



FUND MANAGER	FCMB ASSET MANAGEMENT LTD
FUND TYPE	EQUITY FUND
PERIOD	NOVEMBER 2020

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	₦745.5million	Trading frequency	Daily
Benchmark	NGSE All share Index	Settlement	Trade date + 5
Bid / Offer Price	₦1.48/ ₦1.51	Fund Year End	June
Total Expense Ratio	2.14%		

SUMMARY OF MARKET ACTIVITY AND OUTLOOK

At the end of November, the Fund closed with allocations of 78%, 3%, and 19% to Equities, Bonds, and Money Market Instruments, respectively. The Fund returned 8.79%, compared with 14.78% for the Index. The Fund's underperformance was primarily due to our underweight position, relative to the Benchmark. The 5-year annualised volatilities for the Fund and Benchmark increased from 17.00% and 23.30%, in October, to 17.30% and 24.00%, in November, respectively.

Inflation data released by Nigeria's National Bureau of Statistics showed that Headline Consumer Price Index rose by 14.23% y/y in October 2020, compared with 13.71% in the previous month. Month-on-month, the Headline index increased by 1.54% in October, versus 1.48% previously. Core inflation, which excludes the prices of volatile food produce, increased by 0.56% in October, to 11.14% y/y. Also, Food inflation rose from 16.66% in the previous month, to 17.38% y/y. In the domestic sovereign bond market, the yield curve steepened, in November; the yield on the 3-year government bond decreased by 107 basis points, to 1.74%, while that on the 30-year bond fell by 60 basis points, to 6.70%. The DMO reopened the FGN bonds 12.50% Mar 2035s and 9.80% Jul 2045s. The bonds were oversubscribed with bid-to-cover ratios of 2.19 times and 2.43 times. In the previous month, bid-to-cover ratios for the 15-year and 25-year FGN Bonds were 8.46 times and 2.67 times, respectively.

Internationally, the Emerging Markets Equity index increased by 10.41%. Likewise, the Developed Markets Equity index gained 13.83%.

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	1061	10.41	11.01		22.56
Developed Markets	659	13.83	12.55		32.38
Nigeria	35042	14.78	30.55	23.31	12.81
Kenya	145	3.68	-12.75	-20.68	10.82
South Africa	57092	10.46	0.01	-9.21	25.77
Brazil	109714	16.78	-5.13	-29.85	100.81
Russia	3108	15.50	2.03	2.03	14.75
India	44150	11.45	7.02	3.42	31.84
Hong Kong	26341	9.27	-6.56	-6.07	14.44
USA	3619	10.69	12.03	12.03	28.39
Europe	393	14.68	-5.58	1.17	46.98
UK	3584	13.72	-14.60	-13.99	
Japan	1755	11.12	1.95	6.13	30.18

*LCY – Local Currency

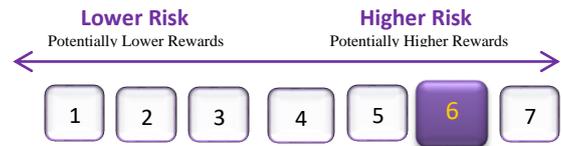
MAIN RISK FACTORS

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

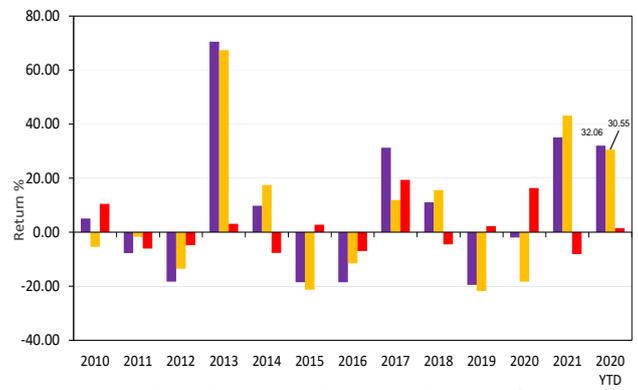


PERFORMANCE

	Legacy Equity Fund Return (%)	Benchmark NGSE ASI Return (%)
November Performance	8.79%	14.78%
Inflation-adjusted (based on October CPI m/m)	7.14%	13.04%
Range of expected annual returns, based on 5-year historical performance	-6.13% to 28.47%	-16.23% to 31.77%
5-Year annualised	Tracking Error 12.63%	Information Ratio 0.27

Fund Year: July - June

Discrete Performance %



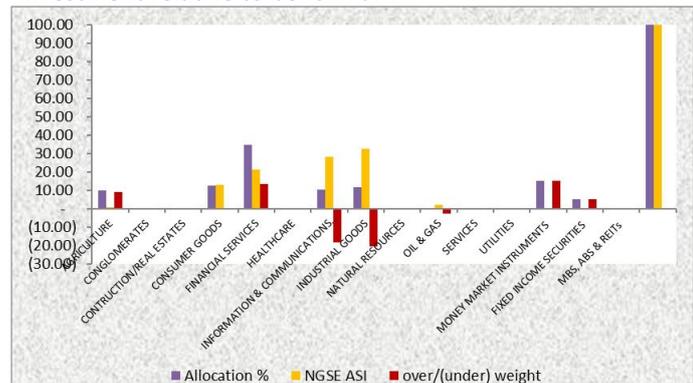
Performance returns are calculated on a Net-of-Fees basis. The Fund paid dividends of 5.38kobo, 8kobo, 8.7kobo and 12kobo per unit in June 2009, July 2014, July 2015, and January 2018. The 12kobo dividend that was paid in January 2018, for Fund year-ended 30 June 2017, implied a dividend yield of 12.38%.

FUND STRUCTURE

Asset Allocation

Asset	Range	Target
Money Market Instruments	0 to 40%	10%
Fixed Income Securities	0 to 40%	5%
Equities	70 to 100%	85%
Asset Backed and Mortgage Backed Securities & REITS	0 to 10%	0%

Investment relative to benchmark



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

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.