

Welcome

In this edition of our newsletter, we provide a comprehensive review of the macroeconomic and financial markets, along with a detailed snapshot of our fund performance for Q3, 2024, current trends in the pension industry and Tangerine APT Pensions activities during Q3 2024.

For any questions or further information, please feel free to reach out to us via email at

Customercare@tangerine.africa, or contact us on 09029292924. You can also engage with us through the live chat feature on our website. We are always here to assist, and we value your feedback.

We look forward to hearing from you!



Tangerine APT Pensions remains dedicated to addressing the housing needs of pension contributors, making financial well-being and homeownership more accessible for all.

Successful Customer Interactive Forum at Nigerian Maritime Administration Safety Agency (NIMASA) Lagos Boosts Business Engagement:



Tangerine APT Pensions hosted a successful Customer Interactive Forum at NIMASA, Lagos on 28th July 2024, fostering stronger relationships with key stakeholders and enhancing customer engagement. The event provided an excellent platform for clients to share their feedback, express concerns, and gain insights into our products and services and overall pension industry updates.

Q3 2024: Industry Highlights

Leadership Update: In July 2024, President Bola Ahmed Tinubu appointed Ms. Omolola Bridget Oloworaran as the Ag. Director-General of PenCom, pending confirmation by the Nigerian Senate.

Pension Asset Growth: According to data from PenCom, Nigeria's total National Pension Assets increased from N18.35 trillion at the end of December 2023 to N20.86 trillion by July 31, 2024, reflecting a growth of 10.89%. Federal Government Securities such as Bonds, Treasury Bills, Sukuk, and Green Bonds, continued to enjoy a higher patronage from Pension Fund Administrators (PFAs).

RSA Membership: As of the end of July 2024, RSA membership (Retirement Savings Account) reached a total of 10,419,520 members.

Great News: Tangerine APT Pensions Disburses N754.4million to 114 RSA Holders for Mortgage Financing:

Tangerine APT Pensions has successfully processed and disbursed N 754.4million to 114 RSA contributors for Mortgage Equity, enabling them to make homeownership a reality. This payment was made to their Primary Mortgage Bank in accordance with the new guidelines introduced by the National Pension Commission (PenCom) in September 2022, allowing RSA contributors to access up to 25% of their pension contributions for residential mortgages.

Tangerine APT Pensions has been working closely with PenCom to validate and receive prompt approval for interested contributors' Equity Contribution applications, marking a significant milestone in fulfilling our commitment to our customers in providing Premium Customer Service. Our MD/CEO, Aliyu Dahiru, emphasized that homeownership is a key need for pension contributors, and this initiative supports their journey toward owning a home after years of hard work.

RSA holders interested in applying must meet PenCom's eligibility criteria, including a minimum of 60 months of contributions and a signed offer letter from a verified property owner. The maximum withdrawal is capped at 25% of the RSA balance, though voluntary contributions can also be used if needed.



The positive interactions during the forum led to increased trust and satisfaction among our clients, reinforcing our commitment to customer service excellence. This engagement has not only deepened our understanding of customer needs but also identified opportunities for business growth, enabling us to tailor our offerings to better serve the pension community.

Overall, the forum significantly impacted our business by driving customer loyalty and positioning Tangerine APT Pensions as a trusted partner in financial security. We look forward to hosting more forums as part of our ongoing efforts to deliver exceptional value to our clients.

Q3 2024 Fund Performance Domestic Economy Review

In September, the Monetary Policy (MPC) Committee for the fifth consecutive time in 2024 increased the Monetary Policy Rate (MPR) by 50 basis points to 27.25%, maintaining its hawkish stance. The decision to raise the MPR was driven by the persistent rise in core inflation, mainly fueled by energy prices and the continued growth of money supply.

Nigeria's Gross Domestic Product (GDP) grew by 3.19% (year-on-year) in real terms in the second quarter of 2024, higher than the 2.51% recorded in the second quarter of 2023 and higher than the first quarter of 2024 growth of 2.98%. The performance of the GDP in Q2 2024 was driven mainly by the Services sector, which recorded a growth of 3.79% and contributed 58.76% to the aggregate GDP. The agriculture sector grew by 1.41%, from the growth of 1.50% recorded in the second quarter of 2023. Industry sector grew by 3.53%, an improvement from -1.94% recorded in the second quarter of 2023. (Source: NBS)

Domestic Financial Market: Foreign investment inflows into Nigeria increased to US\$3.4 billion in Q1 2024 (Q1 2023: US\$1.13 billion). Compared to the previous quarter, foreign portfolio investments surged by 570% and other investments rose by 99%, driven by higher interest rates on government securities. However, foreign direct investment (FDI) declined by 35%, reflecting challenges in the business environment.

Year to Sept 30, 2024, Nigeria's exchange rate has depreciated by 69.98%, moving from N907.11/US\$ at the beginning of the year to N1541.94/US\$. The Naira further depreciated in Q3 by 2.43%, dropping from N1505.30/US\$ to N1541.94/US\$. The depreciation has been driven by rising demand pressures, despite an increase in foreign reserves.

Nigeria's foreign reserves have increased significantly over the past few quarters due to an improved trade position and foreign capital inflows. Year to date (Sept 30), foreign reserves have risen by 16.36%, reaching US\$38.4 billion, up from US\$33 billion at the beginning of the year. In Q3 2024, reserves grew by 12.02%, from US\$34.19 billion at the start of the quarter.



Following the removal of the fuel subsidy and exchange rate devaluation, Nigeria's FAAC allocation has expanded significantly, reaching N18.23 trillion over the past eight months. This marks an 82.2% increase compared to N10.00 trillion in the corresponding period of 2023. However, when adjusted for inflation (using January 2023 as the base), the value of the eight month FAAC stands at N12.79 trillion, representing a 38.1% increase from N9.26 trillion in 8M-2023. (Source: FSDH).

Equity Market: The Nigerian equity market saw a robust 39.84% growth in Q1 2024, rising from 74,773.77 to 104,562.06. However, the second and third quarters witnessed modest corrections, with declines of -4.31% in Q2 and -1.50% in Q3. This was driven by economic challenges, including high inflation, a depreciating exchange rate, and the introduction of a windfall tax that affected sectoral performances, particularly within the Banking sector.

M-o-M, the market closed positively in September, posting a 2.05% gain, signaling optimism. The NGX All Share Index (NGXASI) grew by 31.81%, YTD. This growth was driven by growing investor confidence and the listing of Transcorp Power Plc, which raised market capitalization and investor sentiment.

Fixed Income Market Review: Rates on fixed-income securities trended downwards in Q3 2024 following the increase in MPR. The hike in rates and yields in Q3 2024 increased investor interest in the fixed-income market, putting downward pressure on FGN Bond yields during the quarter. The average FGN Bond yield peaked at 20.1% in mid August, but due to demand pressures, it fell to 18.77% as of 30 September 2024.

The average NT-Bill yield peaked at 26.0% in mid-August but fell to 21.92% as of 30 September 2024. This represents a 0.26 percentage point decline from the 22.1% yield at the start of the quarter. (Source: FSDH).

Q3 2024 Investment Returns

Following the mixed trends across the equity and debt markets, our flagship RSA portfolios delivered positive performances over the quarter reflecting the diversified nature of our investment portfolios.

Quarterly Unit Prices

	RSA UNIT PRICE		INVESTMENT RETURNS	
	31-Dec-23	31-Mar-24	30-Jun-24	30-Sep-24
FUND 1	1.7195	1.7661	1.7331	1.7700
FUND 2	5.9975	6.3073	6.3712	6.5256
FUND 3	2.0604	2.1248	2.1729	2.2455
FUND 4	5.2704	5.3894	5.5739	5.7658
MICRO PENSION	1.3050	1.3332	1.3781	1.4283
ACTIVE RSA FUND 6	1.1942	1.2097	1.2272	1.2516
RETIREE FUND 6	1.1526	1.1724	1.198	1.2263

	QUARTERLY INVESTMENT RETURNS			
	Q1 2024 (%)	Q2 2024 (%)	Q3 2024 (%)	YTD 2024 (%)
FUND 1	2.71	-1.87	2.13	2.94
FUND 2	5.17	1.01	2.41	8.80
FUND 3	3.13	2.26	3.34	8.98
FUND 4	2.26	3.42	3.44	9.40
MICRO PENSION	2.16	3.37	3.64	9.45
ACTIVE RSA FUND 6	1.30	1.45	1.99	4.81
RETIREE FUND 6	1.72	2.18	2.36	6.39

	MOVEMENT IN INVESTMENT RETURN		
	31-Mar-24	30-Jun-24	30-Sep-24
FUND 1	2.71	0.79	2.94
FUND 2	5.17	6.23	8.80
FUND 3	3.13	5.76	8.98
FUND 4	2.26	5.76	9.40
MICRO PENSION	2.16	5.60	9.45
ACTIVE RSA FUND 6	1.30	2.76	4.81
RETIREE FUND 6	1.72	3.94	6.39



RETIRE IN GRAND STYLE

We are with you every step of the way,
guiding you through.

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