

Fund Manager's Report

Monthly Commentary & Outlook

EQUITIES MARKET

The Nigerian equities market was dominated by the *bears* in the month of June, as the NSE All-Share Index and Market Capitalization depreciated by 1.38% and 1.37% to 37,907.28 and ₦19.76 trillion, respectively. In total, the equities market declined by 5.87% in the first half of 2021, due to increased appetite of local investors in the fixed income market and lower participation of foreign investors in the market. The Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stood at -5.87% and -2.91% respectively. In July, we may likely see a reversal of the bearish trend in the equities market as we expect investors to take advantage of the undervalued stocks in the market and position themselves for interim dividend payment.

FIXED INCOME MARKET

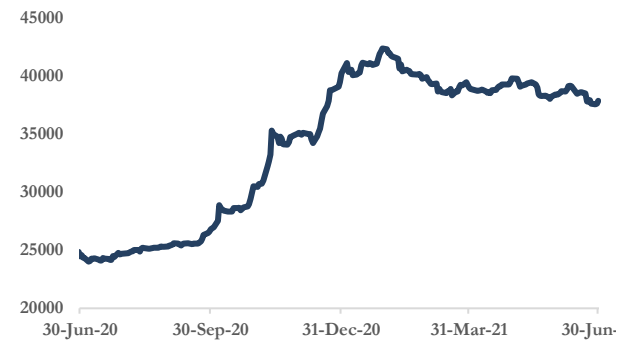
In the secondary bond market, the average market yield decreased marginally by an average of 4 bps as it closed at 11.38% in June, as against 11.42% recorded in May. The result for the 1-year, 2-year, 3-year, 5-year and 10-year bonds traded are 9.54% (+2.31%), 11.48% (-0.32%), 11.22% (-0.82%), 12.60% (-0.14%) and 12.26% (-0.81%) respectively. In the primary bond market, the yields declined across board in June as marginal rate for FGN MAR 2027, FGN MAR 2035 and FGN JUL 2045 fell to 12.74% (May 13.10%), 13.50% (May: 14.00%) and 13.70% (May: 14.20%) respectively. With the decline in July FGN Savings Bond, we may likely witness a slight setback in the bond market in the month of July.

INFLATION

For the second time in the first half of 2021, inflation rate declined by 19 bps to 17.93% in the month of May (from 18.12% recorded in the month of April), due to reduction in food prices during the period. The composite food index fell by 22.28% in May, which is 44 bps lower than 22.72% recorded in the month of April 2021. Inflation rate may likely increase in the second half of 2021 due to the insecurity in food producing states, high input costs, high electricity tariff and expectation of subsidy removal which may bite hard on food inflation.

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NSE All-Share Index 52-wk Movement



Source: NSE, PAC Research

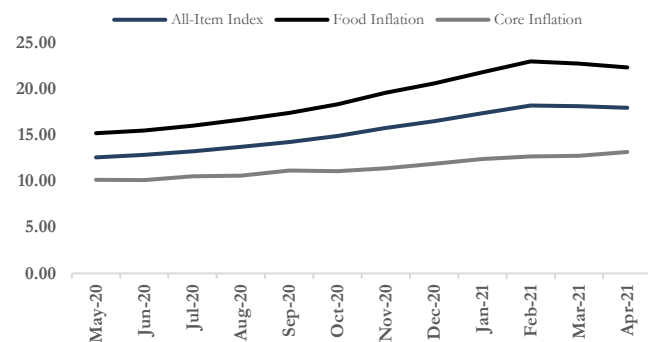
FGN Bond Yield

TENOR (SEC. MARKET)	MAY (%)	JUNE (%)	CHANGE (%)
1-YEAR	7.23	9.54	+2.31
2-YEAR	11.80	11.48	-0.32
3-YEAR	12.04	11.22	-0.82
5-YEAR	12.74	12.60	-0.14
10-YEAR	13.07	12.26	-0.81

BOND AUCTION RESULTS			
	MAY (%)	JUNE (%)	CHANGE (%)
FGN MAR 2027	13.10	12.74	-0.36
FGN MAR 2035	14.00	13.50	-0.50
FGN JUL 2045	14.20	13.70	-0.50

Source: FMDQ, DMO, PAC Research

Inflation Rate – Year-on-Year (%)



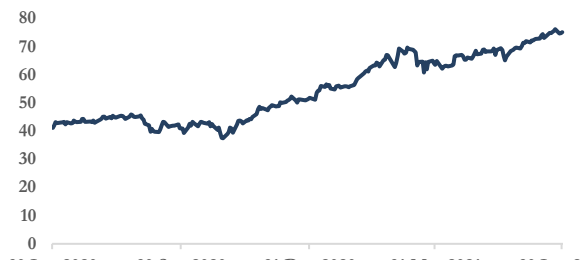
Source: NBS, PAC Research

OIL PRICE

The average price of Brent crude oil increased by 8.00% to \$73.41 per barrel in the month of June, when compared to the average oil price of \$67.97 per barrel recorded for the month of May 2021. In line with our projection, the improvement in the vaccination (which translated to improved economic activities in many countries) mirrored on the demand for crude oil in the month of June 2021.

We may likely see a slight decline in the price of crude oil in the month of July due to the cancellation of OPEC+ meeting, which may lead to high oil output from the members.

Crude Oil Price (\$/barrel)



Source: Bloomberg, PAC Research

FOREIGN EXCHANGE MARKET

On Investors and Exporters Window, Naira appreciated by 0.23% in the month of June as exchange rate closed at ₦410.70/\$ (May 2021: ₦410.00/\$). However, Naira depreciated against USD, GBP and EUR in the parallel market, which may be a reflection of the devaluation of Naira (in the previous month) and the depletion of foreign exchange reserve during the period.

The parallel market has already reacted to the devaluation of Naira and the depletion of foreign exchange reserve in the month of June albeit the CBN's statement regarding the local currency being overvalued by up to 10%. As a result, we may see relative stability in foreign exchange market in the month of July.

Foreign Exchange Market

SPOT	MAY (₦)	JUNE (₦)	CHANGE (%)
USD (I&E Rate)	410.00	410.70	-0.23%
USD (BDC)	482.00	500.00	+1.01%
GBP (BDC)	674.00	718.00	+2.87%
EUR (BDC)	583.00	605.00	+1.00%

*+Depreciation, -Appreciation

Source: FMDQ Aboki FX, PAC Research

Fund Prices:	30 June 2021	31 May 2021	% Change
PACAM Balanced Fund	N1.66	N1.67	-0.60%
PACAM Fixed Income Fund	N 11.51	N 12.44	-7.48%
PACAM Money Market Fund	N10.00	N10.00	0.00%
PACAM Equity Fund	N 1.62	NGN 1.59	1.89%
PACAM Eurobond Fund	\$112.15	\$111.60	0.49%

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

30-Jun-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.

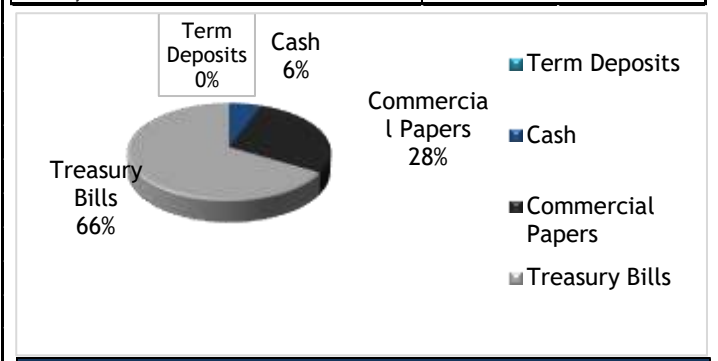
The Fund invests in low-risk short term Money Market securities such as Treasury Bills, Bank Placement, Commercial Papers, and Promissory notes with tenors of 365 days or less.

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)

	May-21	Jun-21
Term Deposits	-	33.40
Cash	5.70	11.69
Commercial Papers	27.85	28.88
Treasury Bills	66.46	26.02



PERFORMANCE REVIEW

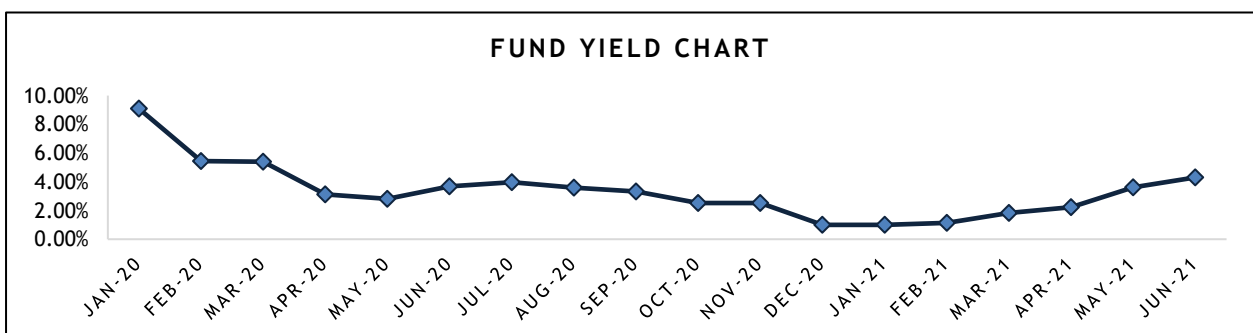
The fixed income market has seen a significant improvement in the year 2021. In the month of June, the money market fund saw yields inch up marginally as the Fund Manager took strategic positions with improved rates.

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

	May-21	Jun-21
Current Yield	3.61%	4.30%
Inception to Date	61.98%	62.48%



PACAM FIXED INCOME FUND

30-Jun-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.

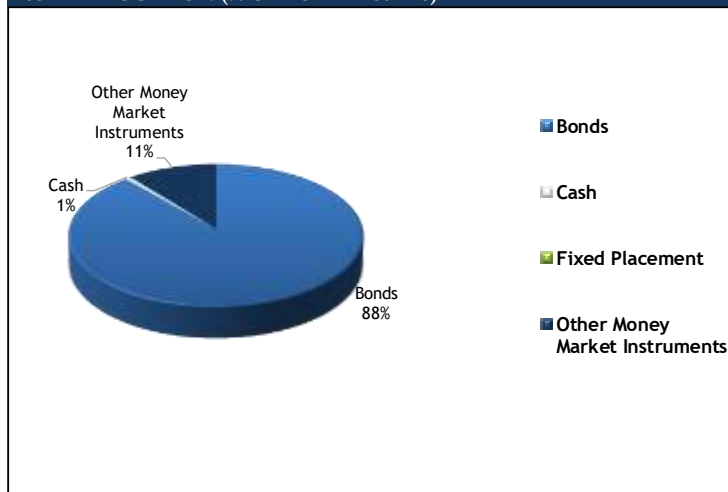
FUND INFORMATION

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	2.79%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 11.51

ASSET QUALITY (% TOTAL ASSETS)

	May-21	Jun-21
Bonds	83.48	88.61
Cash	1.34	0.66
Fixed Placement	-	-
Other Money Market Instruments	15.18	10.72

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

The slight reduction on NAV was due to movement in asset prices, as qualified Unitholders were paid dividends for year ended December 2019. This presents opportunity to consolidate holdings in the fund.

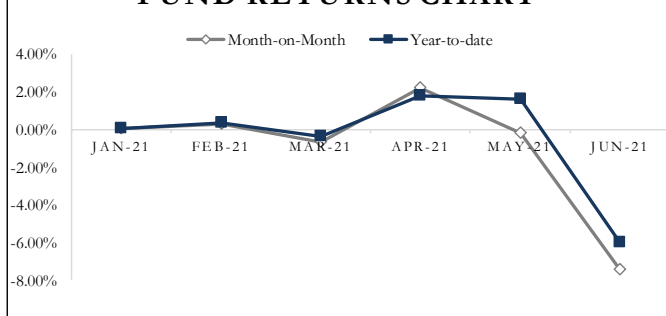
INVESTMENT COMMITTEE

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

	May-21	Jun-21
Month-on-Month	-0.19%	-7.47%
Year-to-date	1.60%	-5.99%
Inception-to-date	45.34%	46.05%

FUND RETURNS CHART



Q-o-Q Fund Price since Inception



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

30-Jun-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.

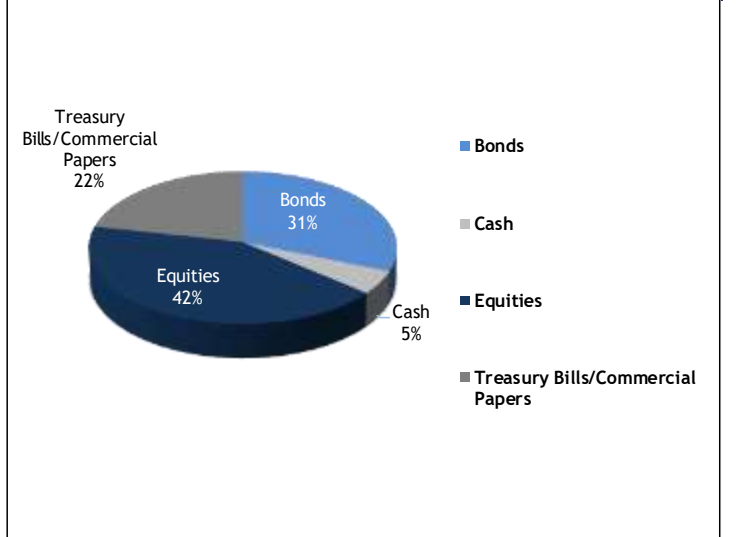
FUND INFORMATION

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	13.34%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 1.66

ASSET QUALITY (% TOTAL ASSETS)

	May-21	Jun-21
Bonds	29.93	31.17
Cash	0.59	4.92
Equities	43.25	42.22
Fixed Placement	-	-
Treasury Bills/Commercial Papers	26.23	21.69

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

The fund witnessed a slight decrease in NAV. The Fund saw its Unitholders receive dividends for the year ended december 2019. As the volatility in the Equities market continues to persist, the fund manager will continue to carry out tactical allocation measures to ensure a fully optimized portfolio.

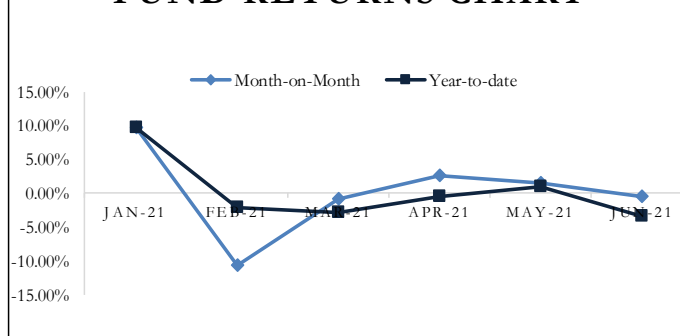
INVESTMENT COMMITTEE

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

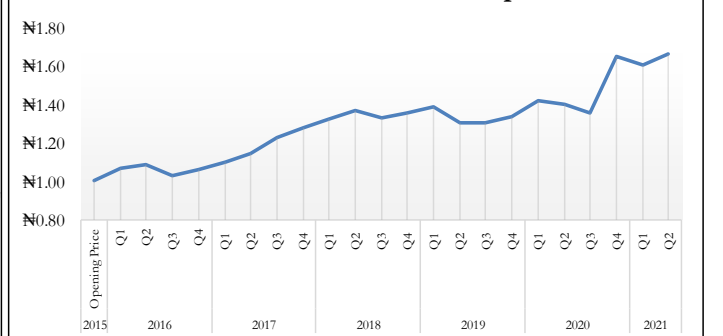
FUND RETURNS

	May-21	Jun-21
Month-on-Month	1.52%	-0.45%
Year-to-date	0.94%	-3.39%
Inception-to-date	92.23%	103.84%

FUND RETURNS CHART



Q-o-Q Fund Price since Inception



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

30-Jun-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.

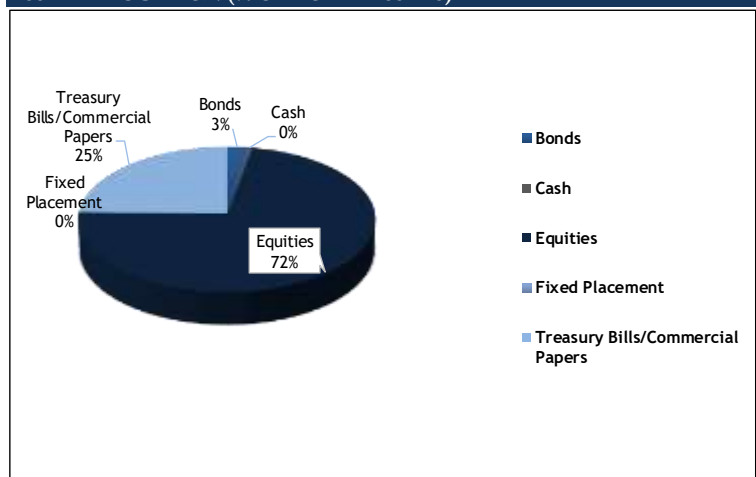
FUND INFORMATION

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	23.82%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 1.62

ASSET QUALITY (% TOTAL ASSETS)

	May-21	Jun-21
Bonds	2.51	2.63
Cash	0.45	0.34
Equities	72.38	72.70
Fixed Placement	-	-
Treasury Bills/Commercial Papers	24.66	24.33

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

The PACAM Equity fund witnessed an increase in price of the fund and NAV. The fund manager has taken strategic and tactical positions to ensure capital appreciation by investing in blue chip stocks.

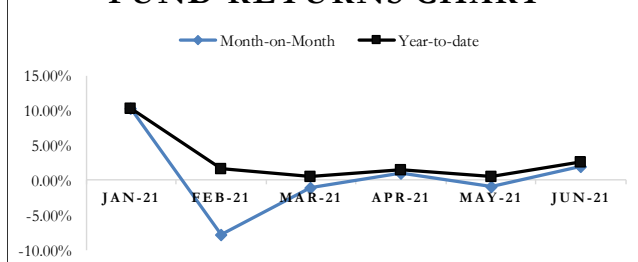
INVESTMENT COMMITTEE

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

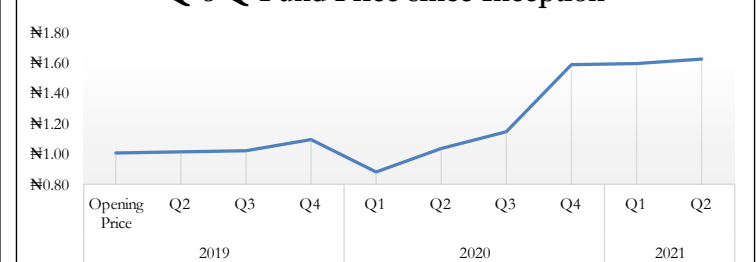
FUND RETURNS

	May-21	Jun-21
Month-on-Month	-0.89%	2.01%
Year-to-date	0.55%	2.57%
Inception-to-date	58.88%	62.07%

FUND RETURNS CHART



Q-o-Q Fund Price since Inception



PACAM EUROBOND FUND

30-Jun-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.

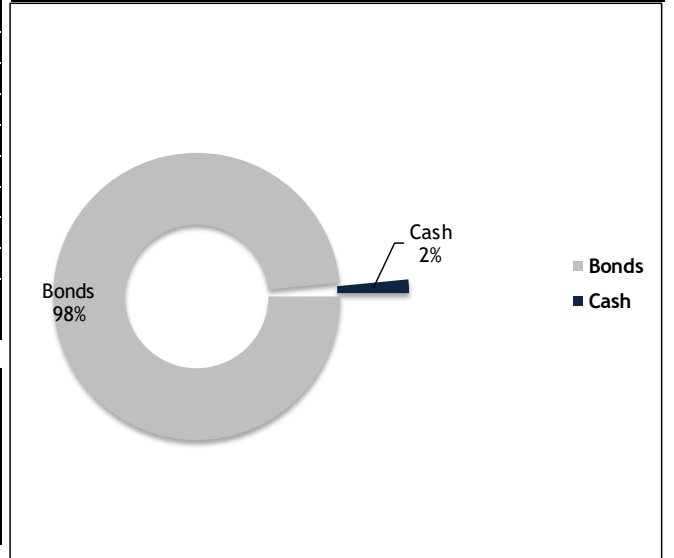
FUND INFORMATION

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	5.96%
Dealing Days	Monday - Friday
NAV per unit (USD)	\$ 112.15

ASSET QUALITY (% TOTAL ASSETS)

	May-21	Jun-21
Bonds	98.88	98.47
Cash	1.12	1.53

ASSET ALLOCATION (% OF TOTAL ASSETS)



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.

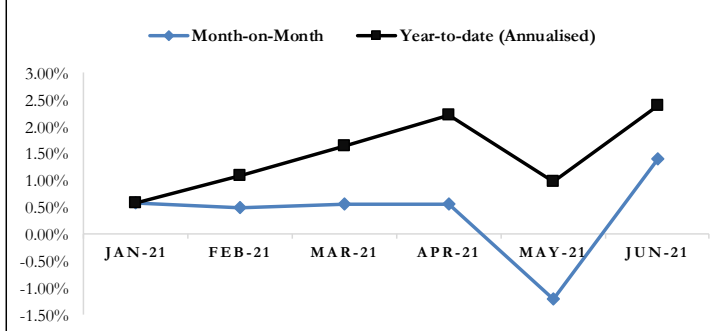
INVESTMENT COMMITTEE

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

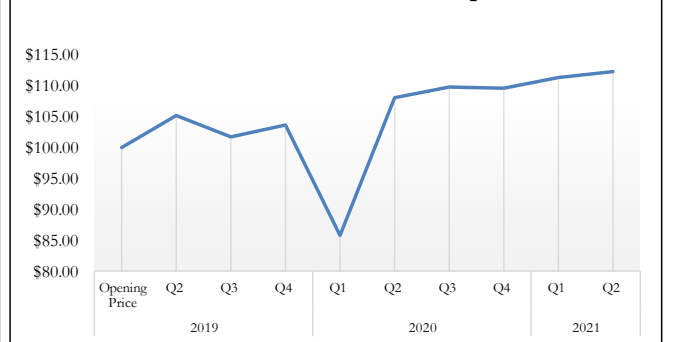
FUND RETURNS

	May-21	Jun-21
Month-on-Month	-1.21%	1.40%
Year-to-date (Annualised)	0.97%	2.38%
Inception-to-date	11.60%	13.15%

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