

Fund Overview

The Lotus Halal Fixed Income Fund (Lotus FIF) is an open-ended mutual fund that invests in fixed income instruments such as Sukuk (non-interest bonds) and fixed-return contracts such as Ijarah (lease) and Murabaha (cost-plus) contracts. The Fund does not invest in equities or interest-bearing securities like treasury bills or conventional term deposits.

The Fund's activities are supervised by an investment committee which meets regularly to take investment decisions, oversee performance and ensure Shariah-compliance and proper risk management.

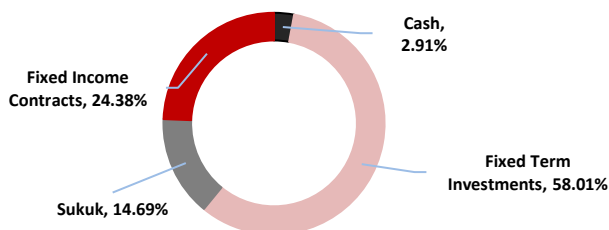
Fund Facts	
Launch Date	May 2016
Currency	Naira (NGN)
Fund Size	₦29.54bn
Net Asset Value (NAV) Per Unit	₦1,262.35
Custodian	Citi Bank Nigeria Limited
Trustees	STL Trustees Limited
Minimum Investment	5 units
Minimum Holding Period	30 days
Income Accrual	Daily
Risk Profile	Low
Annual Management Fee	1.5% of Net Asset Value
Distribution Frequency	Quarterly
No. of Distributions Since Inception	33
Last Distribution	December 2024: ₦43.00/unit

Asset Class	Allocation Range
Cash	0% - 5%
Sovereign & Sub-Sovereign Sukuk	0% - 90%
Corporate Sukuk	0% - 60%
Fixed Term Investments	0% - 100%
Fixed Income Contracts	0% - 70%

* Fixed Income Contracts include Ijara (lease) and Murabaha (cost-plus) contracts.

* Fixed Term Investments are Shari'ah compliant short-term investments with Non-Interest Financial Institutions.

Current Asset Allocation



Investor Profile

The Fund is specifically designed for ethically-inclined investors with low-risk appetite. The Fund is suitable for **individuals and institutional investors** seeking non-interest-based returns.

Benefits to the Investor

Returns	Aims to provide attractive returns comparable to conventional fixed-income investments.
Low Risk	Minimizes risk of loss through diversification and focus on low-risk assets.
Income	Aims to pay out 80% of profit to investors on a quarterly basis.
Liquidity	Investors can enter and exit the Fund every business day.
Inclusive	The Fund is targeted at investors with faith-based or ethical preferences, but open to the general investing public. It is reviewed annually for Shariah compliance .

Market Review (First Quarter 2025)

GLOBAL ECONOMY

In Q1 2025, the global economy faced trade tensions, monetary policy adjustments, and market volatility. In February, U.S. President Donald Trump announced a new tariff regime on products such as steel, aluminium, autos, semiconductors, and pharmaceuticals, prompting global trade tensions and retaliatory actions from China, Canada, and Mexico among others.

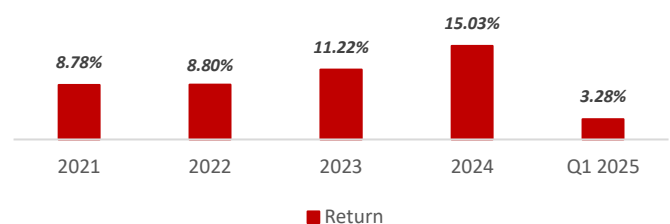
Prior to the announcement on US tariffs, most central banks had adopted a dovish stance, with the U.S. Federal Reserve and the Bank of England maintaining their benchmark rates at 4.50%, while the European Central Bank had lowered its benchmark rate by 25 basis points to 2.50%. Inflation had also moderated in most economies notable among which is the US where inflation eased to 2.40% in March 2025 from 2.90% in December 2024. However, the new wave of tariffs can significantly disrupt global trade, raise inflation and cause another round of tightening by major economies.

LOCAL ECONOMY

In Nigeria, inflation moderated to 23.18% in March 2025, down from 34.80% in December 2024 following the rebasing of the consumer price index. This moderation was also supported by the strengthening of the naira which traded at ₦1,536.82/\$ (NAFEM) and ₦1,550.00/\$ (parallel market) compared to the high of ₦1,750 in Q4'2024. The naira gained in the period due to local and foreign investor demand and increased foreign currency intervention by the Central Bank. However, the naira could come under pressure if the US tariff causes a global trade war that significantly affects oil prices and Nigeria's FX reserves.

Fund Performance

The Lotus Halal Fixed Income Fund gained 3.28% in Q1'2025 to end the quarter with a Net Asset Value of ₦1,305.35/unit. The positive performance was driven by profits from fixed-term investments and rental income on Sukuk resulting in a year-to-date return of 3.28%.



	Q1'2025	FY'2024	Inception to Date
Fund Return	3.28%	15.03%	117.05%
Benchmark	4.67%	18.43%	-

Fund Outlook

In the coming quarter, the fund aims to expand its Sukuk holdings to further boost its return potential. In addition, the fund would also enhance its portfolio by increasing exposure to fixed-income transactions that offer higher yields.

Note: Investing in Shariah-compliant products involves risk as the value of investments may rise and fall depending on the performance of the underlying assets. Past performance does not guarantee future performance.