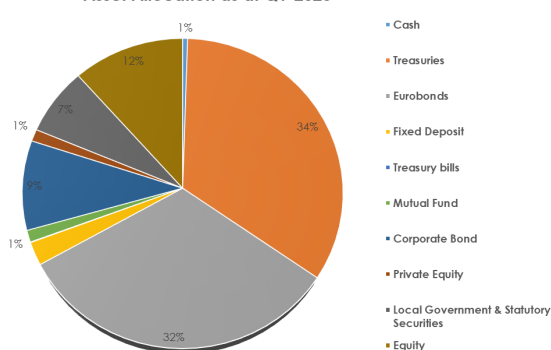


Q1-2023 FACT SHEET CEDAR PROVIDENT FUND

FUND SUMMARY

Fund Value as at end of Q1-2023	GH¢586.23m
Contributions as at end of Q1-2023	GH¢50.4m
Investment Income as at Q1-2023	GH¢94.36m
Withdrawals as at end of Q1-2023	GH¢89.29m
Year-to-date Composite fund return	5.23%
Since-inception annualized return	21.25%

Asset Allocation as at Q1-2023



Cedar Provident Quarterly Performance (%)

		2017	2018	2019	2020	2021	2022	2023
Q1	Moderately Con-	5.24	5.46	3.81	4.04	2.77	5.47	4.92
	Conservative Plan	5.13	4.72	4.18	4.73	3.89	4.86	5.54
Q2	Moderately Con-	4.90	2.52	3.25	4.22	4.64	3.23	
	Conservative Plan	4.89	4.38	3.72	4.16	5.03	3.36	
Q3	Moderately Con-	4.68	4.03	2.94	5.08	6.09	9.49	
	Conservative Plan	4.76	4.05	3.58	5.55	5.30	10.25	
Q4	Moderately Con-	4.05	2.56	2.30	2.45	4.65	8.94	
	Conservative Plan	4.00	4.15	2.79	2.59	4.48	10.83	
YTD	Moderately Con-	20.24	15.34	12.87	16.74	19.39	29.87	4.92
	Conservative Plan	20.15	18.45	15.05	18.13	20.05	32.43	5.54

Compounded Annual Growth Rate as at Q1-2023

	Current quarter	6-months	1-year	3-yrs CAGR	5-yrs CAGR	Since-inception CAGR	Since-inception Cumulative
Moderately Conservative Plan	4.92%	14.30%	29.19%	21.87%	18.70%	20.72%	589.71%
Conservative Plan	5.54%	16.97%	33.30%	23.38%	20.68%	21.77%	656.78%
Average Return	5.23%	15.63%	31.24%	22.62%	19.69%	21.25%	623.25%

The Fund applies life cycle investing strategy where members are allocated to different investment packages based on their age. Clearly, investment needs and appetite towards risks tend to differ with age. The scheme has therefore been designed to place younger members in more aggressive portfolios with automatic shift to conservative portfolios as they approach retirement. This is best practice globally for Defined Contribution investing and we at Axis are proud to lead the industry in the application of this strategy since inception in 2012. The NPRA has adopted this practice for industry-wide implementation by all pension schemes in the new guidelines for investments.

ECONOMIC UPDATE

The balance of risk to the Ghanaian economy continues to be tilted towards the downside, characterized by a volatile domestic currency; elevated consumer prices; weakening business sentiments; unsustainable debt levels; and tightening financing conditions due to lack of access to both international and domestic capital markets. The heightened uncertainty in the Ghanaian economy translated to the local currency – GHC – losing close to a quarter of its value against the USD with a quarter to date depreciation of 22%. Despite the decline in inflation to 45% in Q1 2023 from the prior reading of 52.8% a month earlier, members of the monetary policy committee decided to increase the policy rate by 150bps to 29.5% in order to anchor inflation expectations towards the medium – term target of 8%.

As a result of the disruption in the debt capital market due to governments desire to restructure both its local and foreign debt, funding sources for the quarter has predominantly been in money market instruments. The amount raised from 91, 182, and 364-day bills amount to ~GHC1.6bn compared to GHC5bn in the prior year. However interest rates on the same instruments have declined from an average of 35% to 20%.

The equity market however began the year strong, ending the quarter with a year-to-date gain of 12.3% on account of investors taking positions in high dividend paying stocks. In contrast, the financial index ended the quarter with a loss of 12% on account of uncertainty on the full impact of governments domestic debt exchange program on banks.

Looking into 2023, Ghana's economic outlook will be highly dependent on it being able to secure an IMF program whilst experiencing significant volatility during the waiting period. Nonetheless, we will continue look to build a robust multi asset portfolio to mitigate these potential risks whilst delivering on our mandate to ensure "You Retire with Peace of Mind."

Axis Hosts Fifth Edition of Pension Strategy Conference

The fifth edition of the Pension Strategy Conference took place on March 17, 2023. The event brought together stakeholders from the pension and financial services industry to discuss strategies for pension fund management in the changing investment landscape.

With pension funds facing liquidity challenges due to the domestic debt exchange program, the conference aimed to address the need for diversification and efficient capital allocation. Over 150 investment professionals and pension industry stakeholders attended the conference in Accra.

In his opening remarks, Mr. Afriyie Oware, CEO of Axis Pension Trust, emphasized the importance of rectifying industry shortcomings and safeguarding pension contributions. He noted the lack of action from asset owners due to limited information on investment opportunities.

The keynote speaker, Kojo Amoo-Gottfried, CIO of Black Stars Investments, highlighted the need for diversifying portfolios beyond government securities and focusing on quality investments. Other speakers presented innovative solutions to reduce exposure to government risk and a panel discus-



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