



PAC Asset Management

■ MUTUAL FUNDS ■ FIXED INCOME ■ WEALTH MANAGEMENT ■



- Your Asset Manager of Choice.

Monthly Fund Manager's Report – March 2025

March 2025 Market & Economic Review

MACROECONOMIC OVERVIEW

INFLATION: Nigeria's headline inflation eased to 23.18% in February 2025, down from 24.48% in January. This reflects a 1.30% monthly decline and an 8.52% drop year-on-year, driven by lower food and core inflation. Food inflation slowed to 23.51% year-on-year, down from 26.10% in January, while core inflation increased slightly to 23.01% from 22.59%. On a monthly basis, headline inflation dropped to 2.04% from 10.7% in January.

The decline in food prices was supported by the naira's appreciation (NGN1,503.52/USD in February vs. NGN1,535.60/USD in January) and lower energy prices, particularly for PMS and diesel, which reduced import and logistics costs. Core inflation also slowed to 2.52% month-on-month from 10.9% in January, with significant drops in sectors like Transport, Utilities, and Restaurants & Accommodation Services. The moderation was aided by a stable naira and falling energy prices. Inflation in the Goods and Services indices also decreased, with Goods (down 950bps to 1.29%) and Services (down 703bps to 3.38%).

MONETARY POLICY - The MPC held its first meeting of 2025 in February and decided to keep the Monetary Policy Rate (MPR) at 27.50%. This follows six consecutive rate hikes in 2024, reflecting a cautious approach amid mixed economic signals. The Cash Reserve Ratio (CRR) remains at 50.00% for commercial banks and 16.00% for merchant banks, while the Liquidity Ratio stays at 30.00%. The asymmetric corridor was also maintained at +500bps/-100bps.

The decision was influenced by recent macroeconomic indicators, including a decline in headline inflation to 24.48% in January 2025 from 34.80% in December 2024, following the rebasing of the CPI. The committee also noted stability in the foreign exchange market and stated that while inflation is trending downward, it is too early to consider rate cuts.



CRUDE OIL: The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) is yet to publish its report for March 2025. However, data from February indicates that Nigeria's average daily crude oil production, including condensates, declined by 3.8% month-on-month to 1.67 million barrels per day (bpd), down from 1.734 million bpd recorded in January. The February figure comprises 1.47 million bpd of crude oil, 57,132 bpd of blended condensates, and 149,816 bpd of unblended condensates. This drop is attributed to reduced output from key terminals and production streams, as well as ongoing volatility in the global oil market.

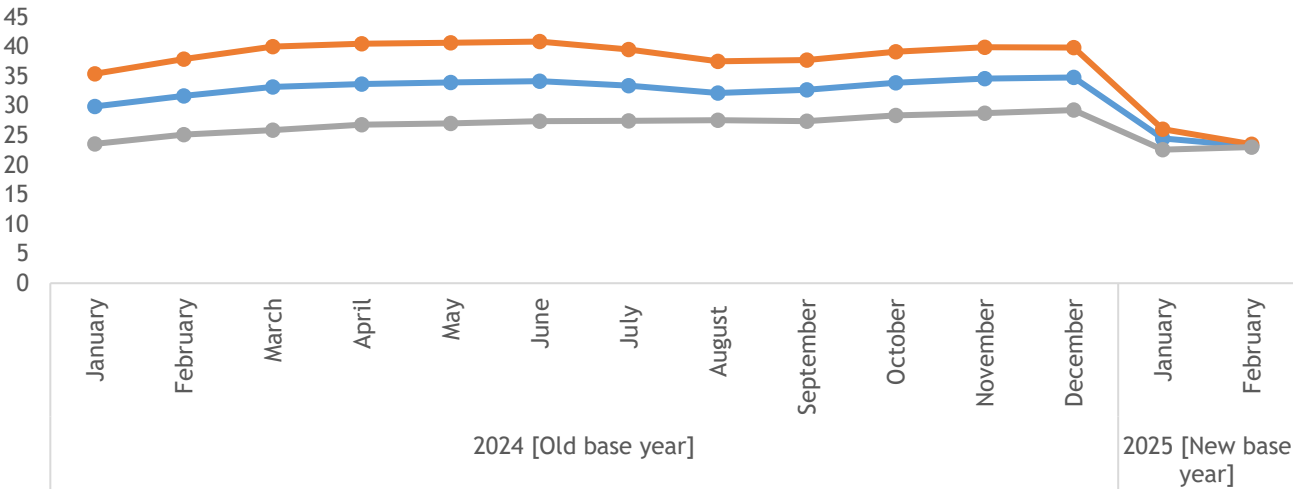
Brent crude averaged \$71.32 per barrel in March, down from \$74.78 in February, as trade tensions and expected supply increases from OPEC+ starting in April pressured prices.

FOREIGN EXCHANGE: At the Investors and Exporters (I&E) Window, the naira posted a mixed performance in March 2025, depreciating by 2.97% month-on-month to close at ₦1,536.82/\$, compared to ₦1,492.49/\$ at the end of February. The parallel market mirrored this trend, weakening by approximately ₦43.50 to close at ₦1,536.00/\$. The decline was largely driven by persistent demand pressures in the foreign exchange market, particularly from foreign portfolio investors and local corporates, despite the Central Bank's \$668 million intervention during the month. The currency's movement reflects ongoing adjustments in FX management and evolving market dynamics.

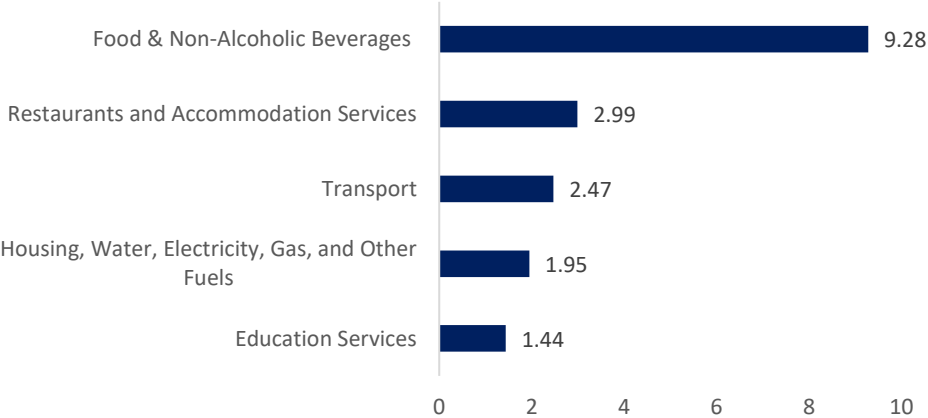
- **OUTLOOK:** Nigeria's economy is expected to remain under pressure from a weakening naira and fluctuating oil prices, all of which threaten government revenue and foreign exchange stability. To ease demand for dollars, authorities should reinstate the naira-for-crude agreement between the Dangote Refinery and NNPC, allowing crude oil to be supplied in naira instead of dollars. This could help reduce reliance on foreign exchange, support naira stability, and strengthen economic resilience, while broader policy reforms will be essential for long-term stability.

Monthly Fund Manager's Report – March 2025

Nigerian Inflation y/y (%)



TOP FIVE CONTRIBUTORS TO HEADLINE INFLATION Y/Y (%)



DESCRIPTION	OLD CPI WEIGHT (2009)	NEW CPI WEIGHT (2024)	CHANGE
Food And Non-Alcoholic Beverages	51.8	40.02	-11.78
Alcoholic Beverages, Tobacco, and Narcotics	1.1	0.37	-0.73
Clothing And Footwear	7.7	5.04	-2.66
Housing, Water, Electricity, Gas and Other Fuels	16.7	8.42	-8.28
Furnishings, Household Equipment, and Routine Household Maintenance	5.0	2.96	-2.04
Health	3.0	6.06	+3.06
Transport	6.5	10.66	+4.16
Information and Communication	0.7	3.29	2.59
Recreation, Sport and Culture	0.7	0.31	-0.39
Education Services	3.9	6.20	+2.30
Restaurants and Accommodation Services	1.2	12.92	+11.72
Insurance and Financial Services	0.0	0.47	+0.47
Personal Care, Social Protection, and Miscellaneous Goods and Services	1.7	3.29	+1.59

Source: NGX, CBN, PAC Research

Monthly Fund Manager's Report -March 2025

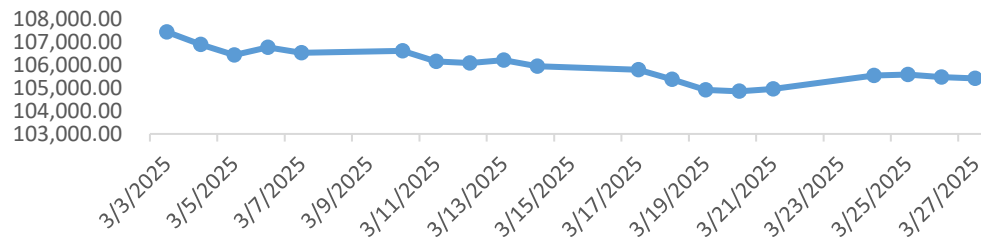
March 2025 Market & Economic Review

EQUITIES MARKET OVERVIEW

In March 2025, the Nigerian equities market closed on a bearish note, with the All-Share Index (ASI) declining by 2.00% month-on-month to settle at 105,660.64 points, compared to 107,821.39 points in February. Consequently, market capitalization fell by 1.39% m/m to ₦66.26 trillion, down from ₦67.19 trillion in the previous month. The market's negative performance was largely driven by profit-taking and cautious investor sentiment, despite the ongoing corporate earnings season. As a result, the month-to-date and year-to-date returns stood at -2.00% and 2.68%, respectively. Top gainers for the month included MBENEFIT (+72%), TANTALIZER (+53%), and ABBEYBDS (+31%). Meanwhile, AFRIPRUD (-63%), REDSTAREX (-27%), and UCAP (-26%) emerged as the top losers.

OUTLOOK: In April, the equity market is expected to experience some volatility following the announcement of new tariffs by U.S. President Donald Trump, a move that has heightened global trade tensions and weakened investor sentiment across emerging markets, including Nigeria. In the near term, fluctuations may persist due to a mix of global and domestic factors. However, bargain-hunting in large- and mid-cap stocks could provide some support, especially if local fundamentals remain strong. Investors are likely to remain cautious, closely monitoring global developments, corporate earnings releases, and key economic indicators.

NGX-ASI (MARCH 2025)



Source: NGX, PAC Research

DEBT MARKET OVERVIEW

BONDS: In the secondary bond market, the average yield on FGN Bonds increased slightly by 6bps, closing at 18.64% in March from 18.58% in February. By month-end, yields on the 2026, 2028, 2030, and 2049 bonds stood at 18.69% (-68bps), 19.05% (-8bps), 19.58% (+78bps), and 17.24% (+21bps), respectively.

TREASURY BILLS: The average yield in the secondary market for T-bills rose by 106bps m/m to 20.91% from 19.85%, reflecting increased investor demand. The yields on the 91-day (+20bps), 180-day (+87bps), and 360-day (+212bps) bills all increased over the period.

OUTLOOK: The domestic secondary bond market is likely to remain under pressure as investors position themselves ahead of upcoming primary auctions. Meanwhile, in the treasury bills segment, bullish sentiment is expected to persist, supported by strong system liquidity and steady demand for fixed income instruments, which could keep yields relatively subdued.



Source: Bloomberg, PAC Research

The Fund seeks to ensure steady stream of income and capital preservation for investors with modest risk appetite who value liquidity and security of assets. The Fund will invest in low-risk short term Money Market securities such as Government securities, Bank Placement, Commercial Papers, and others which include Promissory notes.

FUND INFORMATION		
Fund type	Open-ended	
Category	Money Market Fund	
Risk profile	Low	
Launch date	27-Jul-16	
Fund Manager	PAC Asset Management Limited	
Trustees	Greenwich Trustees Limited	
Custodian	UBA Global Investor Services	
Auditors	Sam Oyemade & Co (SOC Compliance)	
Management Fee	1% of NAV	
Benchmark	91-day Nigerian Treasury Bill	
Dividend Frequency	Quarterly	
5-year Annual Growth Rate	10.25%	
Dealing Days	Monday - Friday	
NAV per unit (NGN)	NGN 10.00	
INVESTMENT COMMITTEE		
Mr. Sam Onukwue	Chairman	
Mr. Sina Alimi	Member	
Mr. Bunkaya Gana	Trustee's Representative	
Mr. Bamidele Ige	Fund Manager	
Mrs Taiwo Sonola	Custodian	
FUND RETURNS		
	Feb-25	Mar-25
Current Yield	19.57%	18.52%
Inception to Date	83.23%	87.69%

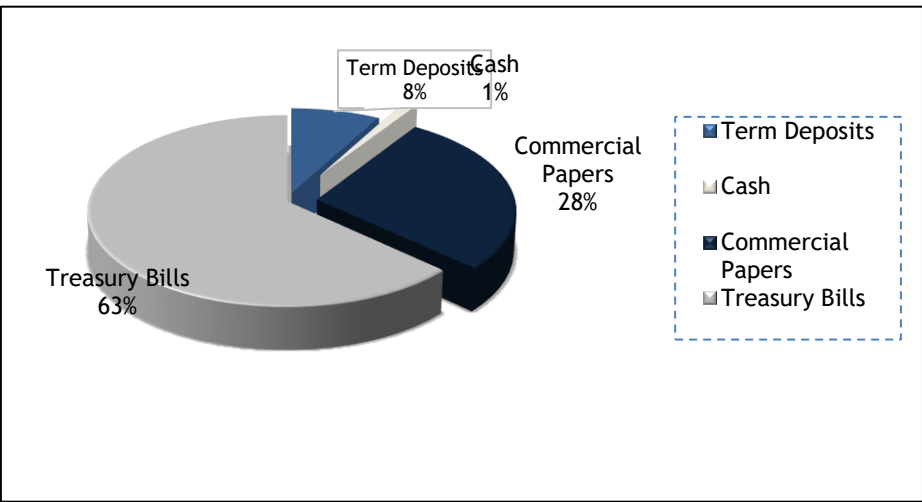
PERFORMANCE REVIEW:

The fund closed the month with a current yield of 18.52% (February : 19.57%).

The downward movement in the funds yield reflect the direction of yield in the market. This is expected to be sustained as pricing initiative of the CBN to reduce rate slightly

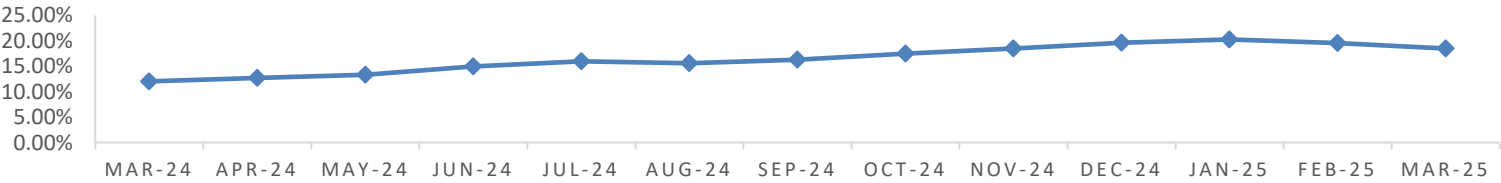
However, we expect this to continue to have impact on yield till end of Q2.

The Fund Manager continues to hold strategic positions in order to capitalize on current trends while positioning in instruments with yields.



ASSET QUALITY (% TOTAL ASSETS)	28-Feb-25	31-Mar-25
Term Deposits	6.71	7.97
Cash	2.01	1.28
Commercial Papers	24.68	27.64
Treasury Bills	66.60	63.11

FUND YIELD CHART

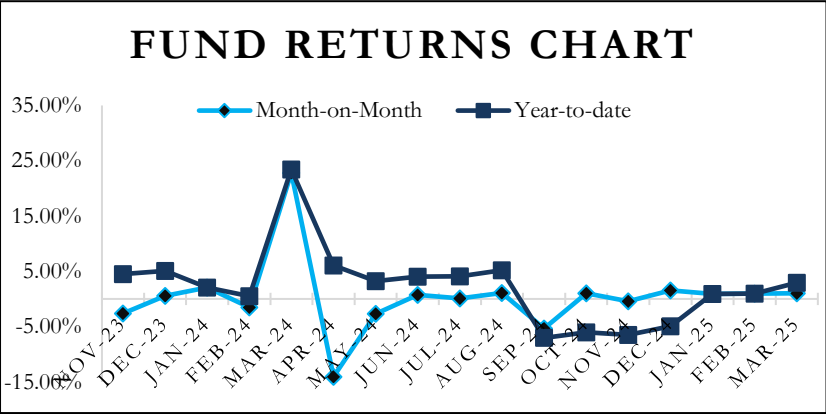


The objective of the Fund is to generate a steady return on capital and assured liquidity for all classes of investors. The Fund’s investments will mostly be in long tenured debt instruments of the FGN, States and highly rated corporate institutions. The Fund may also invest its assets in money market securities such as Treasury Bills, Commercial papers, Bankers Acceptances and Certificate of Deposits with rated banks in Nigeria.

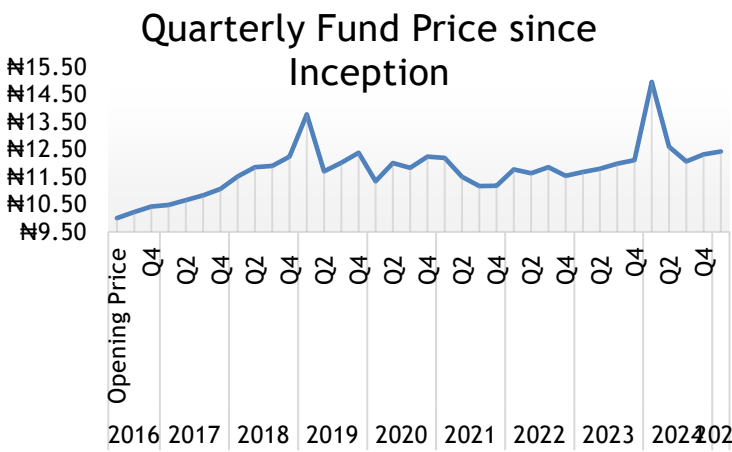
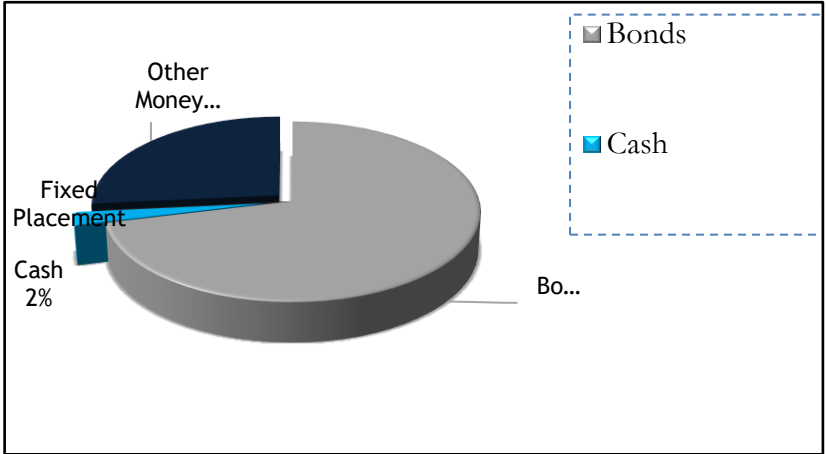
FUND INFORMATION	
Fund type	Open-ended
Category	Fixed Income Fund
Risk profile	Moderate
Launch date	27-Jul-16
Fund Manager	PAC Asset Management Limited
Trustees	Greenwich Trustees Limited
Custodian	UBA Global Investor Services
Auditor	Sam Oyemade & Co (SOC Compliance)
Management Fee	1% of NAV
Benchmark	5-year Nigerian Sovereign Bond
Dividend Frequency	Annual
5-Year Annual Growth Rate	0.51%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 12.674

INVESTMENT COMMITTEE	
Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Bunkaya Gana	Trustee's Representative
Mr. Bamidele Ige	Fund Manager
Mr Fatai Asimi	Member
Mrs Taiwo Sonola	Custodian

FUND RETURNS	Feb-25	Mar-25
Month-on-Month	0.96%	1.03%
Year-to-date	0.90%	2.92%
Inception-to-date	68.39%	69.67%



ASSET QUALITY (% TOTAL ASSETS)	Jan-25	Feb-25
Bonds	73.69	71.96
Cash	2.99	4.59
Fixed Placement	-	-
Other Money Market Instruments	23.32	23.45



PERFORMANCE REVIEW:
The m-o-m fund performance Increase from 0.9% to 1.03% and inception to date currently at 69.67%

The performance of over 216% NAV improvement is attributed to better asset prices in reaction to yield compression in the market, despite yield compression , yield remain attractive and present buying opportunities.

The fund manager will take current market realities into account, to provide a completely optimized portfolio.

The primary objective of PACAM Balanced Fund is to achieve long-term capital appreciation, capital preservation as well as providing a stable stream of income to investors by investing the Fund's assets across a mix of investment-grade fixed income instruments, Money Market Instruments & Real Estate Assets and high-quality listed equities on the NSE.

FUND INFORMATION

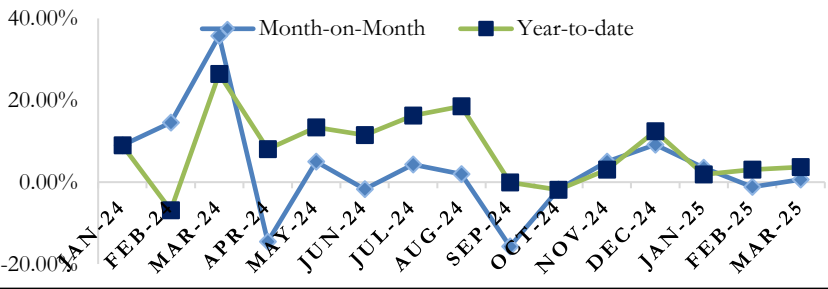
Fund type	Open-ended
Category	Balanced Fund
Risk profile	Moderate
Launch date	15-May-15
Fund Manager	PAC Asset Management Limited
Trustees	FBN Trustees Limited
Custodian	UBA Global Investor Services
Auditors	Sam Oyemade & Co (SOC Compliance)
Management Fee	1% of NAV
Benchmark	Composite index comprising of NSE ASI, 5-Year Nigerian Sovereign Bond, 1-Year Nigerian Treasury Bill
Dividend Frequency	Annual
6-Year Annual Growth Rate	5.25%
Dealing Days	Monday – Friday
NAV per unit (NGN)	NGN2.79

INVESTMENT COMMITTEE

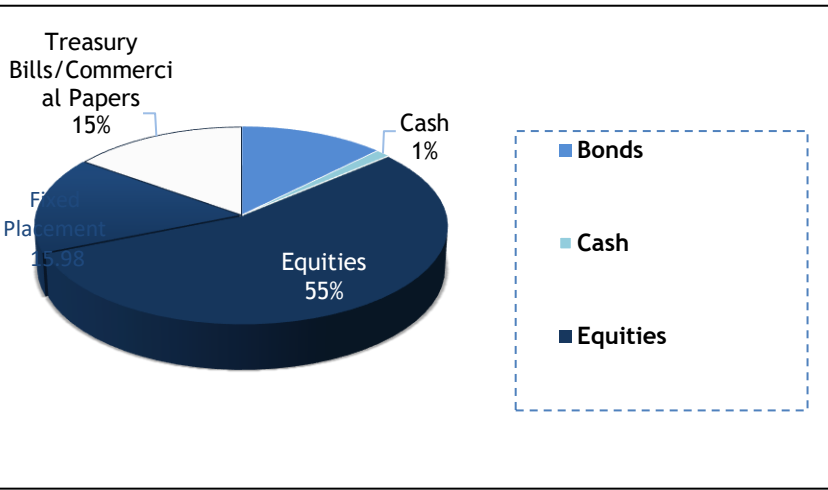
Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Olufemi Okin	Trustee's Representative
Mr. Bamidele Ige	Fund Manager
Mr. Fatai Asimi	Member
Mrs Taiwo Sonola	Custodian

FUND RETURNS	Feb-25	Mar-25
Month-on-Month	-1.20%	0.62%
Year-to-date	3.08%	3.72%
Inception-to-date	286.25%	288.02%

FUND RETURNS CHART



ASSET QUALITY (% TOTAL ASSETS)	Feb-25	Mar-25
Bonds	12.44	12.53
Cash	1.07	1.29
Equities	55.50	55.08
Fixed Placement	15.84	15.98
Treasury Bills/Commercial Papers	15.15	15.13



Q-o-Q Fund Price since Inception



PERFORMANCE REVIEW:

The fund returns ended the quarter with 3.72% Year to date and 0.62% Month on Month, owing primarily to the equity market’s performance as the instruments held by saw slight appreciation in its value during the quarter.

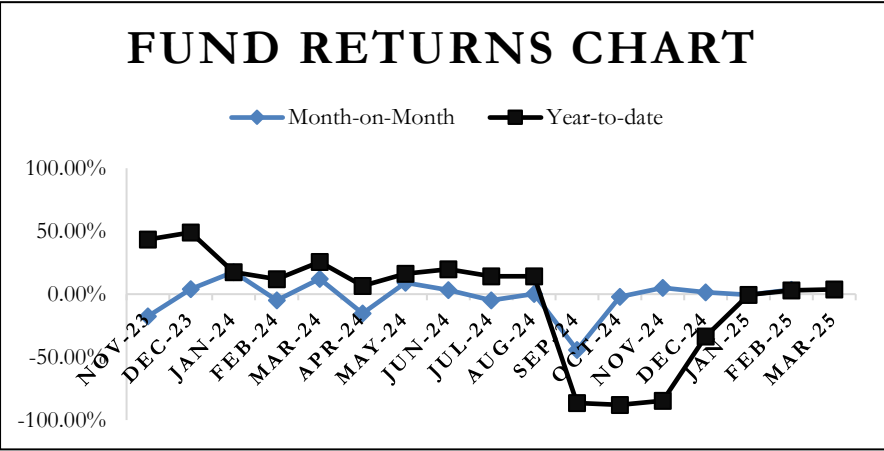
The fund manager is committed to invest strategically to always meet up the asset allocation, taking current market realities into account, to provide a completely optimized portfolio.

The primary objective of PACAM Equity Fund is to achieve long-term capital appreciation by investing in high quality listed equities across sectors on the Nigerian Stock Exchange (NGX) as well as Fixed income instruments, with more concentration on equity instruments.

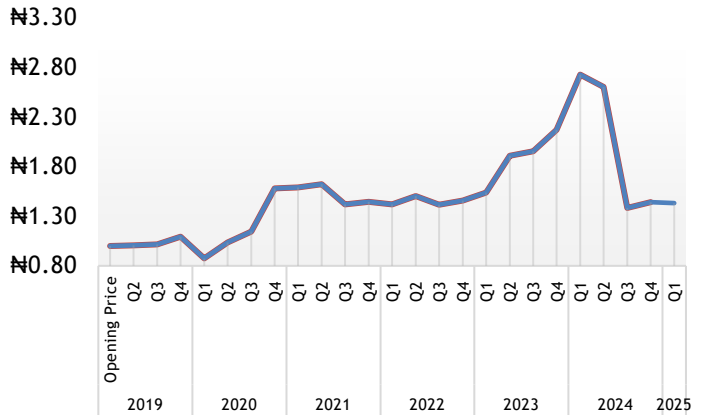
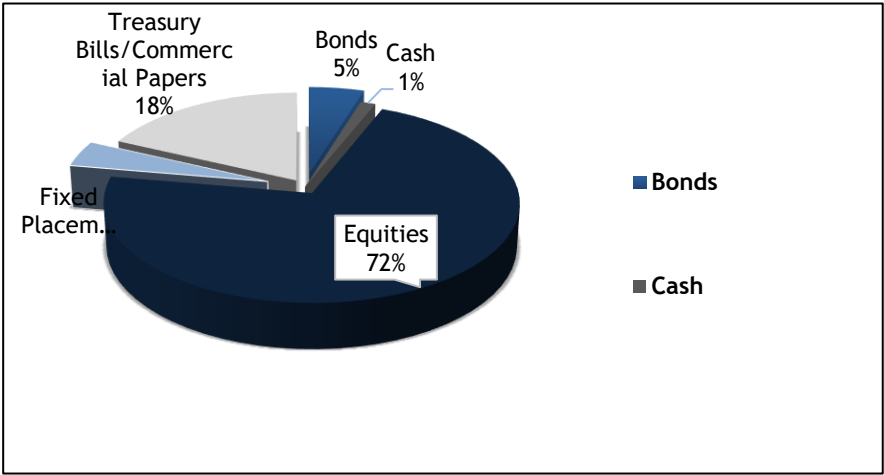
FUND INFORMATION	
Fund type	Open-ended
Category	Dollar Denominated Bond Fund
Risk profile	Moderate
Launch date	20-May-19
Fund Manager	PAC Asset Management Limited
Trustees	FCMB Trustees Limited
Custodian	UBA Global Investor Services
Auditor	Adekunle Alli & Co.
Management Fee	1% of NAV
Benchmark	5-Year Nigerian sovereign Eurobond
Dividend Frequency	Annual
Compounded Annual Growth Rate	0.93%
Dealing Days	Monday - Friday
NAV per unit (USD)	\$ 140.34

INVESTMENT COMMITTEE	
Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr Samuel Adesanmi	Trustee's Representative
Mr. Bamidele Ige	Fund Manager
Mr Fatai Asimi	Member
Mrs Taiwo Sonola	Custodian

FUND RETURNS	Feb-25	Mar-25
Month-on-Month	3.60%	0.72%
Year-to-date	2.96%	3.70%
Inception-to-date	180.42%	181.49%



ASSET QUALITY (% TOTAL ASSETS)	Feb-25	Mar-25
Bonds	2.01	4.81
Cash	3.98	1.29
Equities	75.71	71.59
Fixed Placement	5.93	4.25
Treasury Bills/Commercial Papers	12.37	18.05



PERFORMANCE REVIEW:

The fund's performance mirrored the bearish trend in the NGX, note as the NGX All Share Index lost by 2.88% to close at 105,753.10 against February:104,496.12).

The performance improvement is attributed to better asset prices in reaction to yield, yield remain attractive and present buying opportunities, The effect was more of Trump tariffs, profit taking and flight to safety.

The Fund Manager anticipate an active activities in the equity space with advantage of interim dividends being paid on several stocks held in the fund position.

The objective of the Fund is to generate a steady return on capital and assured liquidity for all classes of investors. The Fund’s investments will mostly be in dollar-denominated long tenured debt instruments of the FGN, States and highly rated corporate institutions. The Fund may also invest its assets in dollar-denominated money market securities.

FUND INFORMATION

Fund type	Open-ended
Category	Dollar Denominated Bond Fund
Risk profile	Moderate
Launch date	20-May-19
Fund Manager	PAC Asset Management Limited
Trustees	FCMB Trustees Limited
Custodian	UBA Global Investor Services
Auditor	Adekunle Alli & Co.
Management Fee	1% of NAV
Benchmark	5-Year Nigerian sovereign Eurobond
Dividend Frequency	Annual
Compounded Annual Growth Rate	0.93%
Dealing Days	Monday - Friday
NAV per unit (USD)	\$ 140.34

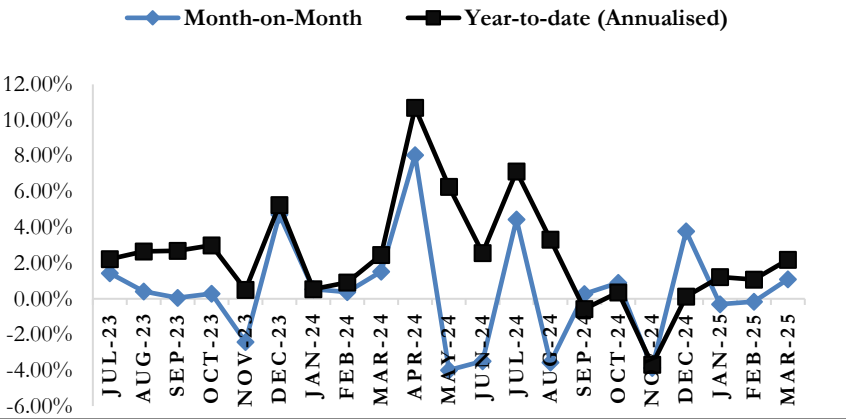
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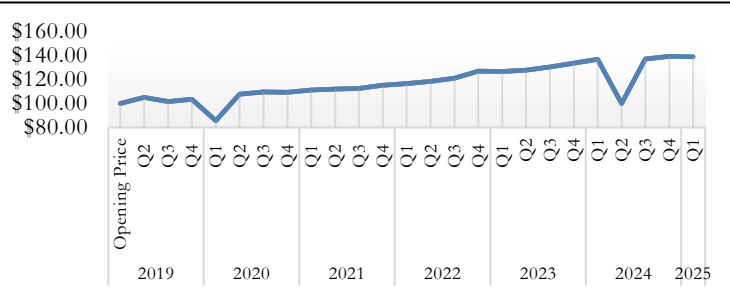
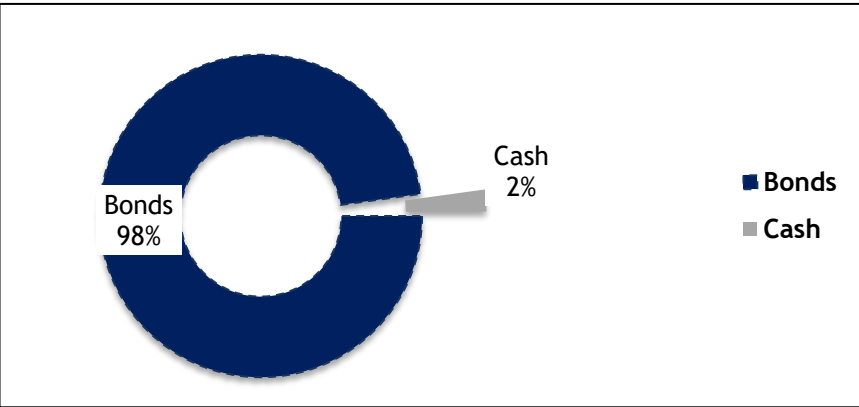
FUND RETURNS

	Feb-25	Mar-25
Month-on-Month	-0.15%	1.10%
Year-to-date (Annualised)	1.07%	2.18%
Inception-to-date	49.23%	40.34%

FUND RETURNS CHART



ASSET QUALITY (% TOTAL ASSETS)	Feb-25	Mar-25
Bonds	96.44	97.81
Cash	3.56	2.19



PERFORMANCE REVIEW:

The fund performance of 40.32% inception to date because of activities in the Eurobond space which led to a significant increase in the fund's NAV during the month

Sub-Saharan African dollar bonds slide as the U.S. with a 25% tariff on auto imports, stoking fears of an escalating trade war and overshadowing data that painted a brighter picture of the American economy. US President threat of harsher penalties on the EU and ce was (2.18%) YTD and ITD was Canada if they align against Washington only added to the anxiety. This aggressive trade posture wiped out optimism from a surprisingly strong fourth-quarter GDP revision. Still, inflation remains a thorn in the Federal Reserve’s side, while the dollar remained fairly unchanged.

The fund still presents tactical opportunities for entry, a hedge against inflation and devaluation of the local currency.

M-O-M Fund NAV performance

Fund Prices:	31-Jan	28-Feb	% Change
	NGN	NGN	
PACAM Balanced Fund	2.70	2.74	1.31%
PACAM Fixed Income Fund	12.26	12.36	0.78%
PACAM Money Market Fund	10	10	0.00%
PACAM Equity Fund	1.35	1.46	7.72%
PACAM Eurobond Fund	\$137.04	\$136.76	-0.20%

To invest, kindly make payment to the bank accounts detailed below:

	PACAM Money Market Fund	PACAM Fixed Income Fund	PACAM Balanced Fund	PACAM Equity Fund	PACAM Eurobond Fund
Bank	UBA PLC	UBA PLC	UBA PLC	UBA PLC	UBA PLC
Account Name	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Money Market Fund	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Fixed Income Fund	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Balanced Fund	UBA NOM-FCMB Trustees/PACAM Equity Fund	UBA NOM-FCMB Trustees/PACAM Eurobond Fund
Account No.	1019535675	1019535682	1019045402	1021941770	1021941866
Currency	NGN	NGN	NGN	NGN	USD
USSD Code	*402*91904308*AMOUNT#	*402*91904309*AMOUNT#	*402*91904312*AMOUNT#	*402*91904311*AMOUNT#	-

** USSD Code is currently active for UBA and Zenith Bank account users only.*

M-O-M Fund NAV performance

Fund Prices:	28-Feb	31-Mar	% Change
	NGN	NGN	
PACAM Balanced Fund	2.74	2.81	2.55%
PACAM Fixed Income Fund	12.36	12.86	4.05%
PACAM Money Market Fund	10	10	0.00%
PACAM Equity Fund	1.46	1.52	4.37%
PACAM Eurobond Fund	\$136.76	\$137.97	0.88%

To invest, kindly make payment to the bank accounts detailed below:

	PACAM Money Market Fund	PACAM Fixed Income Fund	PACAM Balanced Fund	PACAM Equity Fund	PACAM Eurobond Fund
Bank	UBA PLC	UBA PLC	UBA PLC	UBA PLC	UBA PLC
Account Name	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Money Market Fund	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Fixed Income Fund	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Balanced Fund	UBA NOM-FCMB Trustees/PACAM Equity Fund	UBA NOM-FCMB Trustees/PACAM Eurobond Fund
Account No.	1019535675	1019535682	1019045402	1021941770	1021941866
Currency	NGN	NGN	NGN	NGN	USD
USSD Code	*402*91904308*AMOUNT#	*402*91904309*AMOUNT#	*402*91904312*AMOUNT#	*402*91904311*AMOUNT#	-

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PAC Asset Management Limited

RC695281

A PanAfrican Capital Holdings Company

Plot 8A, Elsie Femi-Pearse Street,
Off Adeola Odeku Street,
P.O. Box 70823, Victoria Island,
Lagos, Nigeria.
Tel: + 234 (1) 271 6899
Email: info@pacassetmanagement.com
Website: www.pacassetmanagement.com



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