



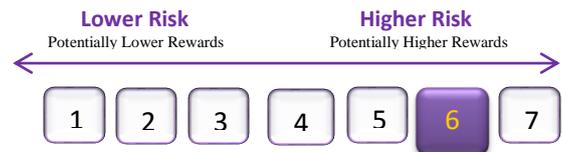
Legacy Equity Fund

Email: fcamenquiries@fcm.com
 Website: <http://www.fcamltd.com>

Phone: +234 (1) 462 2596 or 448 5420
 Download: [Application and Redemption Form](#)

FUND MANAGER	FIRST CITY ASSET MANAGEMENT LTD
FUND TYPE	EQUITY FUND
PERIOD	DECEMBER 2015

Synthetic Risk & Reward Indicator



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 / BBG007670TX2	Entry/Exit fee	Nil / 2%, if within 3-months
Base currency	Nigerian Naira (NGN)	Annual Management fee	1.50%
Fund size	₦469.10million	Performance Fee	1% of excess return over 20%
Benchmark	NGSE All share Index	Trading frequency	Daily
Bid / Offer Price	₦0.90 / ₦0.91	Settlement	Trade date + 5

SUMMARY OF MARKET ACTIVITY AND OUTLOOK

The Fund closed with an allocation of 69.44% to Equities and 30.56% to Money Market Instruments. The Equity market witnessed a rally in the last two trading days of the year, with the benchmark index gaining 7.10%, after decreasing by 2.27% in the period to 29 December. The sudden increases did not appear to be supported by fundamentals, as there was no new information to justify the gains. Given that the Fund was underweight the market, it therefore underperformed the benchmark. Also, the payment of audit fees resulted in a 0.29% drop in Fund value. Based on data from Nigeria's National Bureau of Statistics (NBS), the Consumer Price Index increased by 9.4% y/y in November, compared with 9.30% in the previous month. The increase was largely due to higher prices within the Food & Non-Alcoholic Beverages and Transportation segments of the Inflation index. In the domestic sovereign bond market, yields increased at the short end of the curve but fell for medium and long dated bonds. The curve flattened, with the yield on the 3-year government bond increasing by 32 basis points, to 8.17%, compared with a fall of 16 basis points, to 11.04%, for the 20-year bond. Also, the yield on the 3-year bond fell by 708 basis points, from 15.24% at the beginning of the year. Similarly, 20-year bond yield decreased by 414 basis points, from 15.18%, during the course of the year. The DMO reopened FGN bonds 15.54% February 2020s and 14.20% March 2024s. Bids-to-cover were almost unchanged, at 2.37 and 4.20 times, compared with 2.39 and 4.20 times recorded in November. Internationally, the Emerging Markets Equity index and the Developed Market Equity Index closed at 603 and 376, respectively. Both indices fell in December; the Emerging Markets index returned -2.54%, compared with a 0.89% decrease for the Developed Markets index. However, the Developed Markets index had a slightly positive return of 0.52% in 2015, compared with -16% for the Emerging Markets index.

AS AT OUR CUT-OFF

Equity Indices	Closing Price	Change % in Month	Change % Year-to-date	Price-to-Earnings
Emerging Markets	603	-2.54	-15.59	12.31
Developed Markets	376	-0.89	0.52	21.70
Nigeria	28642	4.59	-17.36	18.31
Kenya	146	1.55	-10.55	12.85
South Africa	50694	-1.77	1.85	36.09
Brazil	43350	-3.92	-13.31	25.17
Russia	1761	-0.55	26.12	9.53
India	26118	-0.11	-5.03	19.84
Hong Kong	21914	-0.37	-7.16	9.68
USA	2063	-0.82	0.22	18.43
Europe	366	-4.96	6.94	23.41
UK	3444	-1.37	-2.50	31.17
Japan	1547	-2.09	9.93	16.51

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

PERFORMANCE

	Legacy Equity Fund Return (%)	Benchmark NGSE ASI Return (%)
December Performance	-2.15	4.59
Inflation-adjusted (based on November CPI m/m)	-2.79	3.90
5-Year annualised	Tracking Error 8.34	Information Ratio -0.34

Cumulative Growth: August 2009 – Date



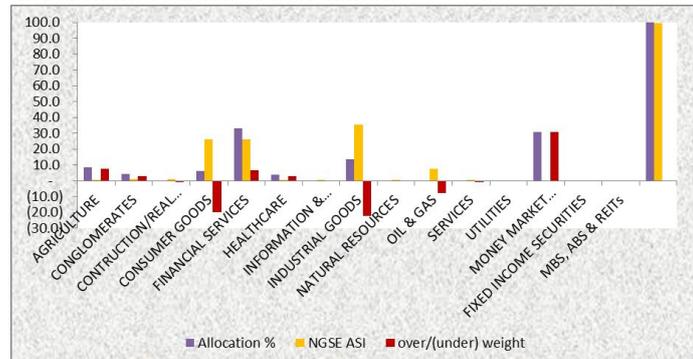
Performance returns are calculated on a Net-of-Fees basis
 The Fund paid a dividend of 8.7kobo per unit in July 2015

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



FCAM

First City Asset Management Ltd (FCAM) is a subsidiary of CSL Stockbrokers Ltd, a member of FCMB Group plc. FCAM is authorised and regulated by the Securities & Exchange Commission, Nigeria.

DISCLAIMER NOTICE

FCAM has not considered the suitability of this investment against your individual risk and return targets. 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.