



## Financial Fitness Chat with Anchoria Asset Management



### Investment in a COVID-19 World: What you must know and do (Conversational chat session)

On the 9<sup>th</sup> of September 2020, Anchoria Asset Management engaged its followers on LinkedIn and provided answers to key financial investment questions, especially, as it relates to investing in a COVID-19 period.

The Financial Fitness Chat session helped participants understand the principle of how, when, where and what to invest depending on individualist approach and capacity. In a conversational chat tone, Ete Ogun, MD of Anchoria Asset Management Limited was able to engage participants on the group and provided bespoke responses during the session:

**Q**

*In the light of the covid-19 pandemic and its effect on the Nigerian business environment, what alternative investments opportunities exists out there, especially for working class professionals?*

**A**

The alternatives are investing in growth companies which means you must have research on their products, people, and process.

**Q**

*I assume this applies to long term investments. Are there any profitable short-term investment alternatives available currently?*

**A**

Short term and profitable do not actually go hand in hand for investment. Short term can have competitive yields. Competitive yields are returns which outperform current short-term government instruments for instance 91 days treasury bills. This is currently at 1.2%. If you get any return above 2.8% to 3% then it is competitive.

**Q**

*I know firms (including investment brokers like yours) are affected by this pandemic, what structure or structures do you have in place to help safeguard investor funds and help protect us from the effect this pandemic will have on investments?*

**A**

Thank you for your question. The structures around safeguarding investors funds are diversification and asset allocation. Break down your investment objectives into timelines and invest based on those timelines i.e. short needs money market investment, medium needs money market/ fixed term investment and equity funds for longer tenured objectives. I believe that your funds will be very safe.

**Q**

*Another question from my end, do you have investment plans for Nigerians in the diaspora? Must BVN be subscribed to or my non-Nigerian bank can be used for the transactions?*

**A**

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There is the issue of regulation across jurisdictions. However, we do have investment products for Nigerians in Diaspora in country. You are at liberty to use a local or foreign bank provided that the documentation for each location is supplied appropriately.

**Q**

*Good day team, I so much appreciate this initiative. It is a way out for most of us in this pandemic period. Please I would like to know how I can invest for my kids.*

**A**

Thank you for your question sir. You can invest periodically in the mutual funds especially the Equity Fund because it is a good store of money value. It is also favorable because the initial investment is as low as N5000.00.

You can visit [www.anchoriaam.com](http://www.anchoriaam.com) and get further directions or speak to our Client Relations Officer. The reward is immeasurably especially when you start keep at the investment plan over time.

**Q**

*In view of the current economic uncertainty, is it advisable to hold FX denominated investment to hedge against inflation or devaluation?*

**A**

Thank you for your question Sir. This is a tricky question. I will ask if you have dollar obligations? You will not have any near term need for the funds in foreign currency? If the answer is no then it's not a real investment option for you simply because the returns for these can be lower than Naira and any conversion before the expected deregulation can cause a huge drop in your expected return.

**Q**

*How do we then "research on their financial products, people and process"? I mean for laymen like us who do not have deep knowledge of the sector. Is that an aspect Anchoria can take care of as well?*

**A**

It is an aspect Anchoria can work with you on. The goal is to partner with you to achieve your financial objectives.

**Q**

*Post Covid-19 Era makes my savings in the bank useless; please what investment can help me out? It can be for a long duration. I do not mind.*

**A**

You should diversify your investment holdings. For your immediate needs within one year invest in Anchoria Money Market Fund. For your 1- 3 years need invest in the Anchoria Fixed Income Fund and your bigger longer tenored objectives say 5-7 years invest in Anchoria Equity Fund.

[Financial Fitness chat with Anchoria Asset Management](#) is an open Group on LinkedIn where members can learn about investment opportunities and connect with investment experts.