



<b>FUND MANAGER</b>	<b>FCMB ASSET MANAGEMENT LTD</b>
<b>FUND TYPE</b>	<b>EQUITY FUND</b>
<b>PERIOD</b>	<b>OCTOBER 2020</b>

### 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
<b>Fund Incorporation</b>	2005	<b>Min additional purchase</b>	1,000 units
<b>Bloomberg Ticker / ISIN</b>	FCAMLEF NL / BGG007670TX2	<b>Entry/Exit fee</b>	Nil / 2%, if within 3-months
<b>Base currency</b>	Nigerian Naira (NGN)	<b>Annual Management fee</b>	1.50%
<b>Fund size</b>	₦683.0million	<b>Performance Fee</b>	1% of excess return over 20%
<b>Benchmark</b>	NGSE All share Index	<b>Trading frequency</b>	Daily
<b>Bid / Offer Price</b>	₦1.36/ ₦1.39	<b>Settlement</b>	Trade date + 5
<b>Total Expense Ratio</b>	2.11%	<b>Fund Year End</b>	June

### SUMMARY OF MARKET ACTIVITY AND OUTLOOK

At the end of October, the Fund closed with allocations of 78% and 22% to Equities and Money Market Instruments. The Fund returned 12.96%, compared with 13.76% for the index. The 5-year annualised volatilities for the Fund and Benchmark increased from 16.20% and 22.60%, in September, to 17.00% and 23.30%, in October, respectively.

Inflation data released by Nigeria's National Bureau of Statistics showed that Headline Consumer Price Index rose by 13.71% y/y in September 2020, compared with 13.22% in the previous month. Month-on-month, the Headline index increased by 1.48% in September, versus 1.34% previously. Core inflation, which excludes the prices of volatile food produce, increased by 0.06% in September, to 10.58% y/y. Also, Food inflation rose from 16.00% in the previous month, to 16.66% y/y. In the domestic sovereign bond market, yields decreased across all maturities. In October, the yield on the 3-year government bond decreased by 77 basis points, to 2.85%, and that on the 30-year bond fell by 206 basis points, to 7.30%. 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 8.46 times and 2.67 times, respectively. In the previous month, bid-to-cover ratios for the 15-year and 30-year FGN Bonds were 2.81 times and 6.03 times, respectively.

Internationally, the Emerging Markets Equity index increased by 3.65%. Elsewhere, the Developed Markets Equity index lost 1.98%.

### 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
<b>Emerging Markets</b>	972	3.65	1.77		20.30
<b>Developed Markets</b>	585	-1.98	-0.01		28.03
<b>Nigeria</b>	30531	13.76	13.74	7.81	11.14
<b>Kenya</b>	140	0.11	-15.85	-22.73	9.59
<b>South Africa</b>	51685	-4.75	-9.46	-23.50	21.47
<b>Brazil</b>	94395	-0.22	-18.38	-48.51	80.78
<b>Russia</b>	2691	-7.41	-11.66	-11.66	10.49
<b>India</b>	39614	4.06	-3.97	-7.66	27.84
<b>Hong Kong</b>	24107	2.76	-14.48	-14.04	12.92
<b>USA</b>	3253	-3.28	0.68	0.68	25.04
<b>Europe</b>	342	-5.39	-17.84	-14.07	36.25
<b>UK</b>	3150	-4.03	-24.94	-27.40	1194.99
<b>Japan</b>	1579	-2.84	-8.25	-4.38	26.45

\*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.

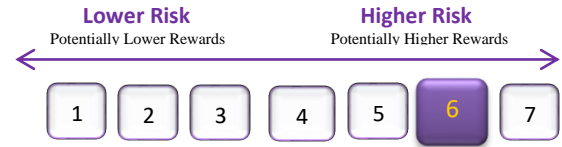


FCMB Asset Management Ltd (FCMBAM) is a subsidiary of CSL Stockbrokers Ltd, a member of FCMB Group plc. FCMBAM is authorised and regulated by the Securities & Exchange Commission, Nigeria.

### 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.

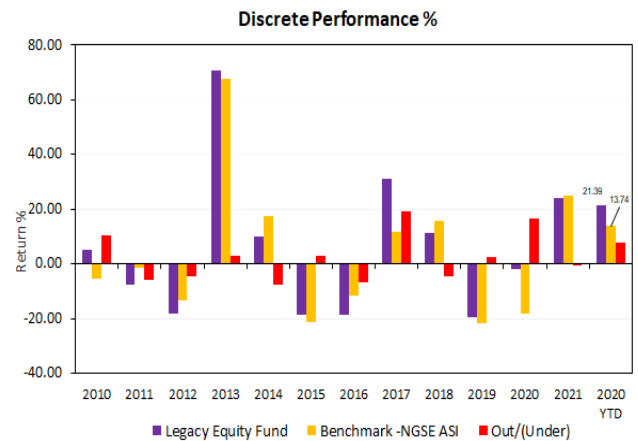
### Synthetic Risk & Reward Indicator



### PERFORMANCE

	Legacy Equity Fund Return (%)	Benchmark NGSE ASI Return (%)
<b>October Performance</b>	12.96%	13.76%
<b>Inflation-adjusted (based on September CPI m/m)</b>	11.31%	12.10%
<b>Range of expected annual returns, based on 5-year historical performance</b>	-8.21% to 25.79%	-19.72% to 26.88%
<b>5-Year annualised</b>	Tracking Error	Information Ratio
	<b>12.36%</b>	<b>0.36</b>

### Fund Year: July - June



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
<b>Money Market Instruments</b>	0 to 40%	10%
<b>Fixed Income Securities</b>	0 to 40%	5%
<b>Equities</b>	70 to 100%	85%
<b>Asset Backed and Mortgage Backed Securities &amp; REITs</b>	0 to 10%	0%

### Investment relative to benchmark

