Sentinel Africa Eurobond Trust

April 2025

Trust Manager
Sentinel Asset Management Ltd.

Trust Inception
May 6, 2022

Valuation Date
April 30, 2025

Net Asset Value
GH¢ 92,328,651.67

Total Expense Ratio
2.50%

Service Providers
Auditor – John Kay and Associates

Trustee – Guaranty Trust Bank (Ghana) Limited

Minimum Investment
GH¢ 10,000.00

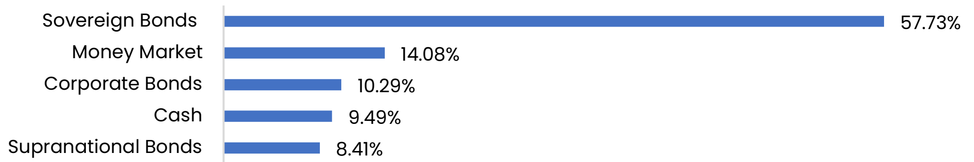
Risk Rating

1 2 3 4 5

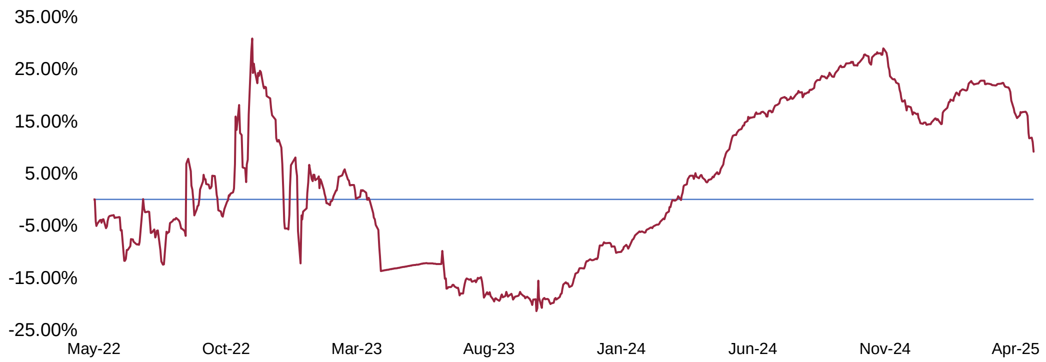
Overview and Investment Objective

The Sentinel Africa Eurobond Trust is an open-ended Unit Trust that invests in Sovereign and Corporate Eurobonds issued in Africa. The Trust seeks to provide investors with an appetite for hard-currency denominated securities access to such securities which ordinarily would be inaccessible to them by virtue of the minimum amount required to make such investments. The Trust will provide investors the chance and access to diversify their income stream and investment portfolios while providing for long-term capital appreciation.

Asset Allocation (%)



Price Performance (%)



Performance Details

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-	-	-	-	-3.04%	-5.86%	-4.09%	16.30%	-3.85%	8.20%	10.87%	-20.00%	-6.05%
2023	7.62%	2.47%	-8.23%	-8.58%	0.95%	-5.05%	2.16%	-4.45%	-0.65%	1.26%	7.74%	3.19%	-3.17%
2024	3.03%	3.29%	7.94%	0.30%	9.46%	1.98%	2.80%	2.72%	2.06%	1.66%	-7.36%	-3.68%	25.75%
2025	5.33%	1.89%	-1.06%	-10.17%									-4.62%

Performance Summary	1 Month	3 Month	6 Month	9 Months	1 Year	YTD
Sentinel Africa Eurobond Trust	-10.17%	-9.44%	-14.89%	-9.29%	4.09%	-4.62%

Market Commentary

The Trust experienced a -10.17% return during the period under review, primarily influenced by global trade policy uncertainty and the significant appreciation of the Ghanaian cedi (10.35% against the USD, 6.12% against the EUR). The cedi's strength was underpinned by a weakening dollar, indicative of changing global trade dynamics, improved local foreign exchange reserves and ongoing market reforms.

In response, the Trust maintained a significant allocation to money market securities for stability and strategically increased exposure to the liquid Nigerian banking sector and added euro-denominated sovereign debt from Benin and Côte d'Ivoire. Positive developments within our portfolio included Fitch's upgrade of Nigeria (B/Stable) and Access Bank's expansion into Kenya, reinforcing their pan-African growth prospects. The IMF projects slower 2025 global GDP growth, 2.8% (down from 3.6%), though Sub-Saharan Africa is expected to grow faster at 3.8%, spearheaded by Benin, Côte d'Ivoire, Senegal, and Rwanda. Divergent global monetary policy sees the Fed on hold and the ECB likely to cut rates only twice more in 2025. While lower global rates could boost African Eurobonds, the cedi's appreciation may hinder the Trust's returns.

Our investment strategy employs a barbell approach to shorten duration to manage interest rate risk. We are also selectively allocating to attractive yielding sovereigns like Senegal, alongside diversified issuers such as Egypt and Côte d'Ivoire, which benefit from international financial support. Given the cedi's recent strength, we are closely monitoring Ghana's economic indicators and global risk sentiment to dynamically manage the Trust's exposures.

Despite near-term market volatility, our disciplined investment process remains focused on delivering optimal risk-adjusted returns through selective credit opportunities and diversification across countries, currencies, and maturities. We maintain a patient approach to capital deployment, ensuring the Trust is well-positioned to navigate evolving market conditions.

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