AIICO EUROBOND FUND

JULY | 2026

OVERVIEW

AIICO Eurobond Fund is an open-ended Dollar denominated mutual fund, strategically investing in high-quality Nigeria sovereign & non-sovereign Eurobonds and in investment-grade money market instruments.

INVESTMENT OBJECTIVES

The investment objective of the fund is to offer investors the opportunity to diversify their portfolios, ensure long term capital appreciation and capital preservation while generating a steady stream of income on USD denominated securities.

FUND PERFORMANCE

The AIICO Eurobond Fund closed the month with a Year-to-date return of 8.49% in July 2026, outperforming the benchmark 3.65%.

Nigeria's Eurobond market extended its gains in July, with the average yield declining marginally by 9bps to 6.95% from 7.04% in June. Performance was driven by a mix of global and domestic tailwinds. Softer-than-expected US June inflation lifted Fed rate-cut expectations, pulling US Treasury yields lower.

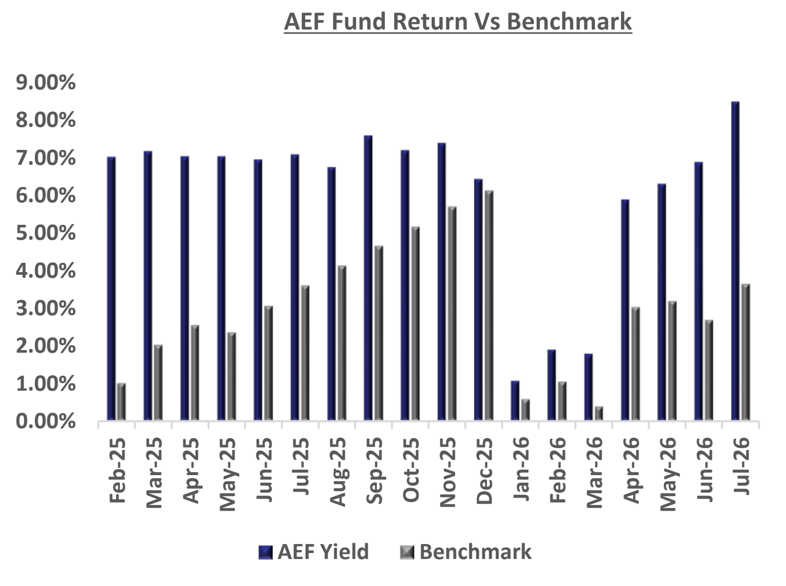
Sentiment shifted from the second week onward as renewed US-Iran hostilities broke out, sending oil prices surging over 20% through the month. Brent touched a one-month high near $86 by mid-July, before climbing further to $100.69, and closing the month at $87.93.

The return of geopolitical risk prompted offshore investors to reassess exposure to emerging market, compounded by firmer US Treasury yields. The US Federal Reserve added to the cautious tone, holding its policy rate steady at 3.50%–3.75% at its July meeting, although the Committee flagged that energy-driven supply shocks continue to keep inflation elevated above target.

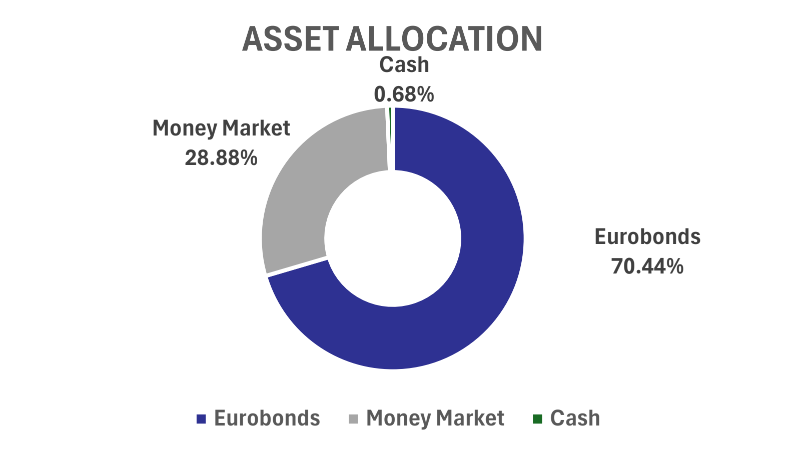
Nigeria's external reserves extended their strong build through July, reaching a peak of $52.73 billion by July 9. The CBN attributed the continued accumulation to stronger oil earnings, remittance inflows, and renewed foreign portfolio participation, with the reserve position now comfortably ahead of the apex bank's full-year target.

Outlook: Sub Saharan Eurobonds are expected to remain broadly supported by investor appetite for higher-yielding frontier assets, though performance will likely stay selective across sovereigns. For Nigeria, robust reserves and macro stability should keep driving gains at the front and belly of the curve, while the long end remains exposed to global rate dynamics.

FACT SHEET	
Fund launch date	20 Dec 2023
Net Asset Value as of 31 July 2026	$ 4,081,281.63
Minimum Investment	$1,000.00
Minimum Holding Period	180 Days
Benchmark	3-year NIG Eurobond
Net Yield as at 31 July 2026	8.49%
Benchmark Rate	3.65%



ASSET ALLOCATION: In seeking to achieve all of the fund's objective, and inline with the SEC rules, the asset allocation of the fund is shown below:



ASSET CLASSES	LOWER LIMIT	UPPER LIMIT	ACTUAL
NIG Sovereign, Supranational & Corporate Eurobonds	50.00%	100.00%	70.44%
Money Market	0.00%	30.00%	28.88%
Cash	0.00%	5.00%	0.68%

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