



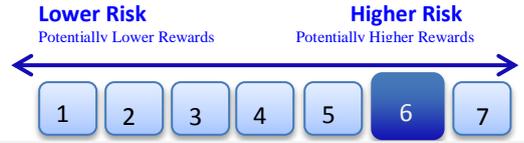
# Legacy Equity Fund

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FUND MANAGER	FIRST CITY ASSET MANAGEMENT LTD
FUND TYPE	EQUITY FUND
PERIOD	JANUARY 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.

<b>Domicile</b>	Nigeria	<b>Min initial purchase</b>	10,000 units
<b>Fund Incorporation</b>	2005	<b>Min additional purchase</b>	1,000 units
<b>Bloomberg Ticker / ISIN</b>	FCAMLEF NL / BBG007670TX2	<b>Entry/Exit fee</b>	Nil / 2%, if within 3-months
<b>Base currency</b>	Nigerian Naira (NGN)	<b>Annual Management fee</b>	1.50%
<b>Fund size</b>	₦661.1million	<b>Performance Fee</b>	1% of excess return over 20%
<b>Benchmark</b>	NGSE All share Index	<b>Trading frequency</b>	Daily
<b>Bid / Offer Price</b>	₦1.05 / ₦1.07	<b>Settlement</b>	Trade date + 5

## PERFORMANCE

<b>January Performance</b>	Legacy Equity Fund Returns (%)	Benchmark NGSE ASI Returns (%)
	-10.83	-14.70
<b>5-Year annualised</b>	Tracking Error	Information Ratio
	8.84%	-0.03

## Cumulative Growth: July 2009 - Date



Performance returns are calculated on a Net-of-Fee basis

## SUMMARY OF MARKET ACTIVITY AND OUTLOOK

The Fund closed with an allocation of 78% to Equities. Our underweight position in Equities aided the Fund's outperformance, relative to the benchmark. Also, the Fund's 5-year annualised volatility rose by 0.70% to 16.80%. However, that of the index increased by 1%, to 19.20%. Based on data from the Nigerian Bureau of Statistics (NBS), the Headline CPI Inflation rate increased marginally, from 7.9% y/y in the previous month, to 8% y/y in December 2014. The on-going weakening of the Nigerian Naira against the US Dollar is expected to increase inflationary pressure. Consensus forecast is for an Inflation rate of 9.15% in 2015. This is higher than the NBS's projection of 8.78%. Also, the NBS estimate that Nigeria's economy expanded by 6.79% in 2014, but project slower growth of 5.54% this year. In the domestic sovereign bond market, the yield on the 2-year FGN bond fell by 23 basis points, to close at 15.02%. However, the yield on the 20-year FGN bond rose by 30 basis points, to 15.48%. Prices at the long-end of the curve are expected to remain under pressure, in the near-term. The DMO reopened FGN bonds 15.10% April 2017, 14.20% March 2024 and 12.1493% July 2034. Bids-to-cover were 2.36, 1.61 and 1.45 times. In January, the EM equity index gained over 2%, to close at 730. On the contrary, the DM equity index decreased by 1%, to 372.

## AS AT OUR CUT-OFF

Equity Indices	Closing Price	Change % in Month	Change % Year-to-date	Price-to-Earnings
Emerging Markets	730	2.12	2.12	
Developed Markets	372	-0.76	-0.76	
Nigeria	29562	-14.70	-14.70	9.68
Kenya	166	1.79	1.79	16.56
South Africa	51287	3.05	3.05	15.70
Brazil	47082	-5.85	-5.85	15.20
Russia	1648	18.01	18.01	8.12
India	29183	6.12	6.12	20.39
Hong Kong	24507	3.82	3.82	10.36
USA	2013	-2.22	-2.22	17.71
Europe	368	7.53	7.53	22.75
UK	3642	3.10	3.10	19.57
Japan	1415	0.54	0.54	16.05

## 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

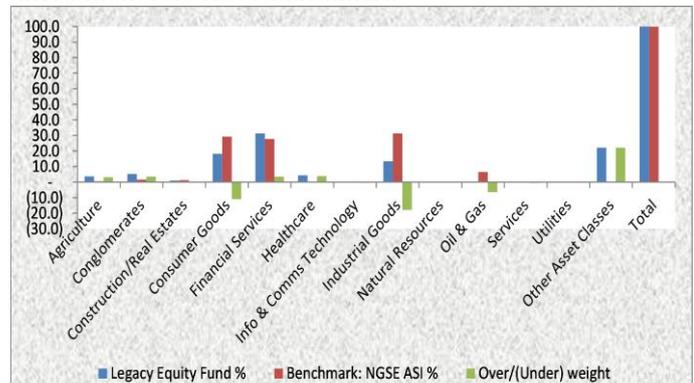
**DOWNGRADE RISK:** Risk that a company's credit rating may be cut, which could affect its market value

## 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



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.

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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.