



FUND MANAGER	FIRST CITY ASSET MANAGEMENT LTD
FUND TYPE	EQUITY FUND
PERIOD	AUGUST 2019

FUND INFORMATION

Investment Objective: The Fund seeks to achieve capital growth over economic cycles and generate stable returns. This is equivalent to a medium-to-long term investment outlook.

Domicile	Nigeria	Min initial purchase	10,000 units
Fund Incorporation	2005	Min additional purchase	1,000 units
Bloomberg Ticker / ISIN	FCAMLEF NL / BGG007670TX2	Entry/Exit fee	Nil / 2%, if within 3-months
Base currency	Nigerian Naira (NGN)	Annual Management fee	1.50%
Fund size	₦530million	Performance Fee	1% of excess return over 20%
Benchmark	NGSE All share Index	Trading frequency	Daily
Bid / Offer Price	₦1.04/ ₦1.06	Settlement	Trade date + 5
Total Expense Ratio	2.24%	Fund Year End	June

SUMMARY OF MARKET ACTIVITY AND OUTLOOK

At the end of August, the Fund closed with allocations of 67% and 33% to Equities and Money Market Instruments. The Fund returned -2.26%, compared with -0.69% for the index. Part payment of Audit fees (₦1.029 million), reduced the Fund's performance by 0.19%. However, the 5-year annualised volatilities for the Fund and Benchmark remained unchanged, at 16.90% and 22.00% in August, respectively.

Inflation data released by Nigeria's National Bureau of Statistics showed that Headline Consumer Price Index rose by 11.08% y/y in July 2019, compared with 11.22% in the previous month. Month-on-month, the Headline index increased by 1.01% in July, versus 1.07% previously. Core inflation, which excludes the prices of volatile food produce, fell by 0.04% in July, to 8.80% y/y. Also, Food inflation fell from 13.56% in the previous month, to 13.39% y/y. In the domestic sovereign bond market, yields increased across all maturities. The yield on the 3-year government bond increased by 130 basis points, to 14.09%, and that on the 20-year bond rose by 59 basis points, to 14.30%, reflecting a flattening of the yield curve. The DMO reopened the FGN bonds 12.75% APR 2023s, 14.55% APR 2029s, and 14.80% APR 2049s. The bonds were undersubscribed, with bid-to-cover ratios of 0.26 times, 0.75 times, and 0.86 times, respectively. In the previous month, bid-to-cover ratios for the three FGN Bonds were 1.32 times, 2.48 times, and 2.26 times, respectively. Ongoing trade tensions between the US and China, has had a negative impact on global economic growth and offshore investors' appetite for FGN Bonds. In addition, the award of a court judgement of over US\$9billion against the Nigerian government, which could significantly reduce the country's foreign reserves of over US\$43 billion, has also curtailed investors' appetite for Nigeria risk.

Internationally, the Emerging Markets index decreased by 5.71%. Likewise, the Developed Markets index fell by 2.37%.

AS AT OUR CUT-OFF

Equity Index	Closing Price	Change % in Month (LCY)	Change % Year-to-date (LCY)	Change % Year-to-date (in USD)	P/E Ratio
Emerging Markets	833	-5.71	5.04		13.81
Developed Markets	524	-2.37	14.54		17.76
Nigeria	27526	-0.69	-12.42	-11.78	7.02
Kenya	148	-0.45	5.09	3.31	11.29
South Africa	55260	-2.69	4.78	-0.55	15.68
Brazil	100952	-0.84	14.87	8.68	15.68
Russia	2740	0.02	15.65	15.65	5.46
India	37333	-0.40	3.51	1.21	25.95
Hong Kong	25725	-7.39	-0.47	-0.59	10.03
USA	2926	-1.83	16.71	16.71	19.15
Europe	379	-1.63	12.39	8.35	18.28
UK	3953	-4.38	7.56	3.00	18.59
Japan	1512	-3.40	1.19	4.31	13.25

*LCY – Local Currency

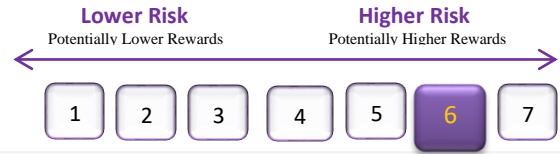
MAIN RISK FACTORS

MARKET RISK: Risk that an investor could experience losses as a result of changes in factors that impact the whole market, such as interest rates and foreign exchange rates.

DEFAULT RISK: Risk that a company will not be able to honour its debt and may be forced to stop trading.

DOWNGRADE RISK: Risk that a company's credit rating may be cut, which could affect its market value.

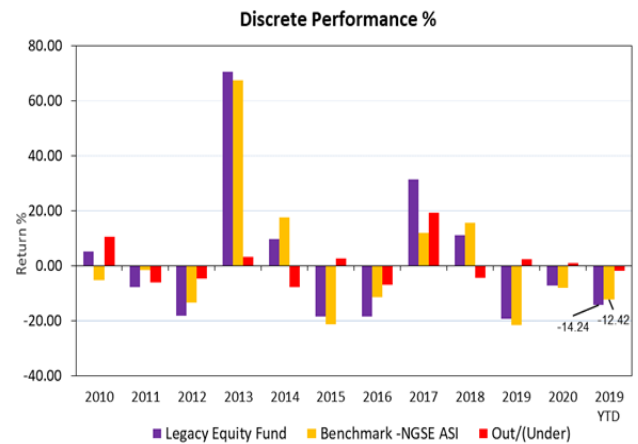
Synthetic Risk & Reward Indicator



PERFORMANCE

	Legacy Equity Fund Return (%)	Benchmark NGSE ASI Return (%)
August Performance	-2.26%	0.69%
Inflation-adjusted (based on July CPI m/m)	-3.24%	-1.69%
Range of expected annual returns, based on 5-year historical performance	-21.96% to 11.84%	-27.81% to 16.19%
5-Year annualised	Tracking Error 12.39%	Information Ratio 0.07

Fund Year: July - June



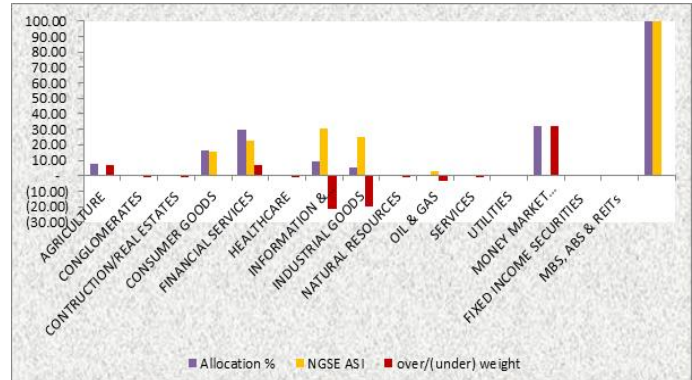
Performance returns are calculated on a Net-of-Fees basis. The Fund paid dividends of 5.38kobo, 8kobo, 8.7kobo and 12kobo per unit in June 2009, July 2014, July 2015 and January 2018. The 12kobo dividend that was paid in January 2018, for Fund year-ended 30 June 2017, implied a dividend yield of 12.38%.

FUND STRUCTURE

Asset Allocation

Asset	Range	Target
Money Market Instruments	0 to 40%	10%
Fixed Income Securities	0 to 40%	5%
Equities	60 to 100%	85%
Asset Backed and Mortgage Backed Securities & REITs	0 to 10%	0%

Investment relative to benchmark



DISCLAIMER NOTICE

Past performance is not a reliable indicator of future returns, the value of investments may fall as well as rise, and investors may not get back the original amount invested. The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of returns. It ranks Funds between 1 to 7, where 1 is the lowest risk and 7 is the highest risk.