover, rising by 30 bps. The bonds closed at 15.85%, 15.77%, 15.62% and 15.60% respectively.

In the quarter ahead, yields will remain impacted by the actions of the CBN with respect to its sale of OMO & T-bills, and we think that the anticipation of a sustained drop in inflation in the medium term may fuel bullish sentiments for bonds.

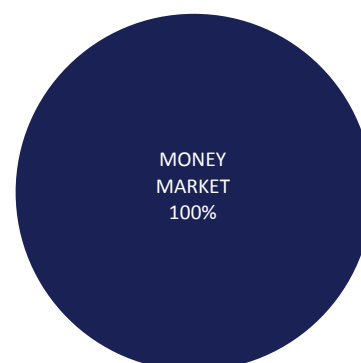
NAV PERFORMANCE (ONE YEAR ROLLING)



STRATEGIC ALLOCATION



ALLOCATION BY INSTRUMENT



For further enquiries please speak to our Investment advisors (Pius on 08090479268 or Chinonso on 09090649283) or send us a mail at invest@cardinalstone.com

Disclaimer

The purpose of this fact sheet is to provide summary information and does not constitute a recommendation to buy or sell shares in the Fund. Any decision to buy and sell shares should be made after seeking appropriate professional advice. The CardinalStone Structured Investment Plans are not registered with the Securities and Exchange Commission (SEC) and as such are not marketed or sold to the public as this is not legally permitted. Persons in receipt of the information contained herein are required to inform themselves about and observe such restrictions. Past performance is not necessarily a guide to future performance. The value of investments and the income from them can fluctuate and are not guaranteed. The views expressed are as at the date hereof and are subject to change. They do not constitute investment or any advice. This report is produced by CSP Asset Management.