



Fund Overview

The Vantage Guaranteed Income Fund (formerly Kakawa Guaranteed Income Fund) is designed to provide a pre-stated return on investment. It is a principal-guaranteed Fund and delivers a return equivalent to the Standing Deposit Facility rate (SDF). In addition to the guaranteed return, unit holders are also entitled to an additional interest pay-out equivalent to 35% of the fund's excess return above the SDF.

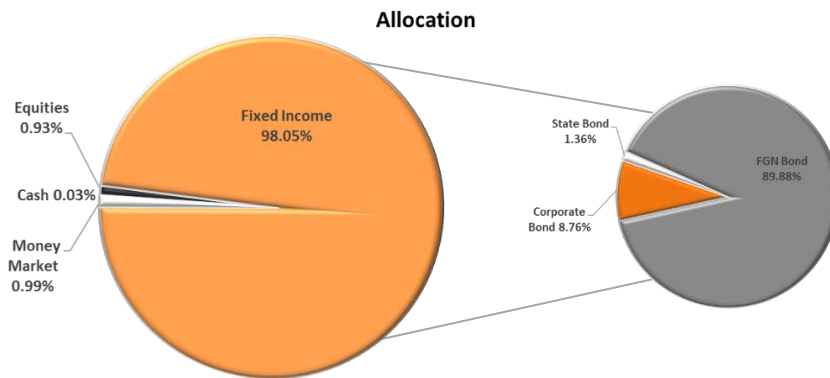
Investment One Funds Management, a wholly owned subsidiary of Investment One Financial Services Limited, acquired the management rights to the Fund in January 2013.

Fund Manager's Remark

The Fund's Asset under Management closed at N13.24 billion in Q2'2021. In the fixed income space, yields in the secondary market maintained a northward trajectory. In line with the borrowing plan of the Federal Government in the face of rising inflation, we expected rates to increase further in order to attract investors' interest to the primary market. As such, the yield on the 1yr Treasury bill rose by 337bps q/q to 10.01%. In the same vein, the yields on the 5yr, 7yr and 10yr rose by 255bps, 192bps and 198bps to close at 12.60%, 12.41% and 12.70% respectively. The Fund will continue to take advantage of the opportunities in the fixed income market.

Fund Composition and Performance

Date	Guaranteed Return (p.a.)	Additional Yield (Paid at FYE)
Jan - Jun, 2018	9.00%	3.12%
Jul - Dec, 2018		3.29%
Jan - Jun, 2019	8.50%	3.43%
Jul - Dec, 2019		3.15%
Jan - Jun, 2020	8.50%	0.84%
Jul - Dec, 2020	7.50%	0.54%
Jan - Jun, 2021	4.50%	Nil



Macro-Economic Review

- Global recovery continued as data from US and China remained positive. Despite the improvement in sentiment, most apex banks remained dovish as they remain wary of the impact of rise in COVID-19 cases in India and Japan.
- Despite the improvement in global economy and crude demand, OPEC and its allies' maintained its output cap in order to ensure a stable crude oil market. Consequently, Brent oil price rose by 18.24% q/q to close at US\$75.13per barrel.
- In the local space, data from NBS showed that, the Nation's GDP expanded by 0.51% in Q1 2021 higher than the growth of 0.11% in Q4 2020 but weaker than a growth of 1.87% in Q1 2020. While output in the oil sector (9% of the GDP) continued to fall, down by 2.21% in Q1 2021, Non-oil sector (91% of GDP) maintained its uptrend as the sector grew by 0.79% in the quarter.
- Other key sub sectors like Manufacturing and Construction experienced improvement in output with growth rates of 3.40% and 1.42% respectively. Output in Information and Communication continued to increase, albeit at a slower pace due to high base effect, with a growth of 6.47% in Q1 2021 compared to growth rates of 14.95% and 7.65% in Q4 2020 and Q1 2020 respectively.

Q3 2021 Outlook: Although we saw increase in yields for most of Q2 2021, towards the end of the quarter we began to see some decline in yields as the CBN and DMO slashed stop rates at NTB auctions and bond auctions respectively. This suggests that the stance of the DMO and the CBN is to keep rates from increasing further.

Going forward, we expect recovery in the global economy to continue as output in US and China continue to expand. Taking a cue from the recent hawkish comment from the US FED, we believe recovery in the US economy may continue. In the same vein, we expect improvement in economic data from Europe and China to support sentiment in the global economy. We expect the Nigerian economy to sustain positive growth in Q3 2021 as Non-oil sectors is expected to rebound due the low base effect. Overall, we expect the nation's GDP to grow in 2021 by about 1.5% in line IMF but below the World Bank's projection of 1.8% for Nigeria.

Fund Manager

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Fund Features

Launch Date	2007
Net Assets	N13.24 billion
Domiciliary	Nigeria
Currency	NG Naira
Objective	Interest Income Capital Appreciation
Financial Year End	December
Minimum Initial Investment	50,000 Units
Income Distribution	Bi-Annual
Management Fee	Nil
Additional Yield	35% of Excess Return above SDF
Revenue Reserve	15% of Excess Return above SDF
Professional Fee	50% of Excess Return above SDF
Risk Tolerance	Moderate
Permissible Asset Class	Fixed Income (75% - 100%) Equities (0% - 10%)
Composite Benchmark	Standing Deposit Facility (SDF)
Fund Price (30-Jun-21)	N1.00
Custodian	Citibank Nigeria Ltd
Trustee	FBNQuest Trustees Limited

Who Should Invest?

- Individuals in Nigeria (including Children) and the diaspora
- Pension Fund Administrators
- Insurance firms
- Endowment Funds
- Religious Organization
- Cooperatives, Trusts and Wealth Manager