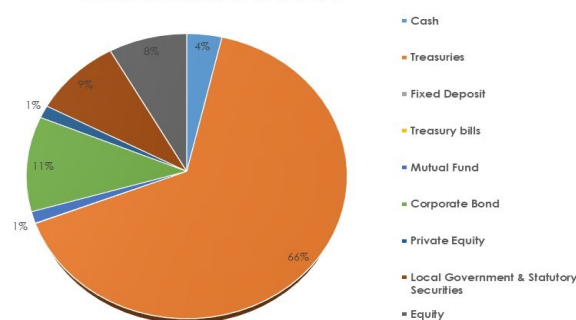


Q2-2022 FACT SHEET CEDAR PROVIDENT FUND

FUND SUMMARY

Fund Value as at end of Q2-2022	GH¢523.24m
Contributions as at end of Q2-2022	GH¢52.84m
Investment Income as at Q2-2022	GH¢44.73m
Withdrawals as at end of Q2-2022	GH¢52.70m
Year-to-date Composite fund return	8.63%
Since-inception annualized return	20.19%

Asset Allocation as at Q2-2022



Cedar Provident Quarterly Performance (%)

		2016	2017	2018	2019	2020	2021	2022
Q1	Moderately Conservative Plan	5.22	5.24	5.46	3.81	4.04	2.77	5.47
	Conservative Plan	5.52	5.13	4.72	4.18	4.73	3.89	4.86
Q2	Moderately Conservative Plan	5.06	4.90	2.52	3.25	4.22	4.64	3.23
	Conservative Plan	5.39	4.89	4.38	3.72	4.16	5.03	3.36
Q3	Moderately Conservative Plan	5.27	4.68	4.03	2.94	5.08	6.09	
	Conservative Plan	5.45	4.76	4.05	3.58	5.55	5.30	
Q4	Moderately Conservative Plan	5.32	4.05	2.56	2.30	2.45	4.65	
	Conservative Plan	5.53	4.00	4.15	2.79	2.59	4.48	
YTD	Moderately Conservative Plan	22.55	20.24	15.34	12.87	16.74	19.39	8.88
	Conservative Plan	23.75	20.15	18.45	15.05	18.13	20.05	8.38

Compounded Annual Growth Rate as at Q2-2022

	Current quarter	6-months	1-year	3-yrs CAGR	5-yrs CAGR	Since-inception CAGR	Since-inception Cumulative
Moderately Conservative Plan	3.23%	8.88%	20.88%	16.30%	16.89%	19.74%	451.15%
Conservative Plan	3.36%	8.38%	19.24%	17.72%	18.35%	20.64%	486.83%
Average Return	3.30%	8.63%	20.06%	17.01%	17.62%	20.19%	468.99%

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 negative events of the first quarter, including: The Russia – Ukraine war, supply chain disruptions, rising inflation and tightening market conditions spilled into the second quarter of the year. Consequently, provisional real Gross Domestic Product (GDP) was estimated to have increased by 3.3% in Q1 2022 compared to the same period in 2021 which recorded a growth of 3.6%. The growth in Q1 2022 was however in sharp contrast to the robust 7.0% growth record in the prior quarter - Q4 2021- highlighting the risk of these events on macroeconomic stability. These headwinds have intensified on the back of Ghana's high and unsustainable debt burden amidst very high yields on sovereign Eurobonds which effectively is shutting the country from the international bond market. The Akufo-Addo led administration has made a U-turn seeking support from the International Monetary Fund (IMF), after raucous call from civil society, economists and the general populace, despite several earlier statements by officials that Government will not seek help from the IMF. Headline inflation surged from 19.4% in March 2022, to 29.8% in June 2022 on the back of higher ex pump petroleum prices transportation costs, food prices, and the exchange rate depreciation. The persistent rise in prices above the Central Bank's target is leading to heightened inflation expectation by consumers and businesses. In order to subdue the upside risk to inflation outlook, the Monetary Policy Committee (MPC) increased the key policy rate by 200 basis points from 17% to 19%. The sharp increase in policy rate and rising inflation expectation fed into the entire spectrum of the yield curve. From the beginning of the year, the 91 and 182-day Treasury bill rates have increased to 25.64% and 26.40% respectively, from 12.51% and 13.20% respectively. The rate on the 364-day instrument also increased to 27.43% from 16.57%.

On the capital market front, the stock market closed the quarter with YTD return of (8.74%) in Q2 2022 compared to a 36.16 per cent growth in the prior year. Despite the negative YTD returns, the cumulative volume (1,091,071,021) and value (GHs1, 061,594,860.66) traded for the year represent an increase of 233.56% and 245.17% over the same period last year. The increasing bond yield across the medium to long end of the yield curve contributed to YTD return of (6.01%) as measured by the S&P Ghana Sovereign Bond Index.

Looking into the remaining months in 2022, our base case scenario is that rising prices will continue to pose a threat to domestic economic growth and social stability. In addition, rising public debt and deeper fiscal deficits exposes the economy to external shocks which particularly will be felt in the foreign exchange market. On balance of these risks, we will endeavor to build a multi-asset portfolio to mitigate the threat of rising inflation whilst enhancing the portfolios resiliency to domestic shocks.

Axis Pension Trust Organises Trustee Workshop

Axis Pension Trust, a leading private pension provider in Ghana, hosted Trustees of pension funds in a roundtable discussion under the theme "The New Investment Guidelines: Implications for Pension Funds and Trustees". The event brought together over 60 participants including Trustees from leading pension funds, Fund Managers, Representatives of the National Pension Regulatory Authority, Employer Representatives and Custodian Banks.

The workshop shed more light on the new investment guidelines introduced by the National Pension Regulatory Authority (NPR). The meeting featured presentations on Strategic Asset Allocation within the New Investment Guidelines and the New Fund Structure. Additionally, a case study of Axis Pension and its extensive experience managing pension funds through a constituent fund structure was presented to attendees to demonstrate the practical implementation of the guidelines. Finally, a



Axis Pensions - 10th Anniversary Celebration



Axis Pension Trust, a leading private pension provider in Ghana, is celebrating its 10th Anniversary. It has been 10 fulfilling years of inspiring the African Worker to achieve financial peace of mind.

Thank you for your trust, loyalty and support over the past decade. We are your reliable partner in pensions! #AxisAt10

Be Pension Confident with the Axis Pension Plan

Augment your statutory pensions with the Axis Pension Plan, the personal pension scheme of choice for Ghanaian workers. The Axis Pension Plan has been designed to help salaried workers invest for future uncertainties and retirement.

You can also be part of the 28,000 workers who have joined this scheme to improve their retirement prospects. Click the link below to learn more:

<https://bit.ly/AxPP1an2l>

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#RetireInStyle

Augment your Statutory Pensions with the Axis Pension Plan to achieve financial peace of mind

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