

Fund Manager's Report

Monthly Commentary & Outlook

EQUITIES MARKET

In line with our forecast, bears closed the last month of 2021 as the NGX All-Share Index and Market Capitalization depreciated by 1.23% and 1.20% to 42,716.44 and ₦22.30 trillion respectively, driven by the losses recorded in BUACEMENT (-10.00%), DANGCEM (-8.21%) and SEPLAT (-6.47%). However, the bulls dominated the year 2021 and the last quarter of 2021 as Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stood at +6.07% and +6.20% respectively. With the expectation of improved economic activities and anticipation of dividend payment for the FY'21, we may likely see positive performance in the Nigerian equities market in the month of January.

FIXED INCOME MARKET

In the secondary bond market, the average market yield improved by an average of 13 bps as it closed at 9.87% in December, compared to 9.74% recorded in November. The result for the 1-year, 2-year, 3-year, 5-year and 10-year bonds traded are 5.62% (-0.58%), 8.82% (-0.17%), 10.05% (+0.58%), 12.28% (+0.46%) and 12.60% (+0.36%) respectively. However, the average yield in the primary bond market grew by 8 bps in December as marginal rate for longer tenure of FGN JAN 2026 and FGN APR 2037 closed at 11.65% (Nov: 11.65% - FGN JAN 2026) and 13.10% (Nov: 12.95% FGN APR 2037) respectively. With the expectation of higher inflation rate and desire of government to attract foreign portfolio investors into the country, we may likely see improvement in yields in the month of January.

INFLATION

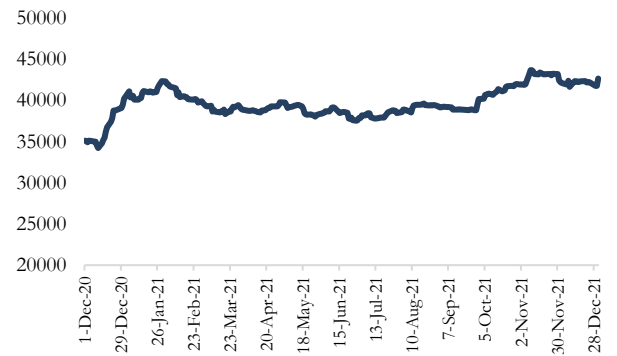
Nigeria continued to enjoy harvest season as inflation rate fell for the eighth consecutive months in November 2021. The headline index dropped by 59 bps to 15.40% in November 2021 (vs. 15.99% in October), mainly driven by the reduction in food prices. The composite food index fell by 17.21% in November, which is 113 bps lower than 18.34% recorded in the month of October 2021. We may likely see an increase in inflation rate in the month of December, for the first in nine months, due to the heightened spending during the Christmas period.

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NSE All-Share Index 52-wk Movement



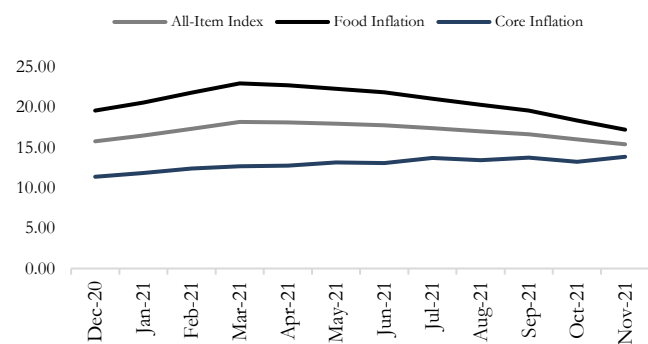
Source: NSE, PAC Research

FGN Bond Yield

TENOR (SEC. MARKET)	NOV. (%)	DEC. (%)	CHANGE (%)
1-YEAR	6.20	5.62	-0.58
2-YEAR	8.99	8.82	-0.17
3-YEAR	9.47	10.05	0.58
5-YEAR	11.82	12.28	0.46
10-YEAR	12.24	12.60	0.36
BOND AUCTION RESULTS			
	NOV. (%)	DEC. (%)	CHANGE (%)
FGN JAN 2026	11.65	11.65	0.00
FGN APR 2037	12.95	13.10	0.15
FGN MAR 2050	13.20	N/A	-

Source: FMDQ, DMO, Bloomberg, PAC Research

Inflation Rate – Year-on-Year (%)



Source: NBS, PAC Research

OIL PRICE

The average price of Brent crude oil fell by 7.48% to \$74.80 per barrel in the month of December 2021, when compared to the average oil price of \$80.85 per barrel recorded for the month November 2021. In line with our projection, the decision of United States to release about 50 million barrels from its Strategic Petroleum Reserve had negative impact on the price of crude oil in the commodity market in the month of December. With the expectation of improved economic activities in various countries, we may likely see increase in demand for crude oil in the month of January 2022. This is expected to lead to improved oil price in the commodity market in January 2022.

Crude Oil Price (\$/barrel)



FOREIGN EXCHANGE MARKET

On Investors and Exporters Window, Naira depreciated significantly by ₦21.14 in the month of December 2021 as exchange rate closed at ₦435.00/\$ (November 2021: ₦413.86/\$). This may be attributed to the increase in demand for dollars in the foreign exchange market as most people demand for more imported goods during the Christmas period. CBN may likely improve the supply of dollars to the market in the month of January 2022 to reduce speculation in the market. Hence, we expect naira to appreciate, against dollar, in January 2022.


Foreign Exchange Market

SPOT	NOV. (₦)	DEC. (₦)	CHANGE
USD (I&E Rate)	413.86	435.00	+5.11%


**+Depreciation, -Appreciation*

Source: FMDQ, PAC Research


Fund Prices:	30 Nov 2021	31 Dec 2021	% Change
PACAM Balanced Fund	₦1.60	₦1.60	0.00%
PACAM Fixed Income Fund	₦11.09	₦11.18	0.78%
PACAM Money Market Fund	₦10.00	₦10.00	0.00%
PACAM Equity Fund	₦1.47	₦1.43	-2.72%
PACAM Eurobond Fund	\$112.68	\$115.27	2.30%



PAC Asset Management
MUTUAL FUNDS ■ FIXED INCOME ■ WEALTH MANAGEMENT



- Your Asset Manager of Choice.



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

31-Dec-21

INVESTMENT OBJECTIVE

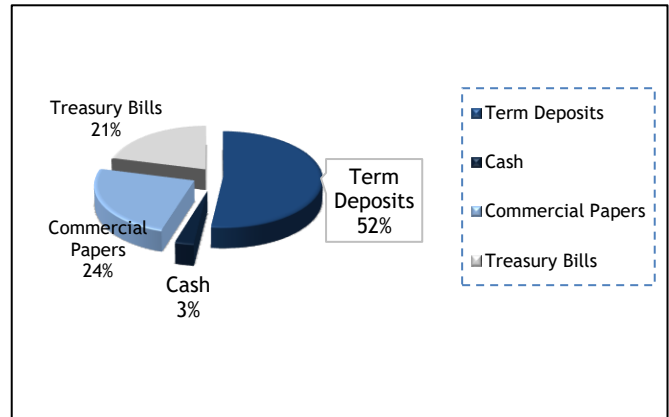
The Fund seeks to ensure steady stream of income and capital preservation for investors with modest risk appetite who value liquidity and security of assets.

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	9.92%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 10.00

ASSET QUALITY (% TOTAL ASSETS)	Nov-21	Dec-21
Term Deposits	51.95	53.82
Cash	2.83	2.81
Commercial Papers	24.18	21.25
Treasury Bills	21.04	22.12



PERFORMANCE REVIEW

The Fixed Income space saw downturn trends in yields during the month, as the money market fund yield declined by 3 basis points (3bps). The Fund Manager still maintains strategic positions to improve yields amidst dwindling trends.

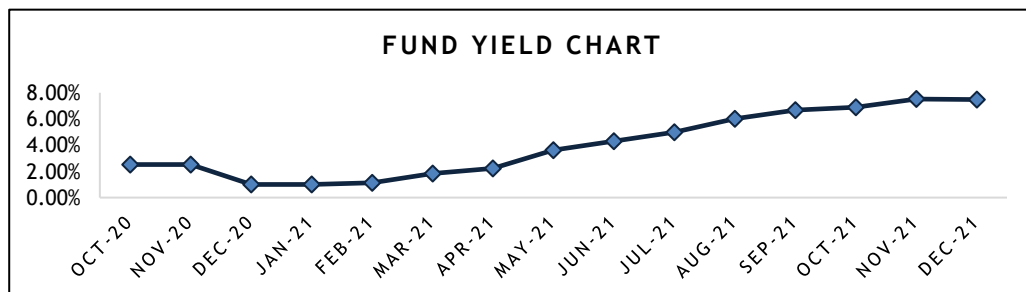
INVESTMENT COMMITTEE

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

FUND RETURNS

	Nov-21	Dec-21
Current Yield	7.52%	7.49%
Inception to Date	66.05%	67.13%

***N1,000,000.00 invested at inception is worth N1,671,300.00 today.*



PACAM FIXED INCOME FUND

31-Dec-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	6.96%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 11.18

PERFORMANCE REVIEW

The Fund saw an increase in NAV price albiet downturn trends in yields during the month in he Fixed Income space. This still presents an opportunity to take renewed positions in the fund even as the Fund Manager maintains strategic positions to improve Fund's Yield.

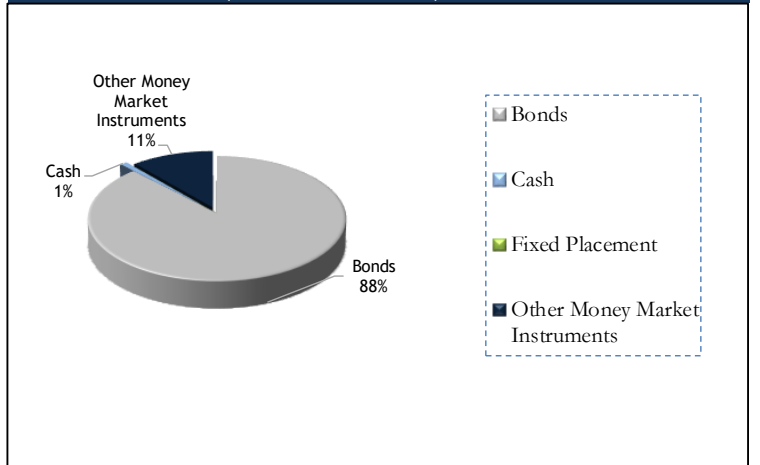
INVESTMENT COMMITTEE

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

ASSET QUALITY (% TOTAL ASSETS)

	Nov-21	Dec-21
Bonds	87.96	87.86
Cash	0.77	0.92
Fixed Placement	-	-
Other Money Market Instruments	11.26	11.22

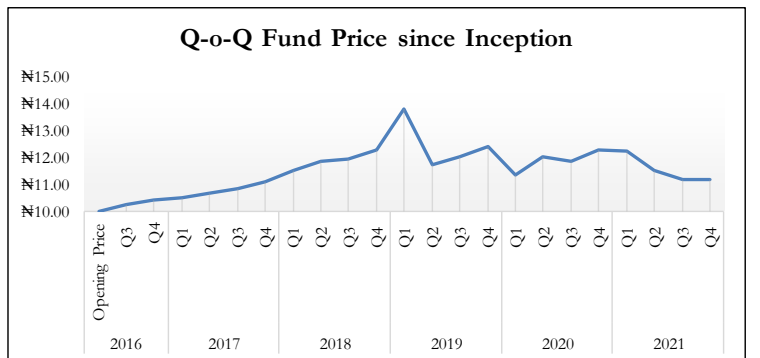
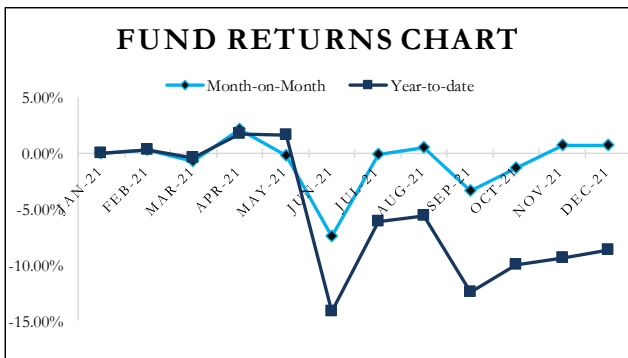
ASSET ALLOCATION (% OF TOTAL ASSETS)



FUND RETURNS

	Nov-21	Dec-21
Month-on-Month	0.68%	0.74%
Year-to-date	-9.36%	-8.69%
Inception-to-date	46.42%	47.24%

****N1,000,000.00 invested at inception is worth N1,472,400.00 today.**



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

31-Dec-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	13.10%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 1.60

PERFORMANCE REVIEW

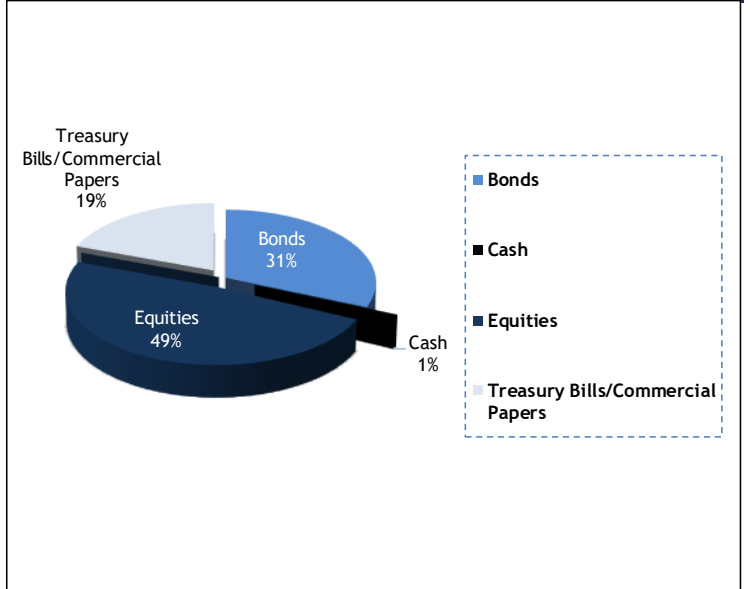
The fund NAV remained unchanged in the month albeit persistent price volatility in the Stock market as investors rally in on profit-taking and some selloffs. The fund manager will continue to carry out tactical allocation measures to ensure a fully optimized portfolio.

INVESTMENT COMMITTEE

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

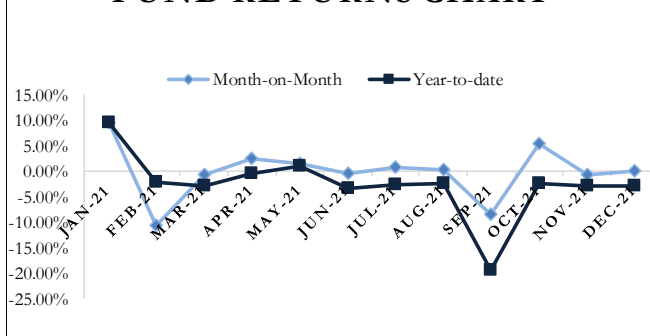
ASSET QUALITY (% TOTAL ASSETS)

	Nov-21	Dec-21
Bonds	31.51	31.51
Cash	0.61	0.61
Equities	48.52	48.52
Fixed Placement	-	-
Treasury Bills/Commercial Papers	19.36	19.36

ASSET ALLOCATION (% OF TOTAL ASSETS)

FUND RETURNS

	Nov-21	Dec-21
Month-on-Month	-0.64%	0.02%
Year-to-date	-2.98%	-2.96%
Inception-to-date	112.36%	112.40%

**N1,000,000.00 invested at inception is worth N2,124,400.00 today.

FUND RETURNS CHART

Q-o-Q Fund Price since Inception


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

31-Dec-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.

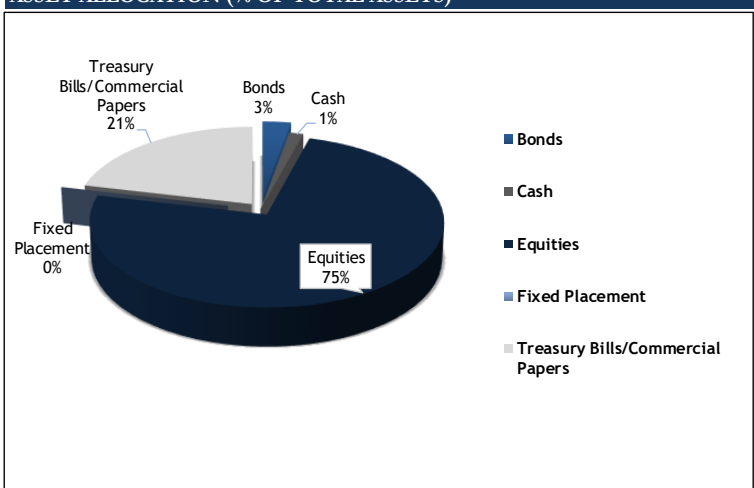
FUND INFORMATION

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	20.51%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 1.44

ASSET QUALITY (% TOTAL ASSETS)

	Nov-21	Dec-21
Bonds	2.60	2.85
Cash	1.53	1.40
Equities	74.98	74.41
Fixed Placement	-	-
Treasury Bills/Commercial Papers	20.88	21.34

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

The fund witnessed slight decrease in NAV, which was due to volatile performance, profit-taking and some selloffs in the Stock exchange. The Fund manager will continue to carry out tactical allocation measures to ensure a fully optimized portfolio.

INVESTMENT COMMITTEE

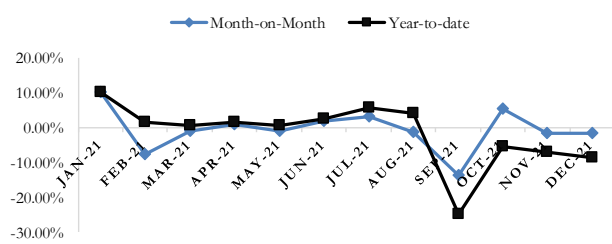
Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr Osamede Fadaka	Trustee's Representative
Mr. Bamidele Ige	Fund Manager
Mr Moses Ojo	Member
Mrs Taiwo Sonola	Custodian

FUND RETURNS

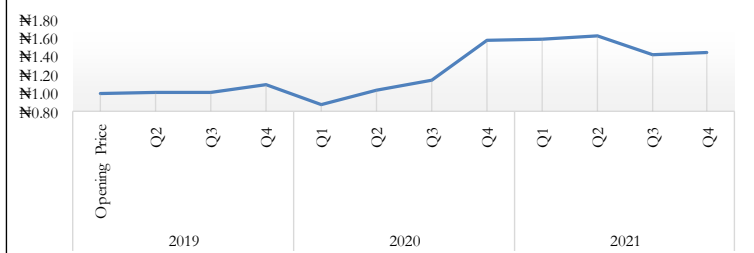
	Nov-21	Dec-21
Month-on-Month	-1.59%	-1.62%
Year-to-date	-7.05%	-8.56%
Inception-to-date	69.87%	67.49%

** N1,000,000 invested at inception is worth N1,674,900.00 today.

FUND RETURNS CHART



Q-o-Q Fund Price since Inception



PACAM EUROBOND FUND

31-Dec-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	6.23%
Dealing Days	Monday - Friday
NAV per unit (USD)	\$ 115.27

PERFORMANCE REVIEW

The Fund saw significant increase the NAV due to fresh inflows and subscriptions. The Fund manager has taken strategic positions to ensure capital preservation and growth. The fund still presents tactical opportunities for entry, a hedge against inflation and devaluation of the local currency.

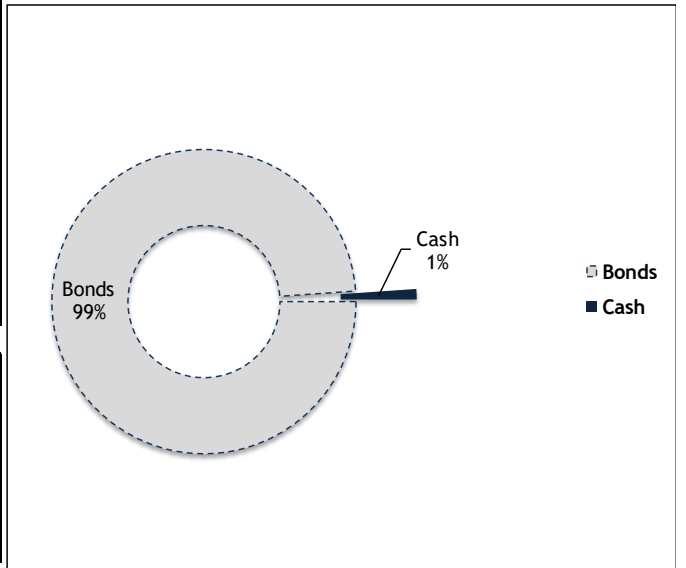
INVESTMENT COMMITTEE

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

ASSET QUALITY (% TOTAL ASSETS)

	Nov-21	Dec-21
Bonds	98.90	98.89
Cash	1.10	1.11

ASSET ALLOCATION (% OF TOTAL ASSETS)

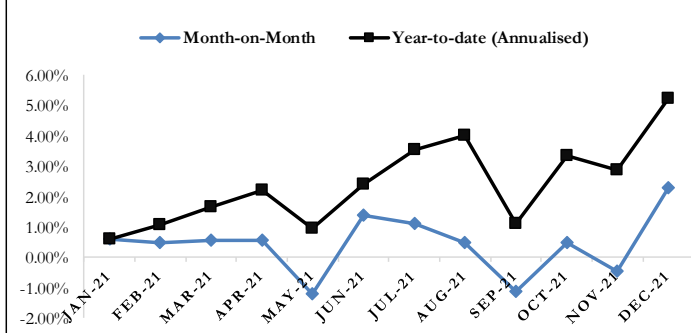


FUND RETURNS

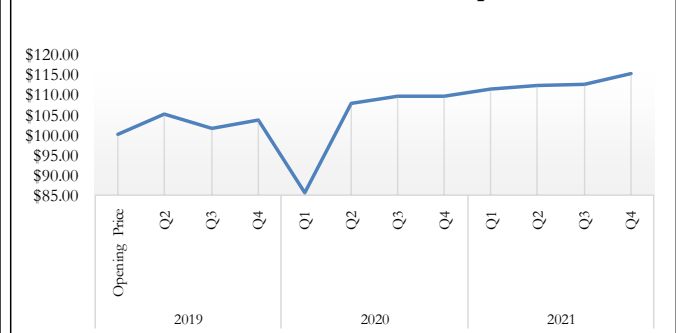
	Nov-21	Dec-21
Month-on-Month	-0.47%	2.30%
Year-to-date (Annualised)	2.87%	5.24%
Inception-to-date	15.60%	18.19%

** \$1,000.00 invested at inception is worth \$1,181.90 today.

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.*



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- Your Asset Manager of Choice.