



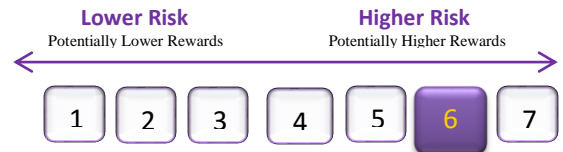
Legacy Equity Fund

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FUND MANAGER	FIRST CITY ASSET MANAGEMENT LTD
FUND TYPE	EQUITY FUND
PERIOD	AUGUST 2016

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.

	Nigeria	Min initial purchase	10,000 units
Domicile			
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	₦493.66million	Performance Fee	1% of excess return over 20%
Benchmark	NGSE All share Index	Trading frequency	Daily
Bid / Offer Price	₦0.94 / ₦0.96	Settlement	Trade date + 5

SUMMARY OF MARKET ACTIVITY AND OUTLOOK

The Fund returned 1.05% in August, compared with -1.47% for the benchmark; the Fund's alpha of 2.52% was mainly the result of its underweight position in equities relative to the benchmark. Also, the Fund's overweight position of 12% in the Agriculture sector of the index (allocations to Presco Plc and Okomu Oil Plc), aided outperformance. In addition, the Fund benefited from higher yields on investments in the Money Market. The Fund closed with allocations of 64% and 36% to Equities and Money Markets Instruments, respectively.

Data from Nigeria's National Bureau of Statistics confirmed Nigeria's slide into economic recession, as GDP contracted by a further 2.06% q/q in 2Q 2016, after 1Q's 0.36% q/q decrease. In addition, the Headline Consumer Price Index (CPI) rose by 17.13% y/y in July, compared with 16.48% in the previous month. The increase in the inflation rate was spread across all the components of the index, with imported food inflation rising by 20.50% y/y. However, the CPI rose by 1.25% m/m in July, representing a drop from the 1.70% m/m recorded in June. The data also showed rising unemployment and plummeting foreign capital inflows. In the domestic sovereign bond market, yields decreased at the short and intermediate parts of the curve, but rose at the long end. The yield on the 3-year government bond fell by 47 basis points, to 15.01%, compared with a marginal increase of 1 basis point, to 15.28%, for the 20-year bond. The DMO reopened the FGN bond 14.50% Jul 2021s, FGN bond 12.50% Jan 2026s and 12.40% FGN Mar 2036s. Bids-to-cover were 1.86, 2.37 and 1.62 times, compared with 2.11, 1.81 and 1.91 times recorded in July. Internationally, the Emerging Markets Index gained by 2.53%, compared with an increase of 0.42% for the Developed Markets Index.

AS AT OUR CUT-OFF

Equity Index	Closing Price	Change % in Month	Change % Year-to-date	Price-to-Earnings
Emerging Markets	705	2.53	16.40	16.13
Developed Markets	395	0.42	5.78	21.83
Nigeria	27599	-1.47	-3.64	13.84
Kenya	135	-5.23	-7.39	12.02
South Africa	52733	-0.12	4.02	27.76
Brazil	57824	0.90	33.39	157.87
Russia	1970	1.29	11.82	7.40
India	28452	1.43	8.94	21.04
Hong Kong	22977	4.96	4.85	12.51
USA	2167	-0.29	6.03	20.32
Europe	344	0.50	-6.07	28.82
UK	3698	1.20	7.36	55.41
Japan	1330	0.51	-14.07	16.92

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 (%)
August Performance	1.05	-1.47
Inflation-adjusted (based on July CPI m/m)	-0.20	-2.69
5-Year annualised	Tracking Error 9.48	Information Ratio -0.11

Cumulative Growth: August 2009 – Date



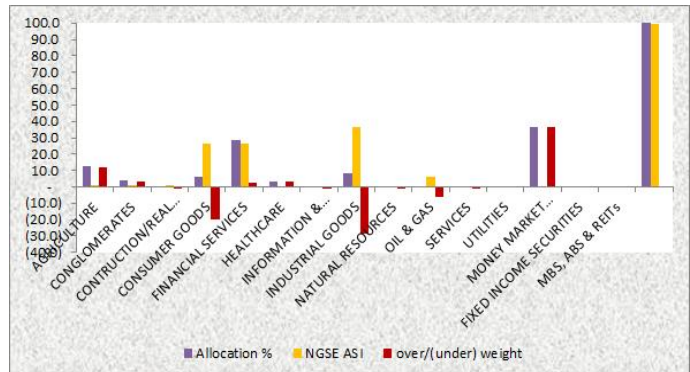
Performance returns are calculated on a Net-of-Fees basis
 The Fund paid a dividend of 8.7kobo per unit in July 2015

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.