

Fund Manager's Report

Monthly Commentary & Outlook

EQUITIES MARKET

The Nigerian equities market extended the bullish run to the month August as the NGX All-Share Index and Market Capitalization appreciated by 1.74% to 39,219.61 and ₦20.43 trillion respectively. The growth in equities market in the month of August could be attributed to impressive half-year earnings results and lower yields in fixed income market. The Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stood at -2.61% and +3.46% respectively. In September, we may likely see a slight increase in All-Share Index as we expect some local investors to migrate to equities market due to lower yields on risk-free securities. However, foreign investors are not expected to come to Nigerian equities market in September due to continuous depreciation of Naira in the FX market and insecurities in the country.

FIXED INCOME MARKET

In the secondary bond market, the market yield decreased by an average of 92 bps as it closed at 9.95% in August, compared to 10.87% recorded in July. The result for the 1-year, 2-year, 3-year, 5-year and 10-year bonds traded are 7.21% (-1.64%), 9.75% (-0.45%), 10.06% (-0.76%), 11.10% (-0.75%) and 11.64% (-1.01%) respectively. Also, in the primary bond market, the yields declined across board in August as marginal rate for longer tenure of FGN FEB 2028, FGN MAR 2036 and FGN MAR 2050 fell to 11.60% (July: 12.35% - FGN MAR 2027), 12.75% (July: 13.15% FGN MAR 2035) and 12.80% (July: 13.25% - FGN MAR 2050) respectively. This trend may continue in September due to the desire of government to reduce the debt service-to-revenue ratio of the country.

INFLATION

Inflation rate continued with downward trend in the month of July as it fell by 37 bps to 17.38% (from 17.75% recorded in the month of June), making four consecutive months Nigeria experience fall in inflation rate. Also, the composite food index fell by 21.83% in July, which is 45 bps lower than 21.83% recorded in the month of June 2021. The country is currently in harvest season, and we expect inflation rate to decline further in the month of August.

PAC Asset Management Limited

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NSE All-Share Index 52-wk Movement



Source: NSE, PAC Research

Treasury Bills Market

	Jul-21	Aug-21	% Change
365-day T-bills (%)	8.20	6.80	-17.07%
OMO Bills (%)	8.69	6.04	-30.49%

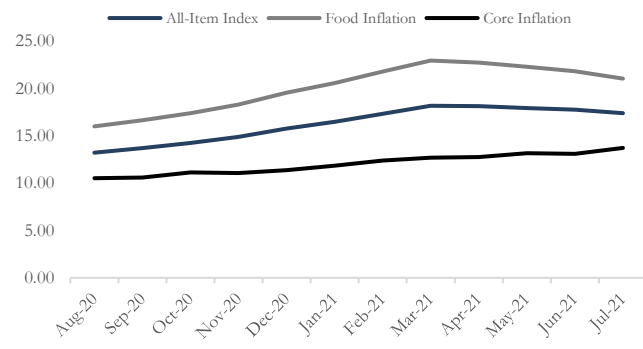
FGN Bond Yield

TENOR (SEC. MARKET)	JULY (%)	AUG. (%)	CHANGE (%)
1-YEAR	8.85	7.21	-1.64
2-YEAR	10.2	9.75	-0.45
3-YEAR	10.82	10.06	-0.76
5-YEAR	11.85	11.10	-0.75
10-YEAR	12.65	11.64	-1.01

BOND AUCTION RESULTS			
	JULY (%)	AUG. (%)	CHANGE (%)
FGN FEB 2028	12.35	11.60	-0.75
FGN MAR 2036	13.15	12.75	-0.40
FGN MAR 2050	13.25	12.80	-0.45

Source: FMDQ, DMO, PAC Research

Inflation Rate – Year-on-Year (%)



Source: NBS, PAC Research

OIL PRICE

In line with our projection, the average price of Brent crude oil fell by 5.09% to \$70.51 per barrel in the month of August, when compared to the average oil price of \$74.29 per barrel recorded for the month of July 2021. The decline in the price of crude oil could be attributed to the decision of OPEC+ to increase oil production by 400,000 bpd.

We may likely see a slight increase in the price of crude oil in the global market in September due to improved COVID-19 vaccination in many countries, which resulted to improved economic activities.

Crude Oil Price (\$/barrel)



Source: Bloomberg, PAC Research

FOREIGN EXCHANGE MARKET

On Investors and Exporters Window, Naira depreciated marginally by 0.01% in the month of August as exchange rate closed at ₦411.50/\$ (July 2021: ₦411.44/\$). The decision of the Central Bank of Nigeria (CBN) to discontinue sale of FX to BDC continue to bite hard on Naira in the parallel market as Naira depreciated further in the month of August. Naira may likely depreciate further in the month of September if the Apex Bank continue to allow speculations to dictate the value of Naira in the Market.

Foreign Exchange Market

SPOT	JULY (₦)	AUG. (₦)	CHANGE
USD (I&E Rate)	411.44	411.5	0.01%
USD (Parallel Market)	515	526	2.14%
GBP (Parallel Market)	712	715	0.42%
EUR (Parallel Market)	597	612	2.51%

*+Depreciation, -Appreciation

Source: FMDQ Aboki FX, PAC Research

Fund Prices:	31-Aug-2021	30-Jul-21	% Change
PACAM Balanced Fund	₦1.67	₦1.67	0.24%
PACAM Fixed Income Fund	₦11.56	₦11.50	0.49%
PACAM Money Market Fund	₦10.00	₦10.00	0.00%
PACAM Equity Fund	₦1.65	₦1.67	-1.46%
PACAM Eurobond Fund	\$113.93	\$113.40	0.47%



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PAC Asset Management

PACAM MONEY MARKET FUND(MMF) - FUND MANAGER'S REPORT

31-Aug-21

INVESTMENT OBJECTIVE

The Fund seeks to ensure steady stream of income and capital preservation for investors with modest risk appetite who value liquidity and security of assets.

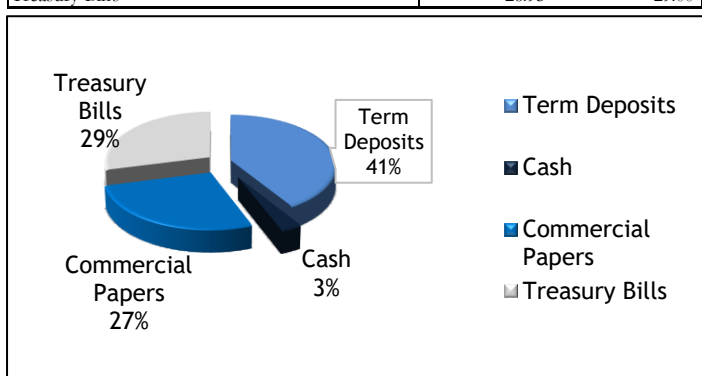
The Fund invests in low-risk short term Money Market securities such as Treasury Bills, Bank Placement, Commercial Papers, and Promissory notes with tenors of 365 days or less.

FUND INFORMATION

Fund type	Open-ended
Category	Money Market Fund
Risk profile	Low
Launch date	27-Jul-16
Fund Manager	PAC Asset Management Limited
Trustees	Greenwich Trustees Limited
Custodian	UBA Global Investor Services
Auditors	BDO Professional Services
Management Fee	1% of NAV
Benchmark	91-day Nigerian Treasury Bill
Dividend Frequency	Quarterly
6-year Annual Growth Rate	10.31%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 10.00

ASSET QUALITY (% TOTAL ASSETS)

	Jul-21	Aug-21
Term Deposits	30.43	41.06
Cash	4.76	3.00
Commercial Papers	37.86	26.94
Treasury Bills	26.95	29.00



PERFORMANCE REVIEW

The fixed income market has seen yields decline during the month. In the month of August, the Fund Manager improved the money market fund yield which inched up marginally as the Fund Manager took strategic positions with improved market rates.

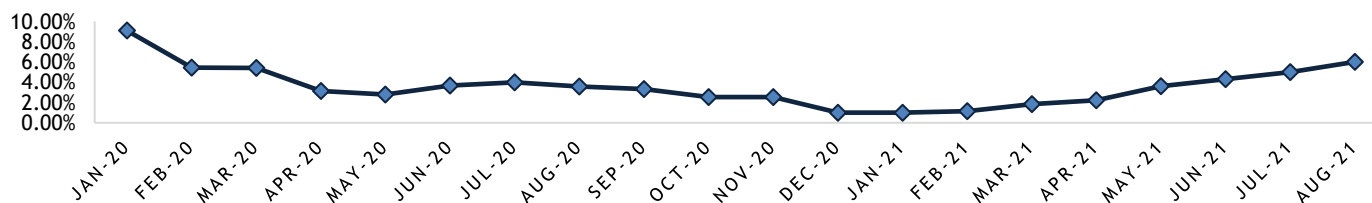
INVESTMENT COMMITTEE

Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Bunkaya Gana	Trustee's Representative
Mr. Bamidele Ige	Member
Mr Moses Ojo	Member
Mrs Taiwo Sonola	Custodian

FUND RETURNS

	Jul-21	Aug-21
Current Yield	5.00%	6.01%
Inception to Date	62.91%	63.66%

FUND YIELD CHART



PACAM FIXED INCOME FUND

31-Aug-21

INVESTMENT OBJECTIVES

The objective of the Fund is to generate a steady return on capital and assured liquidity for all classes of investors. The Fund's investments will mostly be in long tenured debt instruments of the FGN, States and highly rated corporate institutions. The Fund may also invest its assets in money market securities such as Treasury Bills, Commercial papers, Bankers Acceptances and Certificate of Deposits with rated banks in Nigeria.

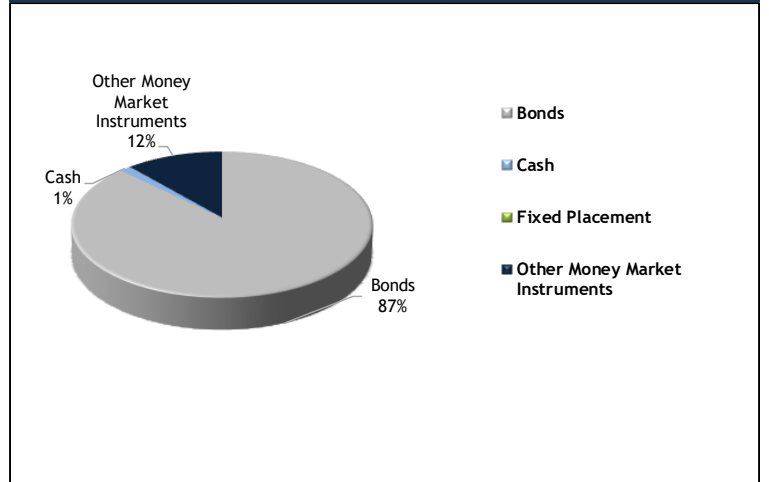
FUND INFORMATION

Fund type	Open-ended
Category	Fixed Income Fund
Risk profile	Moderate
Launch date	27-Jul-16
Fund Manager	PAC Asset Management Limited
Trustees	GTL Trustees Limited
Custodian	UBA Global Investor Services
Auditors	BDO Professional Services
Management Fee	1% of NAV
Benchmark	5-year Nigerian Sovereign Bond
Dividend Frequency	Annual
5-Year Annual Growth Rate	7.43%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 11.56

ASSET QUALITY (% TOTAL ASSETS)

	Jul-21	Aug-21
Bonds	88.61	87.22
Cash	0.66	1.36
Fixed Placement	-	-
Other Money Market Instruments	10.72	11.42

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

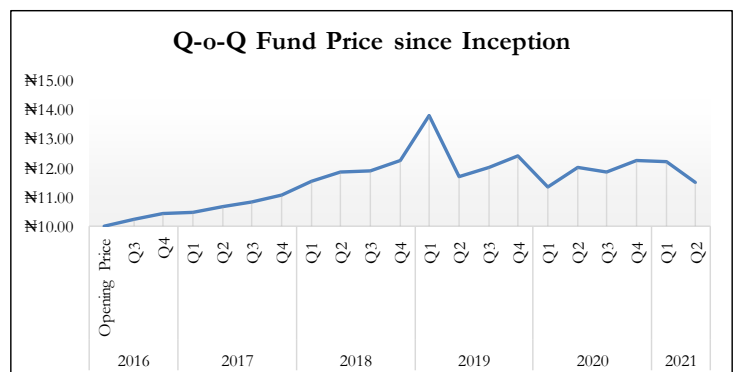
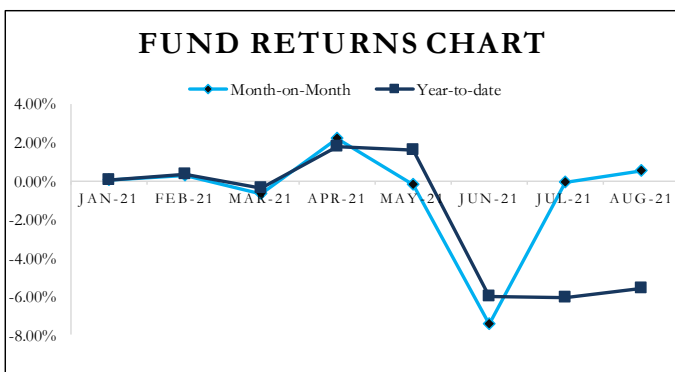
In spite of the declining yields in the fixed income markets, the Fund saw a slight increase in NAV. We still maintain that this presents opportunity to take renewed positions in the fund.

INVESTMENT COMMITTEE

Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Bunkaya Gana	Trustee's Representative
Mr. Bamidele Ige	Member
Mr Moses Ojo	Member
Mrs Taiwo Sonola	Custodian

FUND RETURNS

	Jul-21	Aug-21
Month-on-Month	-0.09%	0.52%
Year-to-date	-6.07%	-5.58%
Inception-to-date	45.95%	46.55%



PACAM BALANCED FUND (PBF) - FUND MANAGER'S REPORT

31-Aug-21

INVESTMENT OBJECTIVES

The primary objective of PACAM Balanced Fund is to achieve long-term capital appreciation, capital preservation as well as providing a stable stream of income to investors by investing the Fund's assets across a mix of investment-grade fixed income instruments, Money Market Instruments & Real Estate Assets and high quality listed equities on the NSE.

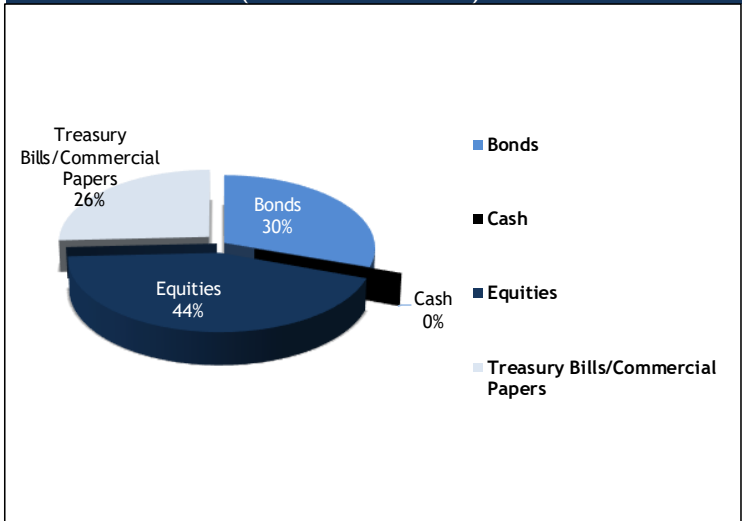
FUND INFORMATION

Fund type	Open-ended
Category	Balanced Fund
Risk profile	Moderate
Launch date	15-May-15
Fund Manager	PAC Asset Management Limited
Trustees	FBN Trustees Limited
Custodian	UBA Global Investor Services
Auditors	BDO Professional Services
Management Fee	1% of NAV
Benchmark	Composite index comprising of NSE ASI, 5-Year Nigerian Sovereign Bond, 1-Year Nigerian Treasury Bill
Dividend Frequency	Annual
6-Year Annual Growth Rate	13.07%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 1.67

ASSET QUALITY (% TOTAL ASSETS)

	Jul-21	Aug-21
Bonds	29.74	30.28
Cash	0.68	0.21
Equities	43.86	43.74
Fixed Placement	-	-
Treasury Bills/Commercial Papers	25.71	25.78

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

The fund witnessed a slight increase in NAV. A positive M-o-M ASI growth has helped the Fund's growth as we see investors renew interests in the Equities market as companies release H1 financial results and declare interim dividends. The fund manager will continue to carry out tactical allocation measures to ensure a fully optimized portfolio.

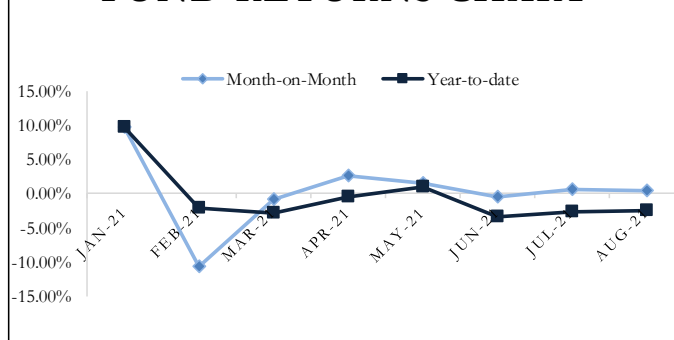
INVESTMENT COMMITTEE

Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Olufemi Okin	Trustee's Representative
Mr. Bamidele Ige	Member
Mr Moses Ojo	Member
Mrs Taiwo Sonola	Custodian

FUND RETURNS

	Jul-21	Aug-21
Month-on-Month	0.64%	0.29%
Year-to-date	-2.74%	-2.45%
Inception-to-date	104.93%	105.43%

FUND RETURNS CHART



Q-o-Q Fund Price since Inception



PACAM EQUITY FUND (PEF) - FUND MANAGER'S REPORT

31-Aug-21

INVESTMENT OBJECTIVES

The primary objective of PACAM Equity Fund is to achieve long-term capital appreciation by investing in high quality listed equities across sectors on the Nigerian Stock Exchange (NGX) as well as Fixed income instruments, with more concentration on equity instruments.

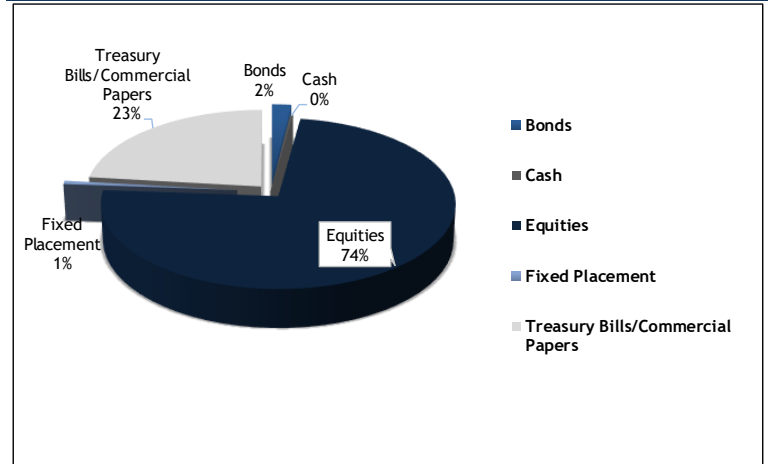
FUND INFORMATION

Fund type	Open-ended
Category	Equity Fund
Risk profile	High
Launch date	20-May-19
Fund Manager	PAC Asset Management Limited
Trustees	FCMB Trustees Limited
Custodian	UBA Global Investor Services
Auditors	BDO Professional Services
Management Fee	1% of NAV
Benchmark	NSE All Share Index
Dividend Frequency	Annual
Compounded Annual Growth Rate	22.73%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 1.65

ASSET QUALITY (% TOTAL ASSETS)

	Jul-21	Aug-21
Bonds	1.74	1.94
Cash	1.30	0.29
Equities	74.24	73.93
Fixed Placement	-	0.65
Treasury Bills/Commercial Papers	22.72	23.19

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

The PACAM Equity fund witnessed a slight decline in price of the fund and NAV. We saw renewed interests by Investors as companies roll out H1 financial results and also declare interim dividends. The fund manager has taken strategic and tactical positions to ensure capital appreciation by investing in blue chip stocks.

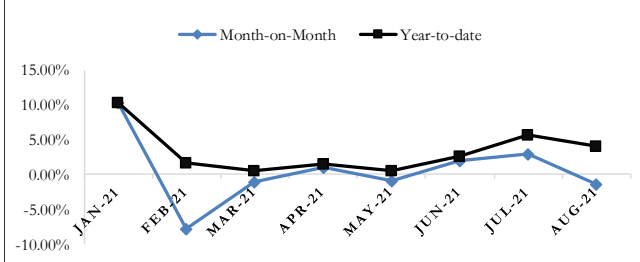
INVESTMENT COMMITTEE

Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr Osamede Fadaka	Trustee's Representative
Mr. Bamidele Ige	Member
Mr Moses Ojo	Member
Mrs Taiwo Sonola	Custodian

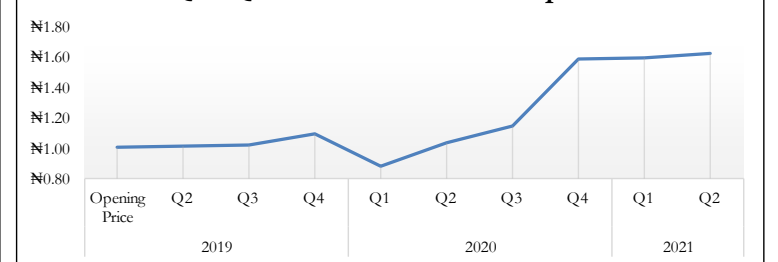
FUND RETURNS

	Jul-21	Aug-21
Month-on-Month	2.99%	-1.44%
Year-to-date	5.63%	4.11%
Inception-to-date	66.92%	64.51%

FUND RETURNS CHART



Q-o-Q Fund Price since Inception



PACAM EUROBOND FUND

31-Aug-21

INVESTMENT OBJECTIVES

The objective of the Fund is to generate a steady return on capital and assured liquidity for all classes of investors. The Fund's investments will mostly be in dollar-denominated long tenured debt instruments of the FGN, States and highly rated corporate institutions. The Fund may also invest its assets in dollar-denominated money market securities.

FUND INFORMATION

Fund type	Open-ended
Category	Dollar Denominated Bond Fund
Risk profile	Moderate
Launch date	20-May-19
Fund Manager	PAC Asset Management Limited
Trustees	FCMB Trustees Limited
Custodian	UBA Global Investor Services
Auditors	BDO Professional Services
Management Fee	1% of NAV
Benchmark	5-Year Nigerian sovereign Eurobond
Dividend Frequency	Annual
Compounded Annual Growth Rate	5.89%
Dealing Days	Monday - Friday
NAV per unit (USD)	\$ 113.93

PERFORMANCE REVIEW

The Fund saw an increase the NAV, as the Fund manager has taken strategic positions to ensure capital preservation and growth. The fund still presents tactical opportunities.

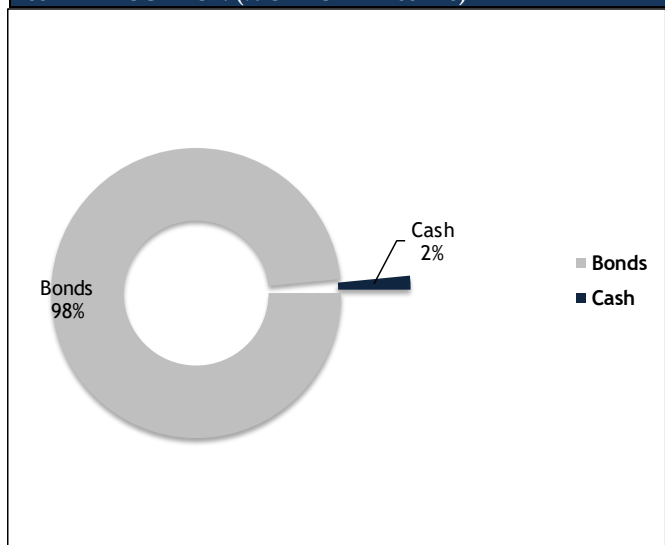
INVESTMENT COMMITTEE

Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mrs Yemisi Arowolo	Trustee's Representative
Mr. Bamidele Ige	Member
Mr Moses Ojo	Member
Mrs Taiwo Sonola	Custodian

ASSET QUALITY (% TOTAL ASSETS)

	Jul-21	Aug-21
Bonds	99.11	98.45
Cash	0.89	1.55

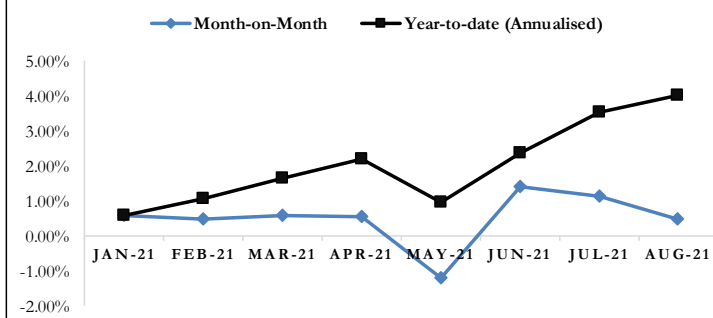
ASSET ALLOCATION (% OF TOTAL ASSETS)



FUND RETURNS

	Jul-21	Aug-21
Month-on-Month	1.12%	0.47%
Year-to-date (Annualised)	3.53%	4.02%
Inception-to-date	14.40%	14.93%

FUND RETURNS CHART



Q-o-Q Fund Price since Inception



To invest, kindly make payment to the bank accounts detailed below:

	PACAM Money Market Fund	PACAM Fixed Income Fund	PACAM Balanced Fund	PACAM Equity Fund	PACAM Eurobond Fund
Bank	UBA PLC	UBA PLC	UBA PLC	UBA PLC	UBA PLC
Account Name	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Money Market Fund	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Fixed Income Fund	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Balanced Fund	UBA NOM-FCMB Trustees/PACAM Equity Fund	UBA NOM-FCMB Trustees/PACAM Eurobond Fund
Account No.	1019535675	1019535682	1019045402	1021941770	1021941866
Currency	NGN	NGN	NGN	NGN	USD
USSD Code	*402*91904308* AMOUNT#	*402*91904309*AMOUNT#	*402*91904312*AMOUNT#	*402*91904311* AMOUNT#	-

** USSD Code is currently active for UBA and Zenith Bank account users only.*