

FUND MANAGER	FIRST CITY ASSET MANAGEMENT LTD
FUND TYPE	LEGACY SHORT MATURITY (NGN) FUND
PERIOD	JULY 2015

FUND INFORMATION

Investment Objective: The Fund seeks to preserve capital and minimize volatility by investing in short maturity instruments.

Domicile	Nigeria	Min initial purchase	25,000 units
Fund Incorporation	2015	Min additional purchase	5,000 units
Bloomberg Ticker / ISIN	FCAMLSF NL / BBG009KJ25W7	Entry/Exit fee	Nil / 25%, if within 6-months
Base currency	Nigerian Naira (NGN)	Annual Management fee	1%
Fund size	₦575.45million	Performance Fee	30% of excess return over target
Benchmark	50% 3month T-bill + 50% 3year FGN Bond	Trading frequency	Daily
Bid / Offer Price	₦2.22 / ₦2.22	Settlement	Trade date + 5

SUMMARY OF MARKET ACTIVITY AND OUTLOOK

The Fund was fully invested in Treasury bills by month-end, and had no exposure to government bonds. The Fund outperformed the benchmark by 0.21% in nominal terms (2.46% on an annualised basis). Also, interest rate risk on the Fund was 0.42 year less than that on the benchmark. We expect performance to remain strong. Based on data from Nigeria's National Bureau of Statistics (NBS), the Consumer Price Index (CPI) rose by 9.2% y/y in June, compared with 9% y/y in May. This was the highest monthly increase, since February 2013, and was mainly driven by higher food and transportation costs. Expectation is that inflationary pressure will accelerate. The Monetary Policy Committee of the CBN voted to retain the MPR at 13% with a corridor of +/-200 basis points around the midpoint, and to keep the CRR at 31%. In the domestic sovereign bond market, yields increased across most maturities. Yield at the 2-year part of the curve increased by 40 basis points, to 14.84%, compared with a fall of 54 basis points, for the 20-year bond, to 14.35%. The DMO reopened FGN bonds 15.54% February 2020s and 12.1493% July 2034s. Bids-to-cover were 2.75 and 2.65 times, compared with 1.26 and 1.76 times recorded in June. Despite offshore investors selling-off, demand remained strong given current attractive yield levels. Internationally, there is a 68% probability of a US Fed rate move by December 2015. This might negatively impact flows to EMs.

AS AT OUR CUT-OFF

Country	3 Month T-bill %	3-year Govt Bond yield %	Headline CPI %
Nigeria	10.0000	14.7700	9.20
Kenya	12.7220	13.3090	7.00
South Africa	6.5200	7.2730	4.70
Brazil	14.2040	12.9150	8.80
Russia	12.2000	11.5500	15.30
India	7.8650	7.8750	5.40
China	2.1750	2.8220	1.40
USA	0.0580	0.9900	0.10
Eurozone	-0.3120	-0.2070	0.20
UK	0.4800	0.9760	0.00
Japan	-0.0250	0.0180	0.40

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

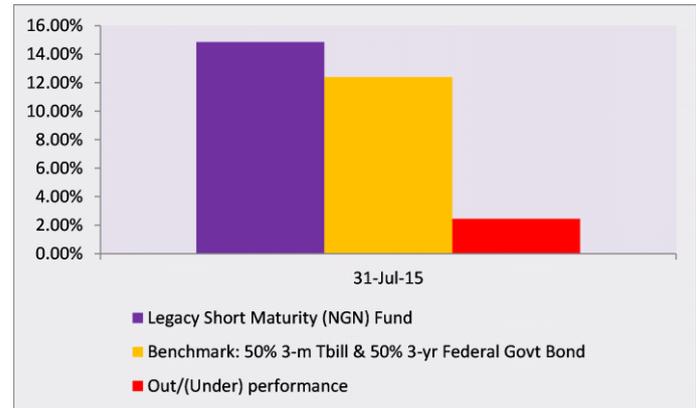
DOWNGRADE RISK: Risk that a company's credit rating may be cut, which could affect its market value

RISK PROFILE: LOW

PERFORMANCE

	LSM (NGN) Fund Return (%)	Benchmark Return (%)
July Performance (annualised)	14.85	12.39
Inflation-adjusted (based on June CPI y/y)	5.17	2.92
Duration (Interest rate risk)	0.21	0.63

Investment Performance relative to benchmark



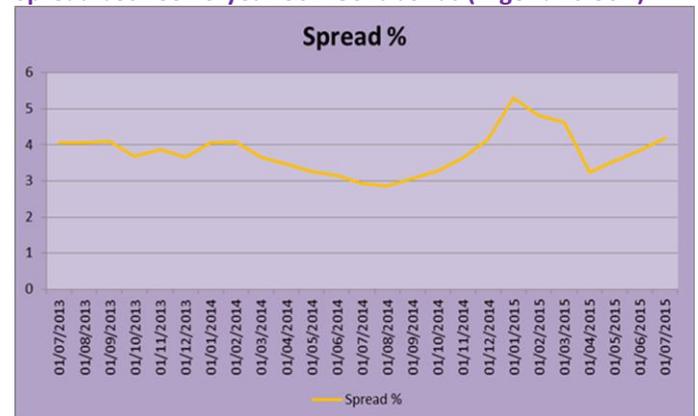
Performance returns are calculated on an annualised basis and shown Net-of-Fee

FUND STRUCTURE

Asset Allocation

Asset	Range
Cash on call	
T-Bills	0 to 50%
Fixed deposits, Commercial papers, Bankers Acceptances & other MMI	0 to 50%
Federal Government Bonds	0 to 50%
State and Local Government Bonds	0 to 40%
Government guaranteed & Agency Bonds	0 to 40%
Supranational Bonds	0 to 40%
Corporate Bonds	0 to 40%

Spread between 3-year USD Govt bonds (Nigeria vs USA)



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.