

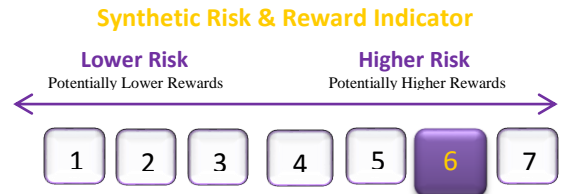


Legacy Equity Fund

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	JANUARY 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.

	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	₦488.11million	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 closed with allocations of 64% and 36% to Equities and Money Markets Instruments, respectively. Also, the Fund returned 3.23%, compared with -3.12% for the Index. Several factors contributed to the Fund's alpha of 6.35%; its underweight position in the broad Equity Market, overweight position in Agriculture, and good stock selection in Financials. In addition, 5-year annualised volatility for the Fund was unchanged, at 18.70%, compared with a 0.10% increase, to 20.80%, for the Index.

Data from Nigeria's National Bureau of Statistics showed that the Headline Consumer Price Index (CPI) rose by 18.55% y/y in December 2016, compared with 18.48% in the previous month. The increase in the inflation rate was across all components of the CPI. Also, the Headline index rose by 1.06% m/m in December, compared with 0.78% m/m in November. The Food component of the Consumer Price basket increased by 17.39% y/y, compared with 17.19% y/y previously. In the domestic sovereign bond market, yields decreased across most maturities. The yield on the 3-year government bond fell by 3 basis points, to 15.71%, compared with a slight decrease of 1 basis point, to 16.19%, for the 20-year bond. The DMO reopened the FGN bond 14.50% Jul 2021s, FGN bond 12.50% Jan 2026s and FGN bond 12.40% Mar 2036s. Bids-to-cover were 0.97, 1.66 and 2.82 times, compared with 0.35, 1.54 and 1.49 times recorded in December 2016, reflecting increased demand for the bonds.

Internationally, the Emerging Markets Index gained 4.97% in January, compared with an increase of 2.55% for the Developed Markets Index.

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	722	4.97	4.97		16.33
Developed Markets	414	2.55	2.55		21.65
Nigeria	26036	-3.12	-3.12	-3.23	14.46
Kenya	122	-8.33	-8.33	-9.66	9.71
South Africa	52788	4.21	4.21	6.29	29.99
Brazil	64586	7.24	7.24	10.72	233.38
Russia	2217	-0.69	-0.69	1.63	9.48
India	27656	3.87	3.87	3.95	20.65
Hong Kong	23361	6.18	6.18	6.14	12.94
USA	2271	1.44	1.44	1.44	21.05
Europe	361	-0.04	-0.04	2.60	26.75
UK	3869	-0.10	-0.10	1.79	51.87
Japan	1522	0.20	0.20	4.03	19.70

*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

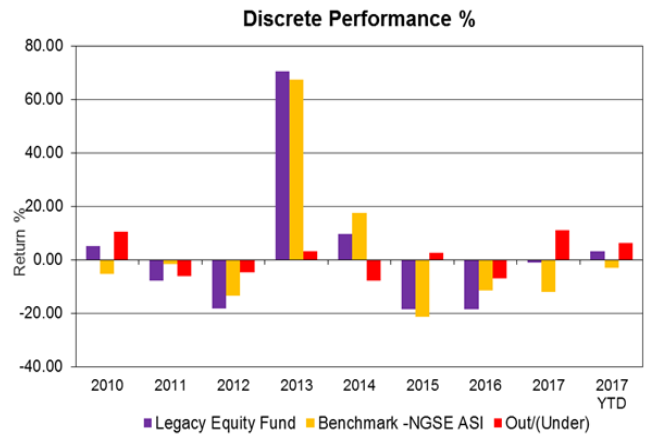
DEFAULT RISK: Risk that a company will not be able to honour its debt and may be forced to stop trading

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

PERFORMANCE

	Legacy Equity Fund Return (%)	Benchmark NGSE ASI Return (%)
January Performance	3.23	-3.12
Inflation-adjusted (based on Dec CPI m/m)	2.15	-4.14
5-Year annualised	Tracking Error	Information Ratio
	10.31	0.01

Fund Year: July - June



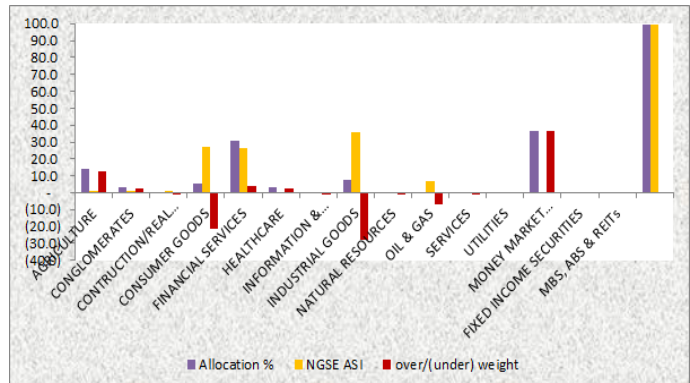
Performance returns are calculated on a Net-of-Fees basis
 The Fund paid a dividend of 8.7kobo per unit in July 2015

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.