



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	JUNE 2017

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	₦646.6million	Performance Fee	1% of excess return over 20%
Benchmark	NGSE All share Index	Trading frequency	Daily
Bid / Offer Price	₦1.25 / ₦1.27	Settlement	Trade date + 5

SUMMARY OF MARKET ACTIVITY AND OUTLOOK

At the end of June, the Fund closed with allocations of 78% and 22% to Equities and Money Market Instruments, respectively. The Fund returned 11.46%, compared with 12.27% for the Index; resulting in a relative underperformance of 0.81%. However, the Fund returned 31.27% versus 11.89% for the benchmark, in the Fund-year to June 2017. Also, the Fund outperformed the benchmark by 13.69%, June 2017 year-to-date; the Fund returned 36.91% compared with 23.23% for the benchmark. Also, the 5-year annualised volatility for the Fund was 20%, compared with 22.10% for the index. The Fund Manager will continue to increase the total allocation to equities, until the 85% strategic target is reached.

Data from Nigeria's National Bureau of Statistics showed that Headline Consumer Price Index (CPI) rose by 16.25% y/y in May 2017, compared with 17.24% in the previous month. The decrease of 0.99% was the fourth consecutive decline in headline inflation. The reduction in headline inflation y/y was mainly due to base effects from 2016, as the headline index increased by 1.88% m/m in May 2017, which was 0.28% higher than the 1.60% reported in April 2017. In the domestic sovereign bond market, the yield on the 3-year government bond rose by 13 basis points, to 16.56%, compared with a slight fall, to 15.99%, for the 20-year bond. The DMO reopened the FGN bond 14.50% Jul 2021s, FGN bond 16.2884% Mar 2027s and FGN bond 16.2499% Apr 2037s. Bids-to-cover were 0.31times, 1.15times and 1.76times compared with 0.43times, 1.06times and 1.83times, in the previous month.

Internationally, the Emerging Markets index gained 0.80%, and the Developed Markets Index, 0.62%.

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	791	0.80	15.03		12.38
Developed Markets	451	0.62	11.64		21.18
Nigeria	33117	12.27	23.23	20.33	15.02
Kenya	153	3.05	14.68	13.55	11.78
South Africa	51611	-3.64	1.89	7.13	18.99
Brazil	62819	0.17	4.30	2.72	16.92
Russia	1880	-1.10	-15.82	-11.72	6.51
India	30922	-0.72	16.13	21.31	23.09
Hong Kong	25765	0.41	17.11	16.46	13.88
USA	2425	0.54	8.31	8.31	21.47
Europe	379	-2.72	4.97	13.51	24.32
UK	4002	-2.77	3.33	8.75	31.42
Japan	1612	2.78	6.14	10.24	16.76

*LCY – Local Currency

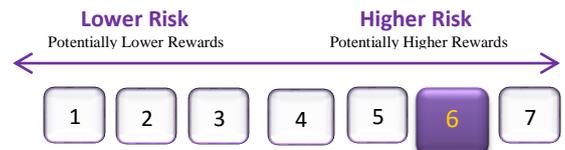
MAIN RISK FACTORS

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

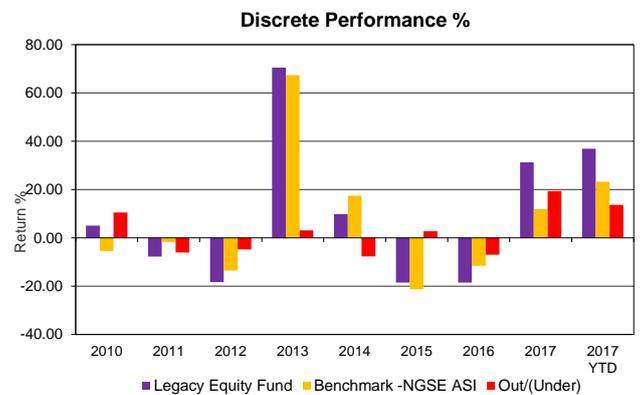
Synthetic Risk & Reward Indicator



PERFORMANCE

	Legacy Equity Fund Return (%)	Benchmark NGSE ASI Return (%)
June Performance	11.46	12.27
Inflation-adjusted (based on May CPI m/m)	9.40	10.20
Range of expected annual return, based on 5-year historical performance	-8.20 to 31.80	-11.12 to 33.08
5-Year annualised	Tracking Error 10.16	Information Ratio 0.10

Fund Year: July - June



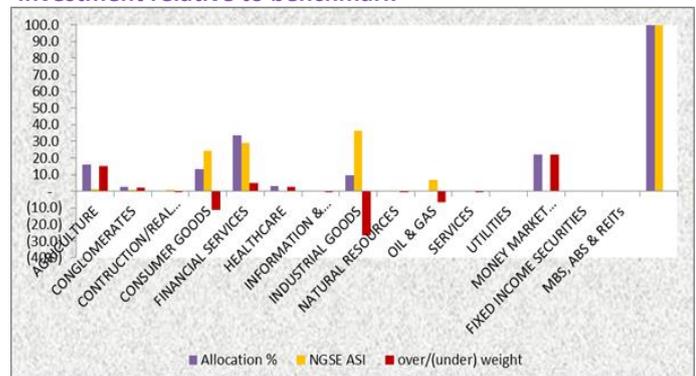
Performance returns are calculated on a Net-of-Fees basis
 The Fund paid a dividend of 8.7kobo per unit in July 2015

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.