

Strategy Overview

The Fund investments is subject to regulatory guidelines and limits as set by the National Pension Commission (PENCOM), and can be allocated as follows:-

Govt. Securities

I. Fed Govt. (including FGN Eurobonds) (80%)

II.State/ Local Govt.(20%) -Guaranteed/ ISPO

Corporate Bond/Debt (45%)

Supra-national Bonds (20%)

Money Market Instruments (35%)

Ordinary Share (including GDRs) (5%)

Open, Close-end and Hybrid Funds (5%)

	Jan 09	Mar 21	Apr 21	May 21	June 21	Jul 21	Aug 21	Sept 21	Oct 21	Nov 21	Dec 21	Cumulative
Unit Price N1.00		N4.10	N4.13	N4.17	N4.21	N4.26	N4.29	N4.33	N4.38	N4.41	N4.45	***
% Return		310%	313%	317%	321%	326%	329%	333%	338%	341%	345%	345%

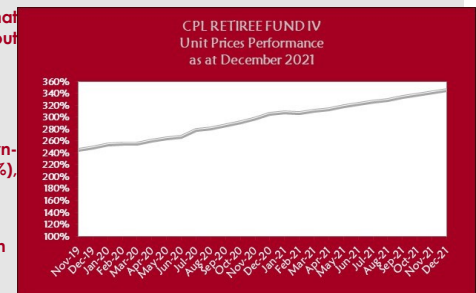
Investment Objective

Maximizing total returns by investing in securities and instruments that would deliver long term capital appreciation and income growth without compromising the safety of the funds.

CPL VALUE FUND

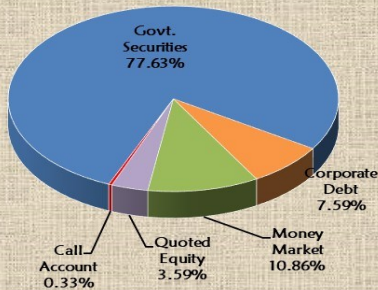
CPL Retiree Fund closed December 31, 2021 with a unit price of N4.4514.

The Fund assets, invested within regulatory limits, were allocated to Government Securities (77.63%), Corporate Debt (7.59%), Money Market (10.86%), Quoted Equities (3.59%) and Call Account (0.33%).



The graph shown in this report represents the performance of the Fund from November 2019 to December 2021.

CURRENT ASSET ALLOCATION



We are pleased to inform you that we have returned 345% on Retiree Funds under our management till date.

Regulatory Update

WITHDRAWING YOUR PENSION UNDER THE CONTRIBUTORY PENSION SCHEME

Under the Pension Reform Act 2014, the two recommended modes of withdrawal are: Programmed Withdrawal and Annuity. The differences between these two modes are highlighted below:

PROGRAMMED WITHDRAWAL (PW)	ANNUITY
Pension Fund Administrators manage the	Insurance companies manage the investment
Pension is at least 50% of final salary	Annuity is at least 50% of final salary
At death of retiree, the remaining RSA balance with accrued interest shall be transferred to legal beneficiary	Annuity is guaranteed for 10 years. If the retiree dies after the guaranteed period, the residual value resides with the insurance company that provided the Retiree Life Annuity
A retiree may move to retiree annuity at	Once on annuity, a retiree cannot move back to pro-
Pays pension based on lifespan of retiree	Pays pension till death
The profit on investment is credited into the	Profit of investment is for the insurance company be-
Monthly returns are forwarded to the National Pension Commission by the PFA	Monthly returns are forwarded to PenCom through National Insurance Commission by Retiree Life Annuity Providers (Insurance Companies).
Retiree receives quarterly RSA statement	Retirees do not receive any RSA statement

Industry Update

- The total value of Retiree fund in pension industry asset as at September 2021 stood at N1.050trillion.
- The Senate has approved the appointment of Mrs Aisha Dahir-Umar as the Director General of the National Pension Commission
- The data recapture exercise is still ongoing, please ensure you register for your NIN with NIMC to ensure a seamless exercise.
- The online verification for treasury funded Ministries Department and Agencies intending retirees will commence soon.

Outlook for next month.

- Barring any unexpected outflows, we expect average money market rate to trade at the current levels, as anticipated inflows outweighs funding pressure. We shall continue to monitor the market, exploit our relationships for competitive rates, and invest in the short to medium term as market opportunity arises.
- We expect that investors apathy would continue, safe for few portfolio rotations in dividend-paying equities ahead of the FY 2021 declarations. Hence, we shall continue to monitor the market for stocks with strong fundamentals, sustainable business drivers, good corporate governance and high total returns.
- We expect average yield in the Fixed Income market to rise, but marginally, as FGN commences 2022 budget implementation.

INCREASED MONTHLY PENSIONS FOR RETIREES

The National Pension Commission (PenCom) stated recently that the Lump Sum payable to retirees upon retirement from their Retired Saving Account (RSA) would henceforth be reduced to enable retirees earn more from the investment of their contributions on a monthly basis, i.e. the monthly pensions would be increased in accordance with the PRA 2014 that specifies the retiree should get 50% of his last salary on a monthly basis as pensions.

This is in response to several complaints received from existing retirees that their monthly pensions was too paltry to meet their needs.

To make this happen, a new Benefit Template was created by the National Pension Commission (PenCom) and this took effect from the 15th of May, 2018.

The data recapture exercise is still ongoing. Please ensure you register for your NIN with NIMC as it has become compulsory and to ensure prompt access to your benefits.