

Trust Manager

Sentinel Asset Management Ltd.

Trust Inception

May 6, 2022

Valuation Date

December 31, 2023

Net Asset Value

GHc 9,880,673.40

Total Expense Ratio

2.50%

Service Providers

Auditor – John Kay and Associates

Trustee – Guaranty Trust Bank (Ghana) Limited

Minimum Investment

GHc 10,000.00

Risk Rating



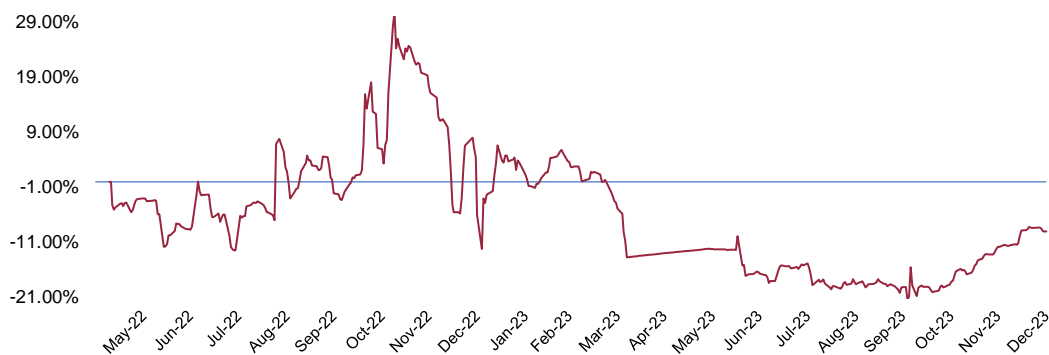
Overview and Investment Objective

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%

Performance Summary	1 Month	3 Month	6 Month	9 Months	1 Year	YTD	Since Inception
Sentinel Africa Eurobond Trust	3.19%	12.58%	9.18%	-4.33%	-3.17%	-3.17%	-9.03%

Market Commentary

The African Eurobond market continued its rally as investor sentiment remained bullish in the month under review. The U.S. Fed signaled a halt in interest rate hikes and the possibility of rate cuts in 2024, causing investors seeking yield to look towards emerging and frontier markets. Consequently, this led to the weakening of the dollar with the dollar strength index down 2.10% during the month under review. GDP growth figures for Q3-23 across many African economies were encouraging. Several countries experienced robust quarterly growth, such as Namibia (7.2%) and Ivory Coast (6.9%). However, idiosyncratic factors caused some economies to experience slowed growth such as South Africa (-0.2%).

Risk-off sentiments towards high-yield African sovereign debt renewed towards the end of the month after Ethiopia became the latest African country to default on its foreign debt. Ethiopia missed a \$33.00mn coupon on its \$1.0bn 2024 Eurobond in the month under review. However, this was expected after the country reached an agreement with bilateral creditors in Nov-23 to suspend debt payments. Looking ahead to 2024, the impact of political risk on yield spreads will be high as key elections will be held across a third of the continent. Although interest rates are still elevated, the Q4-23 bond price rally may encourage some investment grade issuers to take advantage of the lower yields to return to the market.

We anticipate that doubts surrounding the timing and scope of interest-rate cuts in major economies will reign in investors' appetite for risk at the start of the new year. We will continue to monitor these developments and strategically position our holdings to take advantage of the transition in monetary policy while seeking relative value in markets that show signs of recovery.

Disclaimers & Disclosures: