



PRESS RELEASE: VETIVA FUND MANAGERS LIMITED ANNOUNCES THE REBALANCING OF THE VETIVA EXCHANGE TRADED FUND SUITE IN LINE WITH THE BI-ANNUAL REVIEW OF THE RELEVANT INDICES BY THE NIGERIAN EXCHANGE GROUP (“NGX”)

Vetiva Fund Managers Limited (“Vetiva”) has announced the rebalancing of the Vetiva Exchange Traded Fund (ETF) Suite in line with the bi-annual review of the NGX Indices which include, but are not limited to, the NGX 30, NGX Banking, NGX Consumer Goods and NGX Industrial Indices.

In a statement issued by Vetiva Fund Managers Limited, it was stated that the weights of the security components of the NGX 30 INDEX, NGX Consumer Good Index and the NGX Industrial Index were adjusted with no changes to the individual securities. However, for the NGX Banking Index, the rebalancing reflected that changes were made to the individual security components as well as the weight of these components:

INDEX	INCOMING STOCKS	OUTGOING STOCKS
NGX BANKING INDEX	FBNH FCMB GTCO STANBIC	JAIZBANK UNITYBNK WEMA BANK

In line with this, Vetiva’s Equity ETFs are typically rebalanced accordingly to reflect the NGX Indices, as changes to components and weights of the underlying indices will typically require corresponding adjustments to the ETF portfolios, to ensure the objective of tracking the price and yield performance of the relevant indices.

Exchange Traded Funds (“ETFs”) are securities that replicate/track the performance of an underlying index, commodity or basket of assets. Vetiva’s ETF Suite comprises of the Vetiva Griffin 30 ETF, Vetiva Banking ETF, Vetiva Consumer Good ETF, Vetiva Industrials ETF and the Vetiva S&P Nigerian Sovereign Bond ETF which tracks the performance of the NGX 30 Index, NGX Banking Index, NGX Consumer Goods Index, NGX Industrials Index and the S&P/FMDQ Nigeria Sovereign Bond Index respectively. The ETFs trade like any other listed stock on the Stock Exchange (NGX) and units of the ETFs can be purchased on the floor of the Exchange through any broker.

Speaking on ETFs and the ETF rebalancing, the Portfolio Manager, Exchange Traded Funds at Vetiva, Ms. Jesusetuntun Ajagun, commented that “Investing in ETFs offers investors the opportunity to easily express their investment objectives using a single security comprising several underlying assets”. Also, Ms. Ajagun pointed out various ETF benefits such as, a diversification opportunity with relatively reduced risk exposure as investors are not invested in a single instrument, a higher degree of transparency as the indices being tracked are typically publicly available and investors can therefore easily tell what the constituents of a particular ETF will be. She also noted that Vetiva’s ETF suite largely mirrored the performance of the respective indices they track and the broad sentiments of the equities market. Finally on the benefits, she highlighted the cashflow benefit and stated that the Vetiva Griffin 30 ETF and Vetiva Banking ETF have consistently paid dividend every year since these



ETFs got listed on the Exchange and emphasized this might be interesting for investors who are on the lookout for dividend paying investments”.

Furthermore, she noted that ETFs are not new, that they began in the 1980’s and quickly gained popularity as investors started looking for alternatives to Mutual Funds. Since then, the global ETF industry has grown to over US\$1.5 trillion in assets with over 5,400 ETFs available around the world. With this, she reiterated Vetiva’s commitment to creating financial vehicles that help investors create wealth which was evidenced in their introduction of the first equity ETF listed on the Nigeria Stock Exchange in 2014.

In terms of Performance, she presented information on the Vetiva Equity ETF Year-to-date performance as of December 2023, alongside data on the relevant indices being tracked. As of 29th December 2023, the NGX 30 Index, NGX Banking Index, NGX Consumer Goods Index and the NGX Industrial Goods Index returned 51.44%, 113.54%, 90.39% and 12.86% year-to-date respectively with similar price return reflected in the relevant ETFs tracking the indices. Notably, the Vetiva Griffin 30 ETF returned 46.74%, Vetiva Banking ETF returned 108.75%, Vetiva Consumer Goods ETF returned 93.54% and Vetiva Industrial Goods returned 10.46% in the same period.

In addition to the statement made, she went further to talk about Vetiva Fund Managers Limited, which is a wholly owned subsidiary of Vetiva Capital Management Limited and is registered with the Securities & Exchange Commission to carry on business as a Fund/Portfolio Manager. The Company is a leading issuer of Exchange Traded Funds in Nigeria, with issuances covering both the equities and fixed income asset classes.

Disclosures:

1. Performance data current to the most recent month end may be obtained by contacting funds@vetiva.com or by visiting www.vetiva.com/funds. The Fund is subject to tracking errors, which is the risk that its returns may not correlate accurately to those of the Index. Tracking errors can be caused by the following: capital gains distribution, index changes, cash drag, fund management and trading fees.
2. Kindly note that the information herein may quickly change and become unreliable for various reasons, including, but not limited to, changes in market conditions and changes in the relevant indices. Carefully consider the fund’s investment objectives, risks, charges and expenses. This and other information can be found in the funds’ prospectus. You are advised to read and understand the contents of the prospectus. If you have questions about its contents or the action to take, please consult your stockbroker, solicitor, banker or an independent investment adviser for guidance. This information is not an offer to any person to sell or a solicitation of an offer to buy units of any Fund, particularly in any jurisdiction in which an offer, solicitation, purchase or sale would be unlawful under the securities laws of such jurisdiction.
3. The Nigerian Exchange Group, its affiliates and any global index partner of NGX notified to Vetiva with rights to license the Index to third parties are not affiliated with Vetiva Fund Managers Limited or its affiliates (collectively, "Vetiva") and do not approve, endorse, review or recommend Vetiva or the Vetiva Griffin 30 ETF, Vetiva Banking ETF, Vetiva Consumer Goods ETF, Vetiva Industrial Goods ETF. The Nigerian Exchange Group and its affiliates make no warranty, express or implied, as to results to be obtained by any person or entity from the use of the Vetiva Griffin 30 ETF, Vetiva Banking ETF, Vetiva Consumer Goods ETF, Vetiva Industrial Goods ETF, NGX 30 Index, NGX Banking Index, NGX Consumer Goods Index, NGX Industrial Index or any data or values included therein or in connection therewith, and expressly disclaim all warranties of merchantability or fitness for a particular purpose with respect thereto. The Nigerian Exchange Group and its affiliates and their respective partners, employees, subcontractors, agents, suppliers, and vendors shall have no liability or responsibility, contingent or otherwise, for any injury or damages, whether caused by any such party’s negligence or otherwise, arising in connection with the Vetiva Griffin 30 ETF, Vetiva Banking ETF, Vetiva Consumer Goods ETF, Vetiva Industrial Goods ETF, NGX 30 Index, NGX Banking Index, NGX Consumer Goods Index, NGX Industrial Index or any data or values included therein or in connection therewith and shall not be liable for any lost profits, losses, punitive, incidental or consequential damages.