

Global Economic Review

Resilient Global Growth Amidst Tariff Wars and Geopolitical Tensions

Global growth held up strongly in Q1-2025 despite rising geopolitical tensions and tariff disputes. Advanced economies delivered mixed results as the prospect of higher tariffs and softer energy prices shaped their trajectories. In the United States, year-on-year GDP growth slowed to 2.1% in Q1-2025 (Q4-2024: 2.5%) as businesses and consumers ramped up imports to stockpile ahead of anticipated tariffs. Europe proved more resilient as GDP in Eurozone grew by 1.5% in Q1-2025 (Q4-2024: 1.2%) while the United Kingdom saw a modest pullback to 1.3% in Q1-2025, when compared with 1.5% in Q4-2024. Meanwhile, Emerging Market and Developing Countries (EMDEs) enjoyed robust expansion led by household spending. For instance, China's economy grew by 5.4% year-on-year in Q1-2025, boosted by stimulus measures and tariff-driven export growth. Also, year-on-year GDP growth in Argentina and Ghana improved to 5.8% and 5.3% in Q1-2025, from 2.1% and 3.6% in Q4-2024 respectively, driven by improved household consumption.

With Inflation Cooling, Central Banks Step Up Easing

- The US Federal Reserve kept the federal funds rate steady within the range of 4.25%-4.5% in Q2-2025, as the apex bank feared that President Trump's policies might be inflationary.
- The Bank of England (BOE) further cut its policy rate by 25 bps to 4.25% in Q2-2025 (Q1-2025: 4.50%) to support fragile economic growth.
- The European Central Bank (ECB) also lowered its key interest rate by 50 bps to 2.15% in Q2-2025 (Q1-2025: 2.65%) as inflation dropped below the 2.0% target.
- The People's Bank of China lowered its key lending rates in Q2 2025: the 1-year and 5-year loan prime rates (LPR) were both reduced by 10 bps to 3.0% and 3.5%, respectively.

Crude Oil Prices Remained Volatile in Q2-2025

The quarterly average prices of Brent crude oil and WTI fell by 11.0% and 10.9%, reaching \$66.70 and \$66.67 per barrel, respectively, in Q2-2025 (quarter-on-quarter). However, crude oil prices rose above \$70 per barrel toward the end of the quarter, fueled by Middle East tensions. We attribute the earlier decline to the planned addition of 411,000 barrels per day to the market from OPEC, improved production from non-OPEC members, and fears of a global economic slowdown arising from trade tensions between the US and China.

Inflation Moderates in Q2-2025

The United States' trade policy, particularly the tariff hike that was later paused, had little impact on the global Consumer Price Index, as inflation moderated in most countries in Q2-2025. The reduction in global inflation was mainly driven by easing energy costs and improved supply chain conditions. In advanced economies, inflation moved toward the 2% mark, with Eurozone inflation moderating further to 1.9% in Q2-2025 (down from 2.2% in Q1-2025). However, inflation in the United States remained relatively stable at 2.4% as lower crude oil prices offset the tariff's impact on consumer prices. Meanwhile, the United Kingdom's inflation rate jumped to 3.4% in Q2-2025 (vs. 2.6% in Q1-2025), driven by rises in energy prices and spikes in airfares and travel-related costs during the Easter period.

We noticed mixed inflation figures in EMDEs amid lower energy prices and weak local currencies. Inflation in China was flat at -0.1% in Q2-2025 as the country continued to witness sluggish demand. In contrast, inflation in Argentina, Nigeria, and Ghana fell to 43.5% (Q1-2025: 55.9%), 22.97% (Q1-2025: 24.2%), and 18.4% (Q1-2025: 22.4%), respectively, as they benefited from lower energy costs. However, inflation rose in South Africa, Egypt, and Kenya to 2.8% (Q1-2025: 2.7%), 16.8% (Q1-2025: 13.6%), and 3.8% (Q1-2025: 3.6%), respectively, due to weak local currencies, while the ongoing war continued to impact Russia.

Domestic Economic Review

Nigeria's Q1-2025 GDP Report Delayed Amid Rebasing Exercise

- We are currently awaiting the rebased GDP report for Q1-2025 from the National Bureau of Statistics (NBS). In the meantime, a recent report from the NBS detailed that Nigeria's GDP expanded by 3.84% year-on-year in real terms in Q4-2024. The growth rate recorded in Q4-2024 was 38 bps higher than the 3.46% recorded in both Q3-2024 and Q4-2023. Year-on-year, GDP growth in Q4-2024 was driven by the non-oil sector, which grew by 3.96% (Q4-2023: 3.07%). However, growth in the oil sector stood at 1.48% in Q4-2024 (Q4-2023: 12.11%). In real terms, the non-oil sector contributed 95.40% to national GDP in Q4-2024. In line with expectations, annual real GDP remained steady at 3.4% in 2024 (vs. 2.74% in 2023) – the highest rate recorded since 2021. Aggregate GDP at basic prices, in nominal terms, stood at ₦78.37 trillion in Q4-2024 (Q4-2023: ₦65.91 trillion) and ₦269.29 trillion for FY-2024 (FY-2023: ₦229.91 trillion).

Nigeria's Inflation Eases Further in Q2-2025

- Nigeria's headline inflation steadily declined to 22.97% in Q2-2025 (from 24.23% in Q1-2025), driven by lower PMS prices and a stable foreign exchange environment. Food inflation and core inflation eased by 65 bps and 215 bps to 21.14% and 22.28% year-on-year in Q2-2025, down from 21.79% and 24.43%, respectively, in Q1-2025, as the drop in PMS prices and appreciation of the naira positively impacted food costs and the cost of imported inputs. Year-on-year, headline inflation was highest in Borno (38.93%), followed by Niger (34.97%) and Plateau State (32.35%). In contrast, Katsina (16.25%), Adamawa (18.20%), and Delta (18.41%) recorded the lowest increases in headline inflation in Q2-2025.

Monetary Policy Committee Holds the Monetary Policy Rate Constant

- The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) held one meeting in Q2-2025, during which it kept the Monetary Policy Rate (MPR) unchanged at 27.50%, despite the decline in inflation. The Committee also retained the Cash Reserve Ratio (CRR) at 50% and 16% for commercial and merchant banks, respectively, while the Liquidity Ratio (LR) was maintained at 30.0% during the period. In addition, the Committee left the Asymmetric Corridor unchanged at +500/-100 basis points around the MPR, as the apex bank continued to mop up excess liquidity in the system. The decision to hold all monetary policy parameters constant aimed to sustain the downward inflation trend, manage excess liquidity, and attract foreign portfolio investments.

Naira Remains Relatively Stable at the Official Markets

- On a quarter-on-quarter basis, the naira remained relatively stable against the US dollar at the official NFEM (CBN), closing at ₦1,532.00 in Q2-2025 – a slight appreciation of 0.3% compared to ₦1,537.00 in Q1-2025. The relative stability of the naira in the FX market was mainly driven by constant interventions of the CBN and improved foreign exchange inflows. Meanwhile, the naira depreciated by 1.0% in the parallel market, closing at ₦1,575.00 in Q2-2025 (Q1-2025: ₦1,560.00), as the CBN did not extend the May 30, 2025 deadline for BDCs to access the NFEM window.
- Despite improvements in non-oil receipts, remittances, and portfolio inflows, Nigeria's foreign exchange reserves fell by 2.9% (or \$1.1 billion) to \$37.21 billion in Q2-2025 (vs. \$38.31 billion in Q1-2025). The decline in the country's external reserves was due to continued intervention by the CBN and external debt servicing during the quarter.

Head Office

171, Moshood Olugbani Street, Off Ligali Ayorinde, Victoria Island, Lagos.
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Q3 2025 Outlook

Global Economy

- The 90-day tariff pause between the United States and most countries will end at the beginning of Q3-2025 (July 9, 2025), which may place global economic growth on a downward trajectory during the quarter. In addition, a possible escalation of Iran-Israel tensions may choke key shipping lanes and disrupt global supply chains, thereby weakening economic productivity in various countries. Consequently, global GDP growth is projected to decelerate in Q3-2025, primarily due to the negative effects of tariff wars and the effect geopolitical tensions will have on economic output.
- The upside potential to our outlook lies in the possibility of a mutual trade agreement between the United States and most countries before the end of the 90-day tariff pause, which could reduce trade tensions and lead to improved economic growth in Q3-2025. In addition, a truce in the Iran-Israel and Russia-Ukraine conflicts could stabilize energy markets and supply chains, fostering investor confidence and accelerate global economic recovery in Q3-2025.
- Global inflation is anticipated to rise modestly in Q3-2025, as the discontinuation of the 90-day tariff pause and geo-political tensions are expected to weigh on prices. For example, increased tariffs on certain imported commodities in advanced economies, mainly in the United States, along with retaliatory measures from other countries, may drive up inflation. In addition, geopolitical tensions, particularly a possible escalation of Iran-Israel conflicts in the Middle East, may lead to an increase in crude oil prices and result in high inflation in various countries. As a result, most advanced economies may be unlikely to meet their 2% inflation target in Q3-2025. In EMDEs, inflation is likely to remain high and above the targets of most countries in Q3-2025, driven by the effects of geopolitical tensions and weakened local currencies. However, the possibility of a mutual agreement on tariff revisions and reduced geopolitical tensions presents upside potential for our global inflation outlook.
- Although global inflation is expected to edge up slightly in Q3-2025, we do not foresee a policy rate hike due to fragile economic growth across many nations. In advanced economies, accommodative monetary policies are likely to continue, with extended rate cuts anticipated in the Eurozone and a rate pause expected in the United States and the United Kingdom. Likewise, most EMDEs are projected to keep policy rates steady in Q3-2025 to encourage foreign portfolio inflows and strengthen local currencies.
- Despite OPEC's decision to boost crude oil production by 411,000 bpd and the anticipated increase in output from non-OPEC producers, crude oil prices may still rise in Q3-2025. This is largely due to the potential escalation of Iran-Israel tensions in the Middle East, a region responsible for nearly one-third of the world's oil supply.

Domestic Economy

- Nigeria's GDP is projected to grow more strongly in Q3-2025, supported by the ongoing rebasing exercise and expected improvements across both the non-oil and oil sectors. The non-oil sector stands to gain significantly from the multiplier effects of fresh capital raised by banks and the government's inward-focused initiatives – particularly the newly approved Nigeria First Policy. Additionally, efforts by the Federal Government to raise crude oil production targets are likely to bolster performance in the oil sector during the quarter. External shocks, particularly from a possible renewal of the tariff war and escalation of geopolitical tensions, remain the downside risk to our outlook.
- Heightened geopolitical tensions in the Middle East, alongside growing insecurity and flooding in key food-producing areas such as Benue State, could drive up crude oil prices and food costs in Q3-2025, potentially leading to a modest rise in Nigeria's headline inflation. However, a significant increase is unlikely, given expectations of a stable foreign exchange environment during the quarter.
- With a slight rise in inflation anticipated, the MPC of the CBN is expected to keep the monetary policy rate unchanged in Q3-2025, while considering adjustments to other policy tools. This strategy aims to curb inflationary pressures, manage excess liquidity, and enhance foreign portfolio investment inflows.
- The naira is projected to maintain relative stability in the foreign exchange market during Q3-2025, buoyed by continued interventions from the Central Bank of Nigeria (CBN) and stronger foreign exchange inflows, particularly from improved diaspora remittances, oil revenues, and increased foreign portfolio investments.

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Fund Overview

The Money Market Fund is an open-ended Fund authorized and registered by the Securities and Exchange Commission on November 28, 1990. Its diversified portfolio consists of quality money market instruments including short-term government securities, commercial papers and bank placements.

The Fund is most suitable for Investors with a short-term investment horizon and offers an alternative to short-term deposits and savings accounts with the added benefit of enjoying decent returns from the professional management of the Fund's assets.

Fund Manager's Remark

The Fund's asset size increased during the quarter under review due to more subscriptions and the AuM grew by 33.27% from N77.58Billion to close at N103.39Billion. The net return for the Fund closed at 22.22% at the end of Q2'2025.

We witnessed yields trend downwards during the quarter mainly driven by a very liquid system. The average stop rate of treasury bills in the primary market fell by 38 bps to close at 18.33% in Q2-2025 (vs. 18.71% average stop rate in Q1-2025).

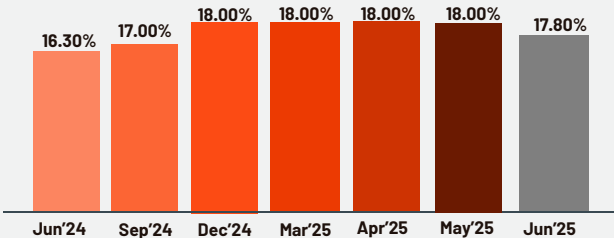
The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) held one meeting in Q2-2025, during which it kept the Monetary Policy Rate (MPR) unchanged at 27.50%, despite the decline in inflation. The Committee also retained the Cash Reserve Ratio (CRR) at 50% and 16% for commercial and merchant banks, respectively, while the Liquidity Ratio (LR) was maintained at 30.0% during the period. In addition, the Committee left the Asymmetric Corridor unchanged at +500/-100 basis points around the MPR, as the apex bank continued to mop up excess liquidity in the system. The decision to hold all monetary policy parameters constant aimed to sustain the downward inflation trend, manage excess liquidity, and attract foreign portfolio investments.

Q3' 25 Outlook

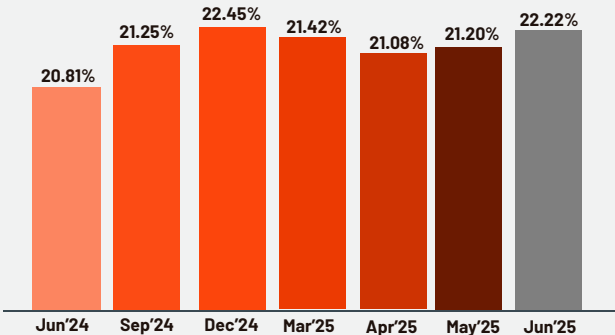
Yields in the money market are projected to decline in Q3-2025, driven by sustained excess liquidity and the Debt Management Office's (DMO) plan to scale back on domestic borrowings. However, the decline is expected to be modest, given the anticipated uptick in inflation and the potential continuation of the monetary policy rate pause. As a result, the Money Market Fund is likely to deliver impressive performance during the quarter.

Fund Composition and Performance

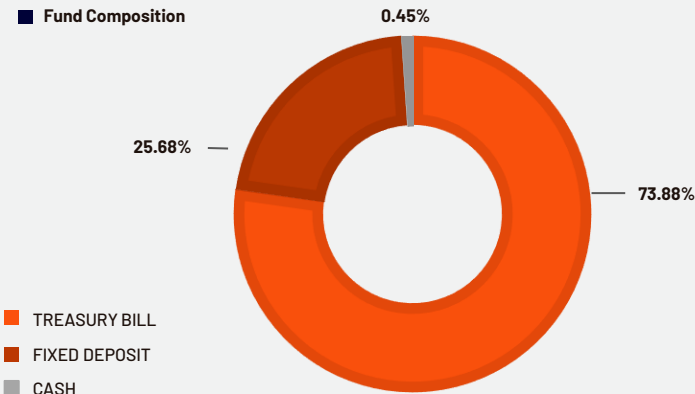
91 days Tbills Benchmark



Fund Performance



Fund Composition



Fund Features

Launch Date	1990
Net Assets	₦103.39billion
Domiciliary	Nigeria
Currency	NG Naira
Objective	Interest Income Capital Preservation
Financial Year End	December
Minimum Initial Investment	₦1,000
Fund Rating	Aa-(f)
Rating Agency	Agusto & Co.
Management Fee	1% of Net Asset Value (NAV)
Incentive Fee	20% of Excess Return above Benchmark
Risk Tolerance	Low
Permissible Asset Class	Bank Placement (15% - 75%) Short Term Govt. Instr. (25% - 85%) Others* (0% - 60%)
Composite Benchmark	91D Treasury Bill
Fund Price (30-Jun-25)	Bid/Offer: N100/N100
Custodian	Citibank Nigeria Ltd
Trustee	United Capital Trustees Limited

*Other refers to money market investments such as commercial papers, banker's acceptances, certificates of deposits, collateralized repurchase agreements

Who Should Invest?

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

FIXED INCOME FUND



Guaranty Trust Fund Managers Ltd
RC 000000

Fund Overview

The Fixed Income Fund was launched on June 13, 2007 and is licensed by the Securities and Exchange Commission (SEC). The fund is designed to provide a return on investment by virtue of its market value. It was initially a principal-guaranteed Fund that delivered a return equivalent to the Standing Deposit Facility rate (SDF).

This fund seeks to achieve its objective by investing a minimum of 70% in Fixed Income instruments, maximum of 30% in money market instruments and up to 10% in fundamentally sound stock of blue-chip organizations.

Fund Manager’s Remark

The Fund’s Asset under Management (AuM) improved by 2.88% to close at ₦12.49Billion at the end of Q2’2025 from ₦12.14Billion in Q1’2025.

The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) held one meeting in Q2-2025, during which it kept the Monetary Policy Rate (MPR) unchanged at 27.50%, despite the decline in inflation. The Committee also retained the Cash Reserve Ratio (CRR) at 50% and 16% for commercial and merchant banks, respectively, while the Liquidity Ratio (LR) was maintained at 30.0% during the period. In addition, the Committee left the Asymmetric Corridor unchanged at +500/-100 basis points around the MPR, as the apex bank continued to mop up excess liquidity in the system. The decision to hold all monetary policy parameters constant aimed to sustain the downward inflation trend, manage excess liquidity, and attract foreign portfolio investments. We witnessed Sukuk issuance and decline in stop rates of FGN bonds during the period.

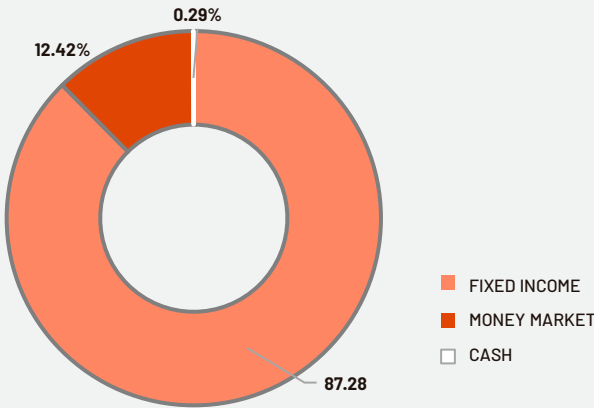
Q3’ 25 Outlook

We expect a modest decline in rates and yields in the fixed-income and money market during Q3-2025, driven by the government’s intention to lower borrowing costs for long-term instruments. Nonetheless, the performance of Fixed Income Funds is likely to remain impressive, as a significant drop in yield is not anticipated, given the potential continuation of the monetary policy rate pause.

Fund Composition and Performance

DATE	GUARANTEED RETURN (P.A.)	ADDITIONAL YIELD (PAID AT FYE)
Jul – Sep 2022	4.50%	N/A
Oct– Dec 2022	6.00%	N/A
Jan– Mar 2023	6.00%	N/A
Apr–Jun 2023	6.00%	N/A
Jul–Sep 2023	6.00%	N/A
Oct–Dec 2023	6.00%	N/A
Jan – Mar 2024	6.00%	N/A
Apr– Jun 2024	6.00%	N/A
Jul – Sep 2024	6.00%	N/A
Oct – Dec 2024	6.00%	N/A
Jan – Mar 2025	6.00%	N/A
Apr – Jun 2025	6.00%	N/A

Fund Composition



Fund Features

Launch Date	2007
Net Assets	₦12.49Billion
Domiciliary	Nigeria
Currency	NG Naira
Objective	Interest Income Capital Appreciation
Financial Year End	December
Minimum Initial Investment	50,000 Units
Income Distribution	Bi-Annual
Current Return	6.00% p.a.
Management Fee	50% of Excess Return above SDF
Revenue Reserve	50% of Excess Return above SDF
Risk Tolerance	Moderate
Permissible Asset Class	Fixed Income (70% - 100%) Equities (0% - 10%) Money Market (0%-30%)
Composite Benchmark	Standing Deposit Facility (SDF)
Fund Price (30-Jun-25)	₦1.00
Custodian	Citibank Nigeria Ltd
Trustee	FBN Quest Trustees Limited

Who Should Invest?

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

Head Office

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Fund Overview

The Guaranty Trust Balanced Fund was launched in 2002 and is a fund licensed by the Securities and Exchange Commission (SEC). It is focused on long term capital appreciation, which is achieved by maintaining a flexible diversified portfolio of equities, fixed income securities and money market instruments.

Funds are deployed into quality equity instruments quoted on the NGX, while the bond issuers have an investment grade rating from a credit rating agency registered by SEC.

Fund Manager’s Remark

The Nigerian equities market appreciated, with the All-Share Index (ASI) growing by 13.56% in Q2-25 as investors took advantage of cheap stocks and positioned for dividend payments. The NGX All-Share Index and Market Capitalization increased to close at 119,978.57pts and N75.95 Trillion respectively as at 30th June 2025. The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) held one meeting in Q2-2025, during which it kept the Monetary Policy Rate (MPR) unchanged at 27.50%, despite the decline in inflation.

At the end of the period under review, the fund’s Asset under Management (AuM) closed at N3.97Billion in Q2’ 2025 improving from N3.39Billion in Q1’2025.

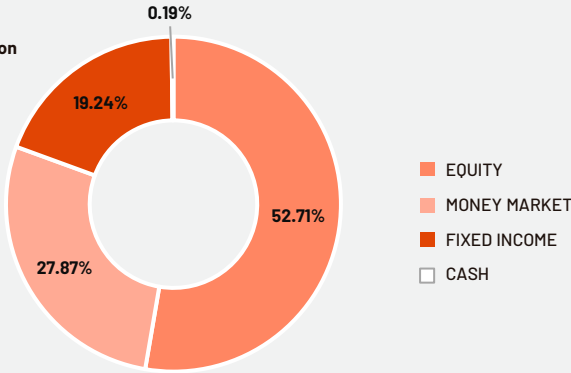
Q3’25 Outlook

We anticipate strong growth in the Balanced Fund in Q3-2025, supported by expected robust performance in the equities market. Additionally, the fund is likely to benefit from the fixed-income segment, as yields are not projected to decline significantly over the period.

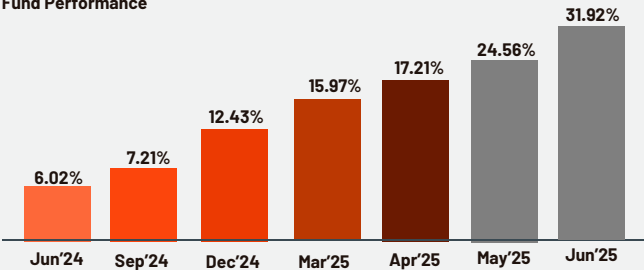
Fund Composition and Performance

EQUITY SECTORAL ALLOCATION	
Sector	Exposure
FMCG	27.39%
Agriculture	25.79%
Oil & Gas	24.60%
Banking	16.32%
Industrial	5.90%

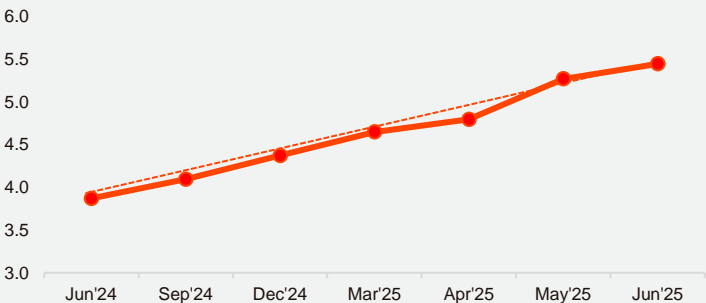
Fund Composition



Fund Performance



BF HISTORICAL UNIT PRICE



Fund Features

Launch Date	2002
Net Assets	₦3.97billion
Domiciliary	Nigeria
Currency	NG Naira
Objective	Interest Income Capital Appreciation
Financial Year End	December
Minimum Initial Investment	N10, 000
Subsequent	Multiples of ₦1,000
Management Fee	2.0% of Net Asset Value (NAV)
Incentive Fee	15% of Excess Return above 10%
Risk Tolerance	Moderate
Permissible Asset Class	Fixed Income (20% - 60%) Equity (40% - 60%) Money Market (0% - 40%) Cash (0% - 5%)
Composite Benchmark	Equities (ASI) – 50% Fixed Income – 50%
Fund Price (30-Jun-25)	Bid: 5.2909 Offer: 5.4303
Custodian	Citibank Nigeria Ltd
Trustee	FBN Quest Trustees Limited

Who Should Invest?

- Individuals in Nigeria (including Children) and the diaspora
- Insurance firms
- Endowment Funds
- Religious Organizations
- Cooperatives, Trusts and Wealth Managers

Fund Overview

The Equity Income Fund is a registered open-ended Unit Trust Scheme that was launched in 2018 and is licensed by the Securities and Exchange Commission (SEC).

Its objective is to provide regular income and long-term capital appreciation from investments in dividend knights and high-quality equity instruments quoted on the NGX, where the issuers have an investment grade rating from a credit rating agency registered by SEC.

Fund Manager's Remark

The asset size for the period under review improved by 60.28% to close at N1.22Bilion from N764.52 million in the previous quarter. The Fund has invested 72.19% in equities, 27.15% in money market instruments while 0.66% remained as cash.

The Nigerian equities market appreciated, with the All-Share Index (ASI) growing by 13.55% in Q2-25 as investors took advantage of cheap stocks and positioned for dividend payments. The NGX All-Share Index and Market Capitalization increased at 119,978.57pts and N75.95 Trillion respectively as at 30th June 2025.

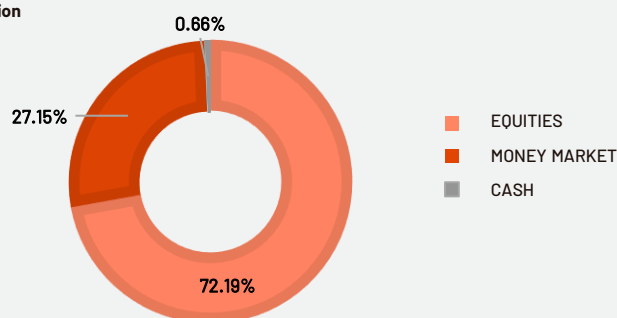
Q3'25 Outlook

Nigeria's equities market is expected to maintain its bullish momentum into Q3-2025, building on the positive trend observed in Q2-2025. Investor optimism is likely to be fueled by interest in undervalued stocks as market participants position for interim dividend payouts. Consequently, the Equity Income Fund is projected to post decent returns during the quarter.

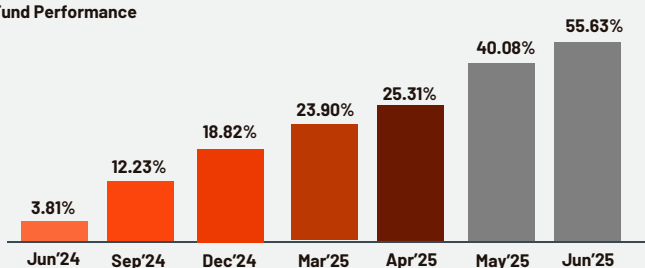
Fund Composition and Performance

EQUITY SECTORAL ALLOCATION	
Sector	Exposure
Agriculture	44.70%
FMCG	22.51%
Banking	14.68%
Oil & Gas	14.35%
Industrial	3.76%

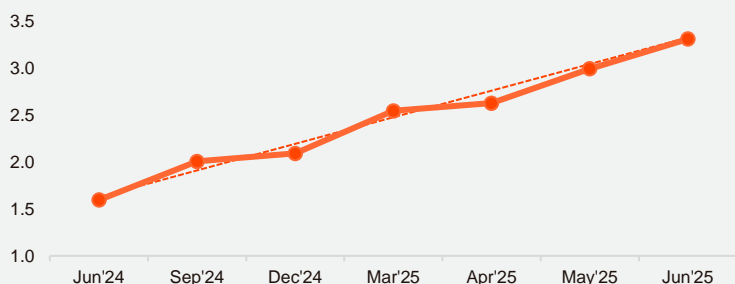
Fund Composition



Fund Performance



EIF HISTORICAL UNIT PRICE



Fund Features

Launch Date	2018
Net Assets	N1.22Billion
Domiciliary	Nigeria
Currency	NG Naira
Objective	Dividend Income Growth Stock
Financial Year End	December
Minimum Initial Investment	N5,000
Subsequent	Multiples of N1,000
Management Fee	1.5% of Net Asset Value (NAV)
Risk Tolerance	High
Permissible Asset Class	Equities (70% - 95%) Money Market (5% - 30%) Cash (0% - 5%)
Composite Benchmark	Equities (ASI) - 70% Fixed Income - 30%
Fund Price (30-Jun-25)	Bid: 3.2641 Offer: 3.2895
Custodian	Citibank Nigeria Ltd
Trustee	FBN Quest Trustees Limited

Who Should Invest?

- Individuals in Nigeria (including Children) and the diaspora
- Insurance firms
- Endowment Funds
- Religious Organizations
- Cooperatives, Trusts and Wealth Managers

Fund Overview

The Dollar Fund is a SEC registered open-ended Unit Trust Scheme that was launched in 2018.

The Fund seeks to provide investors with a bias for Dollar denominated investments access to such securities, which ordinarily would be inaccessible to them by virtue of the minimum amount typically required to make such investments.

Funds are primarily deployed in Corporate and Sovereign Eurobonds of entities listed in Nigeria and money market instruments of highly rated financial institutions.

Fund Manager’s Remark

Fund’s asset size increased during the quarter under review due to more subscriptions and the AuM grew by 3.48% from \$62.9Million to close at \$65.14Million. The net return for the Fund improved by 51 bps to closed at 6.57% at the end of Q2’2025.

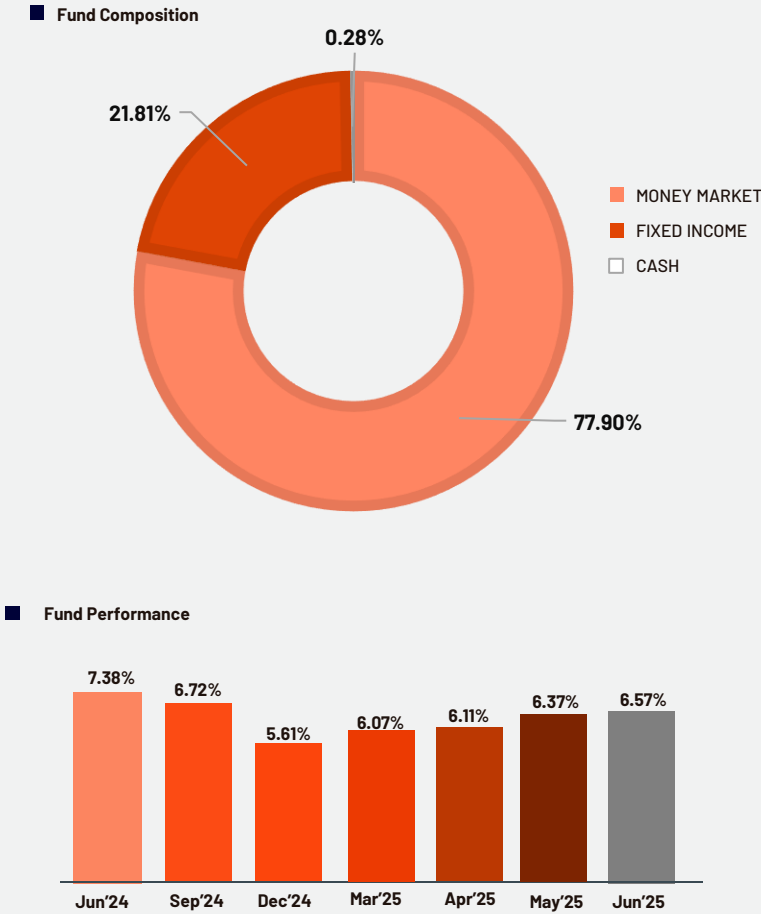
The naira remained relatively stable against the US dollar at the official NFEM (CBN), closing at ₦1,532.00 in Q2-2025 – a slight appreciation of 0.3% compared to ₦1,537.00 in Q1-2025. The relative stability of the naira in the FX market was mainly driven by constant interventions of the CBN and improved foreign exchange inflows. Meanwhile, the naira depreciated by 1.0% in the parallel market, closing at ₦1,575.00 in Q2-2025 (Q1-2025: ₦1,560.00), as the CBN did not extend the May 30, 2025 deadline for BDCs to access the NFEM window.

Despite improvements in non-oil receipts, remittances, and portfolio inflows, Nigeria’s foreign exchange reserves fell by 2.5% (or \$1.1 billion) to \$37.21 billion in Q2-2025 (vs. \$38.31 billion in Q1-2025). The decline in the country’s external reserves was due to continued intervention by the CBN and external debt servicing during the quarter.

Q3’25 Outlook

We expect yields of Nigeria’s Eurobonds to decline further in Q3-2025, primarily due to projected improvements in capital inflows, as foreign portfolio investors are likely to respond positively to a stable foreign exchange market and the recent rise in crude oil prices. Additionally, the Fitch’s recent upgrade of Nigeria’s credit outlook and the positive outlook for the country’s external reserves are expected to boost investor appetite for Nigeria’s Eurobonds during the quarter.

Fund Composition and Performance



Fund Features

Launch Date	2018
Net Assets	\$65.35million
Domiciliary	Nigeria
Currency	US Dollars
Objective	Interest Income Capital Appreciation
Financial Year End	December
Minimum Initial Investment	\$1,000
Management Fee	1% of NAV
Incentive Fee	20% of Excess Return above 10%
Risk Tolerance	Moderate
Permissible Asset Class	Eurobonds (70% - 100%) Money Market (0% - 30%)
Asset Class Rating	Eurobond – A (S&P) Money Market – BBB (Fitch)
Fund Price (30-Jun-25)	Bid: 100 Offer: 100
Custodian	Citibank Nigeria Ltd
Trustee	FBN Quest Trustees Limited

Who Should Invest?

- Individuals in Nigeria such as employees & SM Entrepreneurs
- Institutional investors
- Contributory schemes
- Funds and Trusts
- Insurance companies
- Government parastatals, etc.

Fund Overview

Guaranty Trust Investment Fund 724 is an open-ended regulated investment scheme that offers returns benchmarked at the preceding month's average 91-day Nigerian Treasury Bill's rate with around the clock (24/7) accessibility on funds up to N1,000,000.00. Funds in the product will be invested in Money Market Instruments.

The Fund will provide simple investments for every Nigerian. It is a Naira-denominated investment which will be offered to retail customers who seek competitive rates on investment opportunities with the flexibility on subscriptions and redemptions.

Fund Manager's Remark

The Fund closed with an AuM of N442.55Million from N350.29Million in the previous quarter, this represents a growth of 25.47% on a Quarter-on-Quarter Basis. The return for the Fund closed at 21.28% at the end of Q2'2025.

We witnessed yields trend downwards during the quarter mainly driven by robust system liquidity. The average stop rate of treasury bills in the primary market fell by 38 bps to close at 18.33% in Q2-2025 (vs. 18.71% average stop rate in Q1-2025).

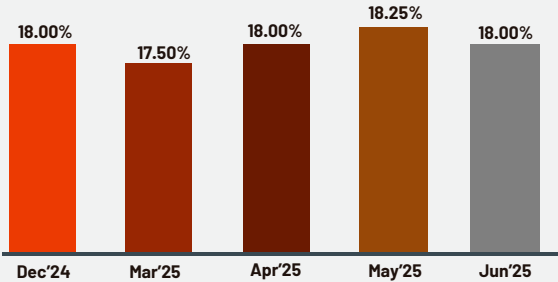
The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) held one meeting in Q1-2025 where it held Monetary Policy Rate (MPR) constant at 27.50%, despite the decline in inflation.

Q3'25 Outlook

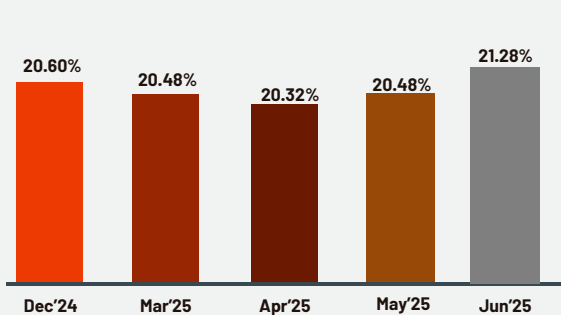
Yields in the money market are projected to decline in Q3-2025, driven by sustained excess liquidity and the Debt Management Office's (DMO) plan to scale back domestic borrowings. However, the decline is expected to be modest, given the anticipated uptick in inflation and the potential continuation of the monetary policy rate pause. Consequently, we expect the fund to report decent performance in Q3-2025

Fund Composition and Performance

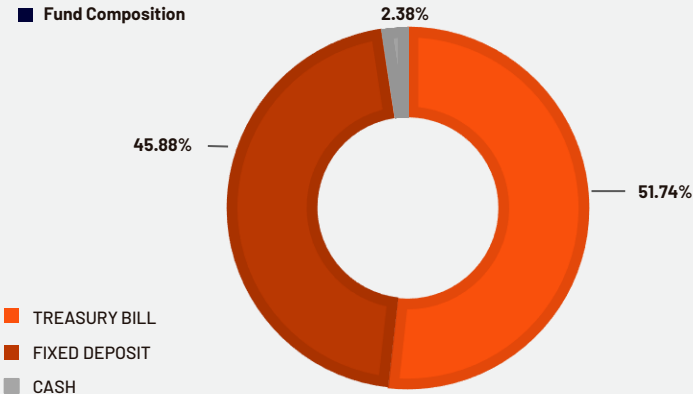
Average 91 days Tbills Benchmark



Fund Performance



Fund Composition



Fund Features

Launch Date	2024
Net Assets	₦442.55Million
Domiciliary	Nigeria
Currency	NG Naira
Objective	Interest Income Guaranteed Principal
Financial Year End	December
Minimum Initial Investment	₦1,000
Fund Rating	N/A
Rating Agency	N/A
Management Fee	1.5% of Net Asset Value (NAV)
Incentive Fee	20% of Excess Return above Benchmark
Risk Tolerance	Low
Permissible Asset Class	Money Market Instruments (30% - 85%) Short Term Govt. Instr. (25% - 60%) Cash* (0% - 10%)
Composite Benchmark	91D Treasury Bill
Fund Price (30-Jun-25)	Bid/Offer:N100/N100
Custodian	RMB Nominees Ltd
Trustee	STL Trustees Limited

*Other refers to money market investments such as commercial papers, banker's acceptances, certificates of deposits, collateralized repurchase agreements

Who Should Invest?

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

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