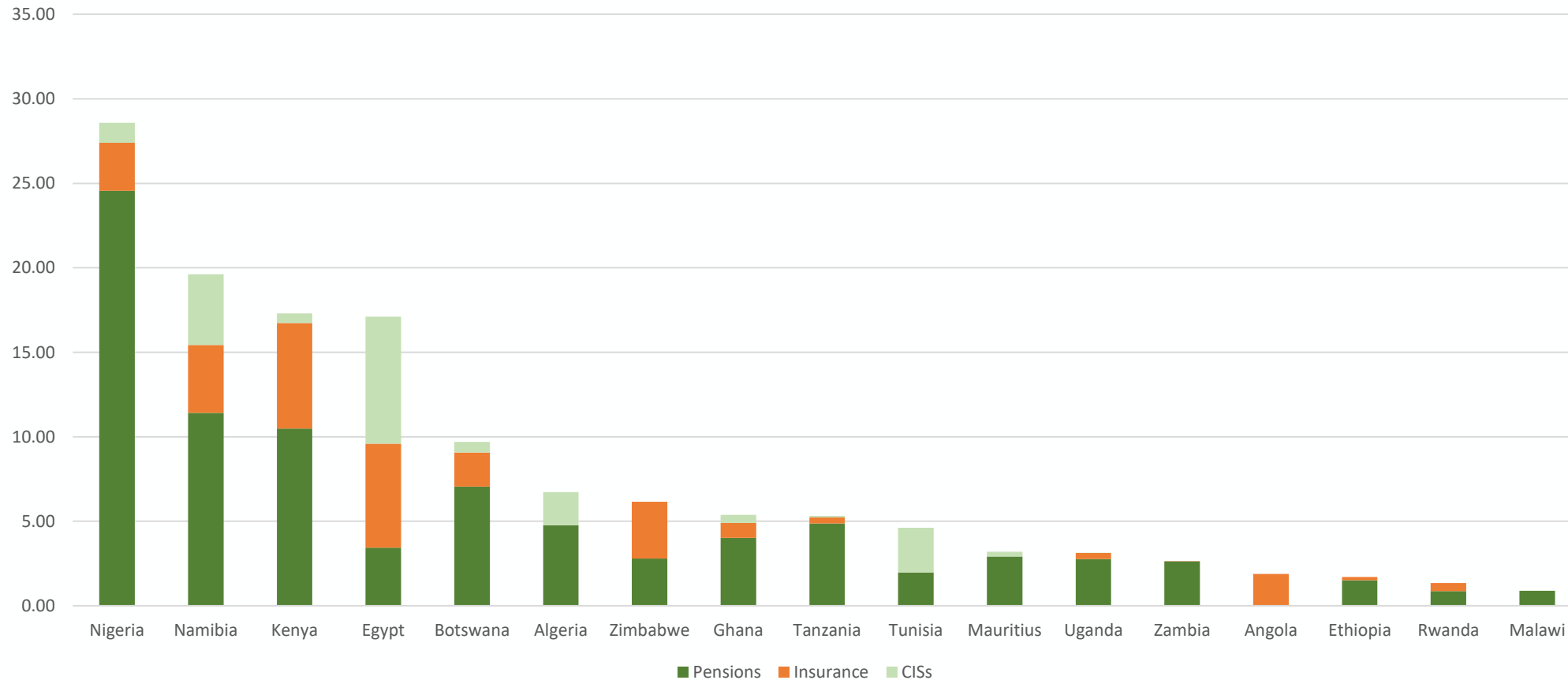


Investor Base

Institutional Investor Asset Base USD\$Bn - 2017

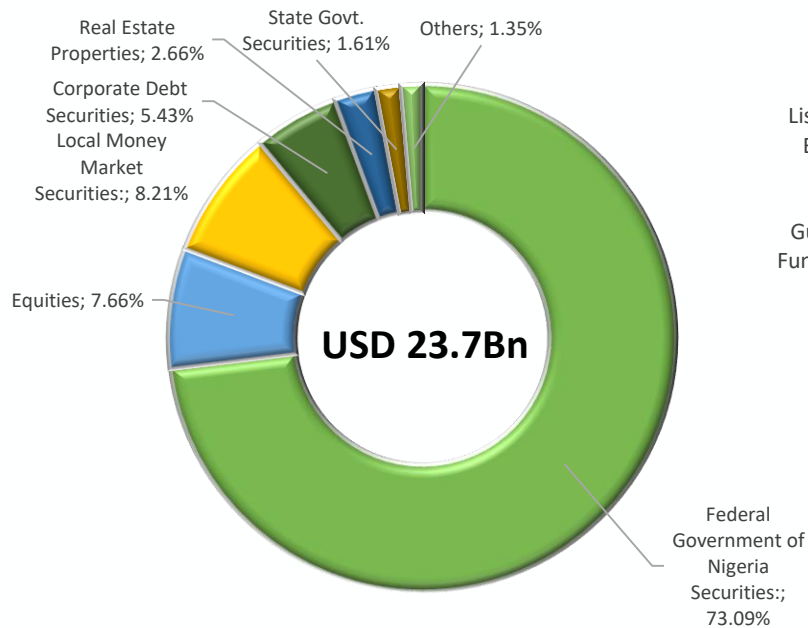


Local institutional investor base estimated at about US\$1 trillion in Africa

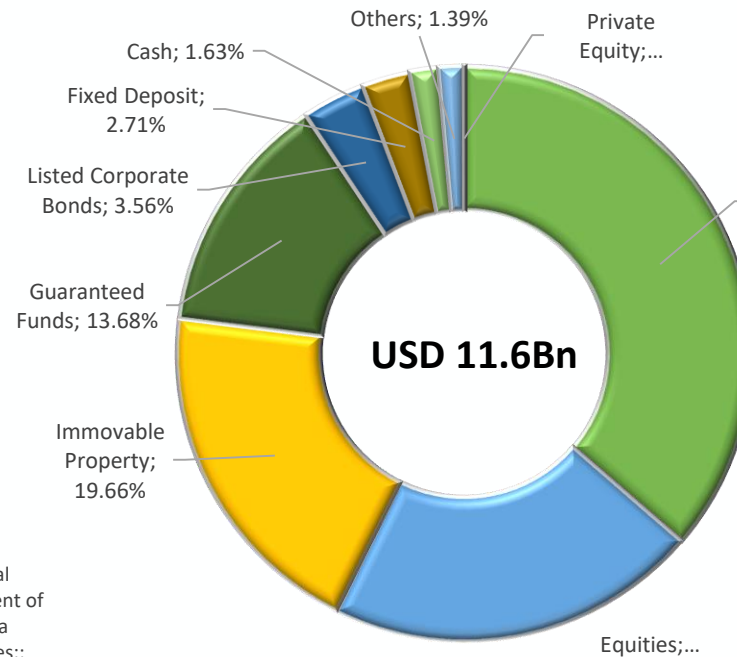
At least US\$100 bn SSA - ex SA)

Asset Allocation

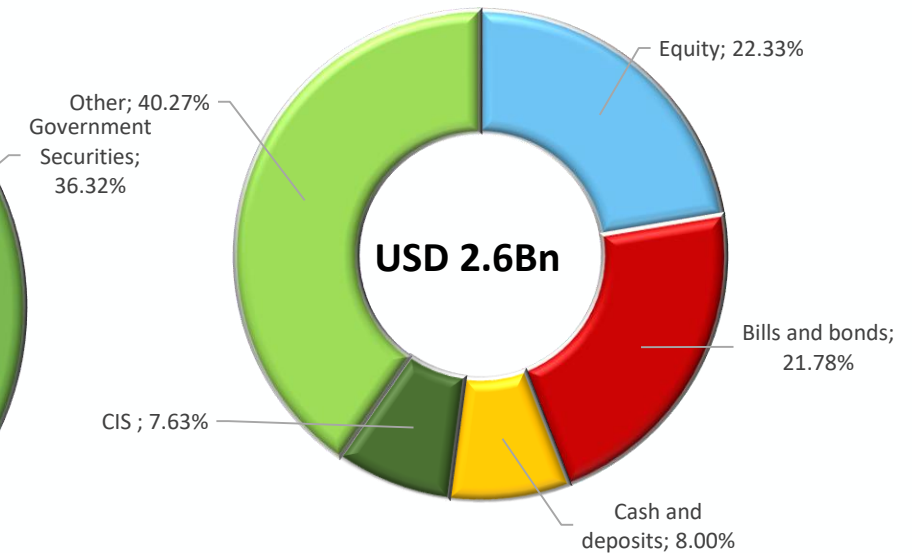
Nigeria Pension Funds Asset Allocation December 2018



Kenya Pension Funds Asset Allocation June 2018



Zambia Pension Funds Allocation December 2017



Fixed income securities constitute the bulk of pension assets - high of 88.4% in Nigeria as at Dec 2018

High weighting in direct property investments in Kenya (about 20%), largely due to public schemes

Investments – Corporate Bonds



Housing

UACN Property Development – Nigeria
SEMA – Mali
Home Africa – Kenya
Botswana Building Society – Botswana
Real Estate Investments – Zambia
Farmers' House – Zambia
Mixta - Nigeria
Acorn - Kenya

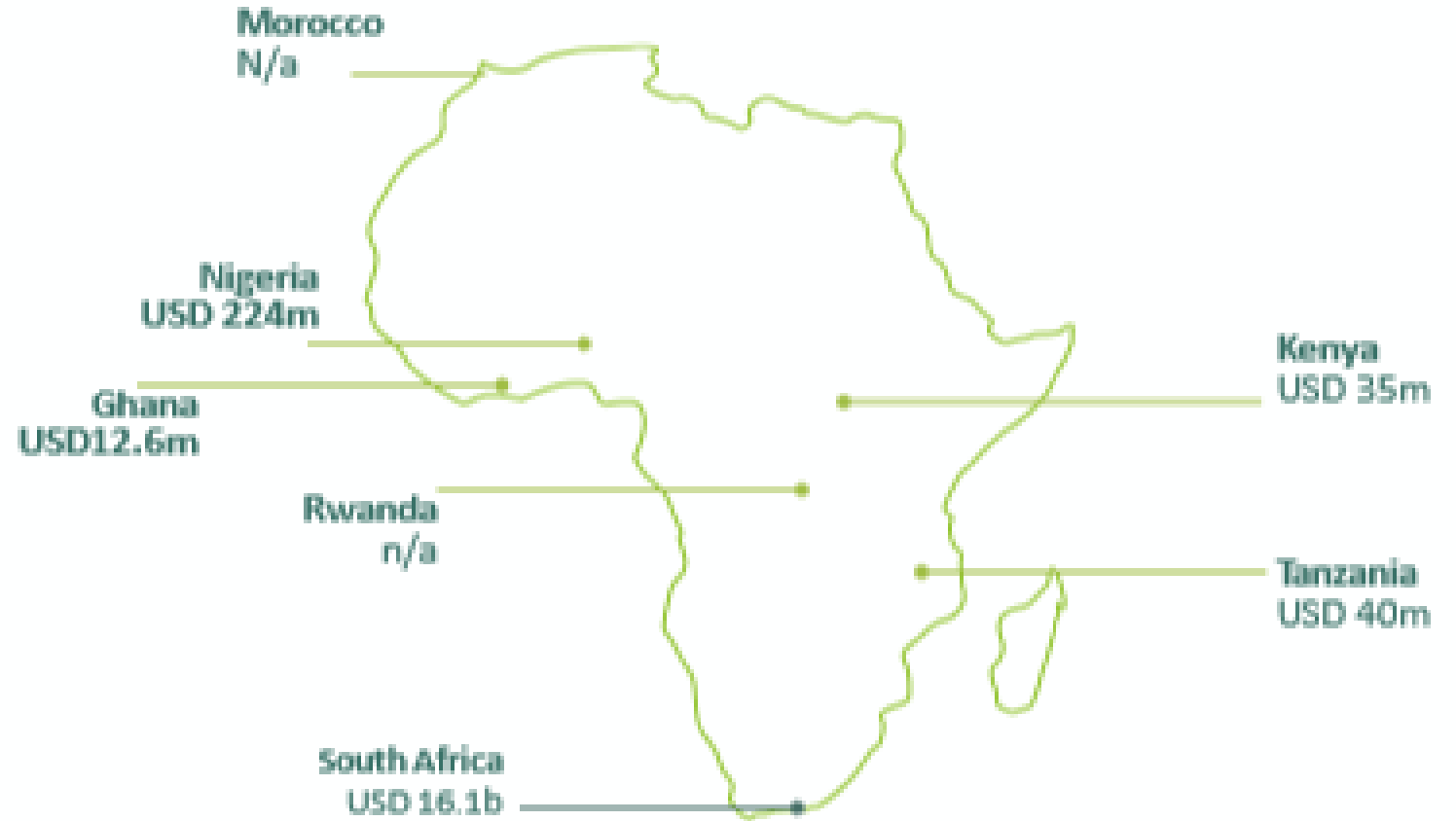


Housing Finance

Housing Finance - Kenya
Housing Finance- Uganda
Home Finance – Ghana
Nigeria Mortgage Refinance – Nigeria
Sema – Mali
Shelter Afrique – Kenya, West Africa
CRRH – Togo
Tanzania Mortgage Refinance Company - Tanzania

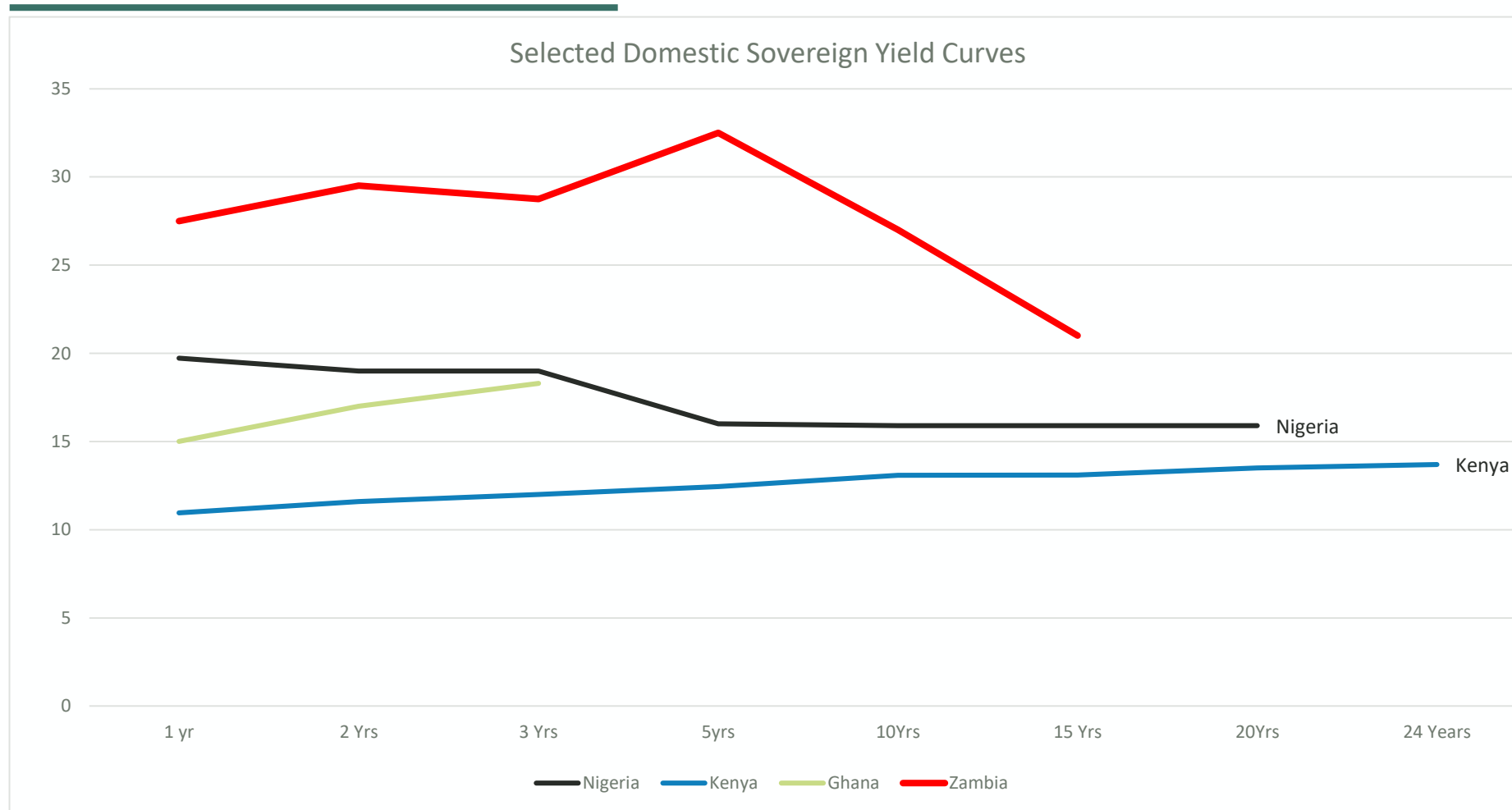
Investments – REITs

**Relatively small asset portfolio sizes
in SSA**



Source: CAHF REITs Study (2017)

Interest Rates – Selected Domestic Yield Curves 2017



Yield curves have lengthened:

But real interest rates are very high crowding out private sector.

Rising debt levels in Africa means:

- Governments cannot apply counter-cyclical policies.
- Limit on ability to fund SDGs

Some Conclusions

- ❑ Assets under management rising fast in most markets in Africa.
- ❑ Portfolios are relatively under-diversified – high investments in government securities
- ❑ Private sector schemes generally have low exposure to housing and real estate.
- ❑ Public sector schemes have generally high direct investment in real estate.
- ❑ Crowding out by governments – high real returns.
- ❑ Investment guidelines are being relaxed in most countries to permit alternative investments.
- ❑ However, some concerns around governance (role of trustees), investment processes and skills of trustees & fund managers.
- ❑ Moving investments into housing will require a much more concerted effort.
- ❑ Important to provide demonstration and co-investment opportunities – role of DFIs is critical.

‘If you do not rise when you do not want to, you will not arrive when you want to.’

Fulani Proverb