STANBIC IBTC MONEY MARKET FUND ("SIMM")
QUARTERLY FUND FACTSHEET Q2: 2016

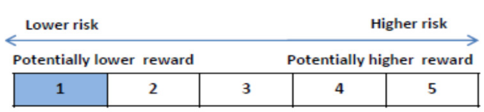
FUND FACTS

Fund Manager	Stanbic IBTC Asset Management Limited
Launch Date	Feb-10
Fiscal Year End	December
Status of Fund	Open Ended
Initial Investment	₦50,000
Additional Investment	₦50,000
Distribution Frequency	Quarterly
Handling Charge	0.5%of redemption proceeds for withdrawals under 30 days
Fund Rating	Aa (f) by Agusto & Co.
Bloomberg Ticker	STANIMM NL Equity
	Q2 2016
Benchmark TTM	90-days
30 day rolling average yield	7.95%
60 day rolling average yield	7.65%
90 day rolling average yield	7.24%

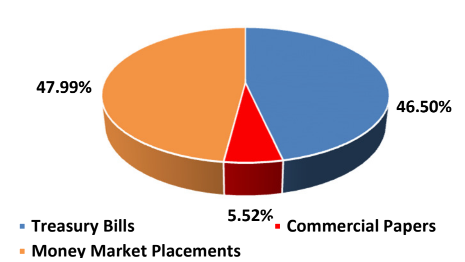
FUND PERFORMANCE

Year End	Q2 2016	Q1 2016	2015	2014	2013	2012	2011
Effective Yield (%)	8.64	6.27	8.59	11.10	10.93	13.12	15.44
*91 days WATBR (%)	1.93	1.19	9.48	10.51	10.87	13.72	9.48

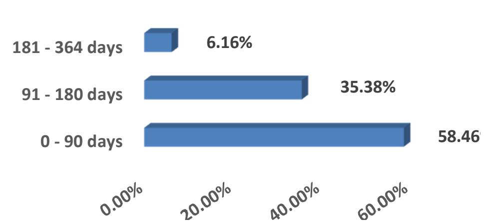
***Weighted Average T-bills Rate**



ASSET ALLOCATION AS AT 30 JUNE 2016



MATURITY PROFILE AS AT 30 JUNE 2016



FUND OBJECTIVE

The primary objective of the Fund is to obtain as high a level of current income as is consistent with capital preservation. The Fund is for investors with low risk appetite who aim to maximize current level of income while preserving capital invested.

The Fund seeks to achieve its stated objective of delivering competitive returns investing 100% of its assets in low risk short-term securities such as Treasury Bills, Commercial Papers, Banker's Acceptances, and Certificates of Deposit with institutions that are rated not less than "A" by at least one recognized local rating agency registered with the Securities and Exchange Commission.

INVESTMENT BENEFITS

- Quarterly income streams
- A well-diversified portfolio of fixed income instruments
- Professional management
- Competitive returns that rival fixed deposit rates
- Flexibility as obtainable on current accounts
- Capital preservation
- Direct debit initiative
- Liquidity Management

INVESTMENT RISKS

- Inconsistent monetary policy
- Credit risk
- Political risk
- Interest risk

PORTFOLIO MANAGER'S COMMENT

The Stanbic IBTC Money Market Fund closed the quarter at an effective yield of 8.64% p.a. up by 240 basis points from 6.27% p.a. at which it opened the quarter. The rise in the effective yield was not unconnected to the upward trajectory in interest rates in the market and the level of liquidity tightness prevalent in the system especially in June.

During the quarter, the Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) met on 23 and 24 May 2016 and decided to maintain the Monetary Policy Rate (MPR) at 12.00% and held all other monetary policy tools constant. However, the CBN at the MPC meeting announced that it will introduce a flexible foreign exchange policy in order to address the severe shortage of forex in the market. The modalities for the operations of the market was made public on 16 June 2016 while the eventual operation of the market began on Monday, 20 June 2016.

Earlier in the quarter, treasury bills yield ranged from 2.50% p.a. to 10.50% p.a. across the curve due to the level of liquidity which stood at an average of ₦400 billion during the quarter with Overnight Rates and Open Buy Back (OBB) printing at 4.00% p.a. and 3.50% p.a. respectively. However, following the commencement of the new foreign exchange market, the forex prefunding held by the CBN was released into the system to enable the market bid in line with the new guideline. As a result, the market was awash with liquidity of circa ₦1.1 trillion which resulted in overnight rates declining to 2.00% p.a. In light of this, the CBN conducted a special Open Market Operation (OMO) at 13.50% discount rate which led to the withdrawal of ₦205 billion from the system. In addition, the CBN's clearance of the forex demand backlog of circa $4 billion resulted in the debit of circa ₦1.2 trillion from the market. Consequently, overnight rate rose to circa 100% (intraday) while Treasury bill yields inched up by circa 300 to 350 basis points. Therefore, the 91, 182 and 364 day treasury bills which opened the quarter at 8.15% p.a., 8.62% p.a. and 9.17% p.a. closed the quarter at 9.9948%, 12.3000% and 14.9990% respectively.

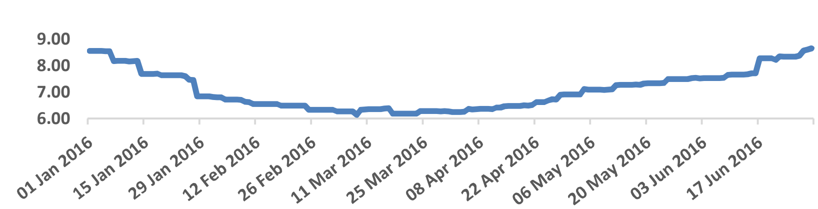
The Fund Manager stayed short at the beginning of the quarter in anticipation of yield pick-up. As such, the Fund took advantage of the special OMO to extend duration given the attractive discount rate. Also, the Fund Manager switched near- term maturity investments by reinvesting in extended maturities to lock-in on attractive yields.

INVESTMENT STRATEGY

We expect the CBN to continue to curtail liquidity in the system through increased issuance of OMOs in order to support the fragile flexible foreign exchange market. In addition, we expect increased volatility at the short end of the Treasury bills curve and possibly a shift in the yield curve due to rising inflation.

In view of our outlook, we will extend duration on attractive maturities to lock-in on decent yields as the opportunities arise. In addition, we would seek to bank profit on Treasury bills with low yields and invest same in higher yielding money market instrument at decent yields.

EFFECTIVE YIELD



CONTACT US: Fadekemi Obasanya or Jide Allo: The Wealth House, Plot 1678 Olakunle Bakare Close Off Sanusi Fafunwa Victoria Island Lagos
P. O. Box 71707 Victoria Island Telephone: +234 (0) 1 2801266 Ext 2313 or 2315 Fax: +234 (0) 1 2805442, 2805443
Website: www.stanbicibtcassetmanagement.com