

March 2009

Retire the way you desire

Strategy Overview

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

- Govt. Securities
 - I. Fed Govt. (100%)
 - II.State Govt.(30%)
- Corporate Debt(30%)
- i.Real Estate Investment Trusts (REITs)
- II.Mortgage-Backed Securities (MBS)
- III.Asset-Backed Securities (ABS)
- Money Market Instruments (35%)
- Ordinary Share (25%)
- Open-Close End Fund (5%)

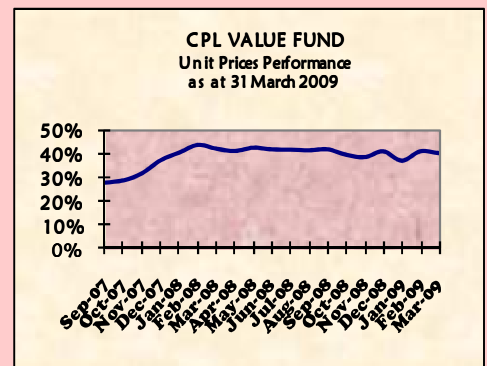
Launch	26-mth	27-mth	28-mth	29-mth	30-mth	31-mth	32-mth	
Jul-06	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Cumulative
Unit Price	N1.00	N1.42	N1.40	N1.39	N1.41	N1.37	N1.41	N1.40
% Return	42%	40%	39%	41%	37%	41%	40%	40%

Investment Objective

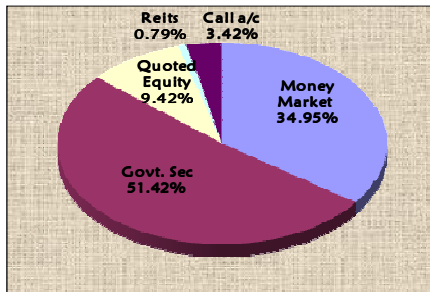
Maximizing total returns by investing in securities and instruments that would deliver long term capital appreciation and income growth without compromising on safety of the funds.

CPL VALUE FUND

CPL Value Fund closed 31 March 2009 with a unit price of N1.4036. Launched 28 July 2006, the Fund has recorded a cumulative return of 40%. The Fund assets, invested within regulatory limits, were allocated to Government Securities (51.42%), Money Market (34.95%), Ordinary Shares (9.42%), REITs (0.79%) and Call account (3.42%). The graph shown in this report represents the performance of the Fund from August 2007 to 31 March, 2009.



CURRENT ASSET ALLOCATION



Industry and Regulatory update

The total number of registered contributors in the Scheme is still less than 4 million.

- Pensions contributions hit N1.1 trillion naira as at December 2008
- Funds transferred from NSITF account to one of the PFAs, Trust Fund Pension in 2004 as enshrined in the Pension Act is due for transfer to beneficiaries respective PFAs at the end of June 2009.
- Contributors to the NSITF whose funds are with Trust Fund Pensions are allowed to move same to their preferred PFAs from July 1, 2009.
- According to PenCom, 86% of the fund with NSITF has already been transferred, while the transfer of the remaining 14% is to be supervised by PenCom beginning from July 1, 2009.
- In order to further safeguard the interest of aged retirees, PenCom has directed that a separate portfolio be created by PFAs for Retirees Fund as distinct from RSA with effect from Feb 1, 2009.

Market Overview

Government Securities

In March '09, turnover of 1.04 billion units worth 1.65 billion in 6,065 deals was recorded in the OTC market for Federal Government bonds, as against 1.673 trillion shares worth N1.673 trillion during February '09 in 10,045 deals.

The most active bond (measured by turnover volume) were:

- 5th FGN Bond 2013 Series 1 followed by
- 5th FGN Bond 2018 Series 2

The auctions of 5FGN S6: 3-year, 5FGN S4: 5-year and 5FGN S5: 20-year (all reopening) which took place during the month had stop rates of 10.95%, 12.00% and 13.4999% respectively.

The average yield of Bonds fell across maturities as 3, 5 & 7 years bonds dipped by 12, 13 & 14 basis points.

Money Market

There was no review of Monetary Policy by Central Bank of Nigeria (CBN) in this month, but there are indications of likely review in the coming month. The Monetary Policy Rate (MPR), Cash Reserve Ratio (CRR) and Minimum Liquidity Ratio (MLR) remained 9.75%, 2% and 30% respectively.

Stop rates on 91 days, 182 days & 364 days Treasury Bills dropped to 2.6500%, 3.0000% & 5.9800% respectively as at March 31, 2009.

NIBOR rates shot up as follows as at March 31, 2009 with the exception of 7 days rate :

- 7 days @ 15.3333%
- 30 days @ 18.9583%
- 60 days @ 19.0000%
- 90 days @ 19.0000% and
- 365 days @ 19.8333%

The released Inflation figure for February '09 climbed to 14.6% from 14.00% (January 2009).

Stock Market

The stock market continued on its improvement trend during the month. Trading volume and value rose by 21.15% and 8.53% compared with previous month. A turnover of 7.8b shares worth N40.15 billion in 131,349 deals was recorded during the month as against turnover of 6.44b shares worth N37.0 billion in 150,689 deals recorded in February 2009.

The market capitalization of 302 listed securities closed at N7.2 trillion as against N7.86 trillion in Feb '09. The Banking sub sector remained the most capitalized. Led by First Bank Plc, banking stocks dominated the top 5 positions on the market capitalization with the exception of Nigerian Breweries which occupies the second position. The 20 most capitalized companies totaled N2.81 trillion and accounted for 62.55% of the market as against N3.3 trillion which accounted for 63.11% of the market in Feb 2009 .

The Nigerian Stock Exchange All-Share Index which opened at 23,377.14 rose by 15.1% or 3,525.25 points to close at 19851.89 in Mar '09 compared to an increase of 7.2% in February 2009. The market recorded less Gainers and more Losers compared to preceding month.

The stock market recorded a negative return of 6.7% on a dividend-adjusted basis, in Mar '09 compared to 10.01% in Feb '09 . This is attributable to price declines suffered by many quoted companies during the last three months.

Outlook for next month.

- We expect CBN decision to peg lending rate in the coming month to bring back liquidity in the capital market.
- We anticipate the release of favourable Corporate Announcements of companies with February Year Ends to the market.
- We expect increased attraction to sovereign bonds as it protects the principal investment and guarantee modest return on them.
- We expect increased interest of state government determination to finance their deficit budget through the capital market to further assist in raising the tempo of stock market.