

Monthly Commentary & Outlook

EQUITIES MARKET

In the month of October, the Bulls dominated the Nigerian equities market as the NGX All-Share Index and Market Capitalization appreciated by 4.52% and 4.62% to 40,038.60 and ₦21.94 trillion respectively. The impressive growth recorded in equities market in the month of October could be attributed to the significant gain recorded in Ecobank (+64.81%), First Bank (37.27%), Lafarge (+17.90), among others. The Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stood at +4.52% and 4.39% respectively. The bullish run may continue in November as we expect domestic investors to start positioning for dividend payments of FY-2021. However, we maintain that foreign investors would be reluctant to pick stocks due to persistent depreciation of Naira and insecurity in the country.

FIXED INCOME MARKET

In the secondary bond market, the average market yield decreased marginally by an average of 4 bps as it closed at 9.59% in October, compared to 9.63% recorded in September. The result for the 1-year, 2-year, 3-year, 5-year and 10-year bonds traded are 7.37% (-0.13%), 8.09% (-0.42%), 9.19% (+0.05%), 11.53% (+0.57%) and 11.76% (-0.26%) respectively. However, the primary bond market witnessed improved yields across board in September as marginal rate for longer tenure of FGN JAN 2026, FGN APR 2037 and FGN MAR 2050 remained at 11.65% (Sept: 11.60% - FGN FEB 2028), 12.95% (Sept: 12.75% FGN MAR 2035) and 13.20% (Sept: 13.00% - FGN MAR 2050) respectively. We may likely see slight increase in yields in November as government continue to attract foreign investors into the country.

INFLATION

Nigeria's inflation rate declined for the sixth consecutive month in September as the headline index dropped by 38 bps to 16.63% (vs. 17.01% in August), driven mainly by harvest season which reflected on food prices. The composite food index fell by 19.57% in September, which is 73 bps lower than 20.30% recorded in the month of August 2021. We may likely see a slight reduction in inflation rate in the month of October as the country continue to enjoy harvest season.

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NSE All-Share Index 52-wk Movement



Source: NSE, PAC Research

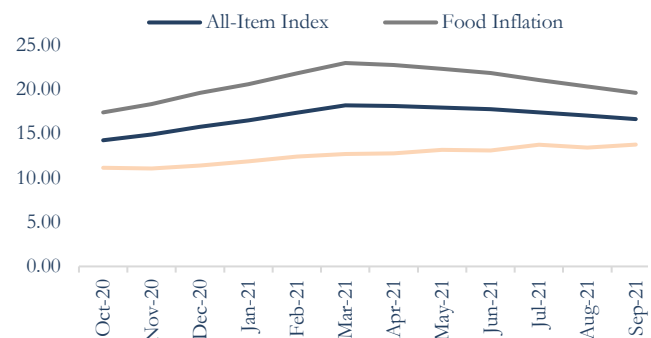
FGN Bond Yield

TENOR (SEC. MARKET)	SEPT. (%)	OCT. (%)	CHANGE (%)
1-YEAR	7.5	7.37	-0.13
2-YEAR	8.51	8.09	-0.42
3-YEAR	9.14	9.19	+0.05
5-YEAR	10.96	11.53	+0.57
10-YEAR	12.02	11.76	-0.26

BOND AUCTION RESULTS			
	SEPT. (%)	OCT. (%)	CHANGE (%)
FGN JAN 2026	11.60	11.65	0.05
FGN APR 2037	12.75	12.95	0.20
FGN MAR 2050	13.00	13.20	0.20

Source: FMDQ, DMO, Bloomberg, PAC Research

Inflation Rate – Year-on-Year (%)



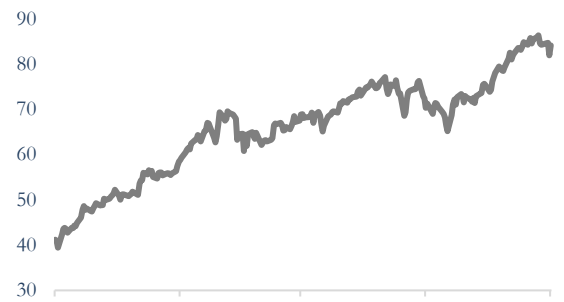
Source: NBS, PAC Research

OIL PRICE

The average price of Brent crude oil grew by 11.85% to \$83.75 per barrel in the month of October, when compared to the average oil price of \$74.88 per barrel recorded for the month of September 2021. We maintain that improved vaccination in many countries will continue to have positive impact on the economic activities, hence improved demand for crude oil in most countries.

The decision of OPEC+ in the last meeting to adjust upward the monthly overall production by 0.4 million barrel per day (mb/d) for the month of November 2021 may lead to a slight reduction in the price of crude oil in November 2021.

Crude Oil Price (\$/barrel)



Source: Bloomberg, PAC Research

FOREIGN EXCHANGE MARKET

On Investors and Exporters Window, Naira depreciated marginally by ₦0.90 in the month of October as exchange rate closed at ₦413.38/\$ (September 2021: ₦413.05/\$), despite the significant increase recorded in country's foreign exchange reserve. Again, we attribute the depreciation of Naira during the period to continuous speculations and increased demand for foreign goods and services. With notable improvement in the country's foreign reserve in recent times and persistent effort of the Apex Bank to supply dollars to foreign exchange market, we may likely see a slight improvement in the value of Naira, against dollar, in the month of November 2021.


Foreign Exchange Market

SPOT	SEPT (₦)	OCT. (₦)	CHANGE
USD (I&E Rate)	413.05	413.95	0.14%

*+Depreciation, -Appreciation


Source: Bloomberg, PAC Research

Fund Prices:	30 Sep 2021	31 Oct 2021	% Change
PACAM Balanced Fund	₦1.53	₦1.61	5.23%
PACAM Fixed Income Fund	₦11.17	₦11.02	-1.34%
PACAM Money Market Fund	₦10.00	₦10.00	-
PACAM Equity Fund	₦1.42	₦1.49	4.93%
PACAM Eurobond Fund	\$112.66	\$113.20	0.48%




PAC Asset Management

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

31-Oct-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.

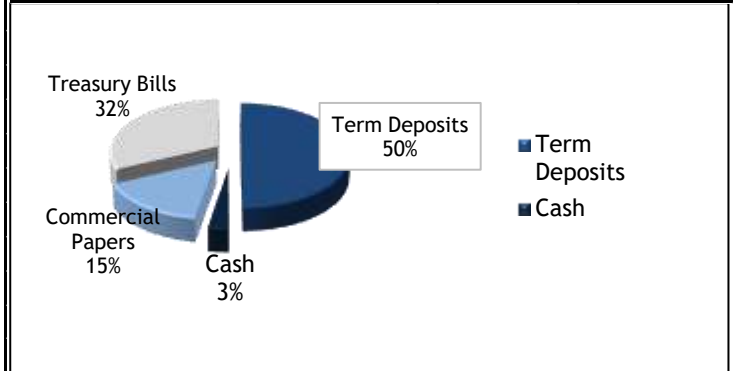
The Fund invests in low-risk short term Money Market securities such as Treasury Bills, Bank Placement, Commercial Papers, and Promissory notes with tenors of 365 days or less.

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

ASSET QUALITY (% TOTAL ASSETS)

	Sep-21	Oct-21
Term Deposits	55.80	49.93
Cash	1.72	2.76
Commercial Papers	13.54	15.22
Treasury Bills	28.94	32.09



PERFORMANCE REVIEW

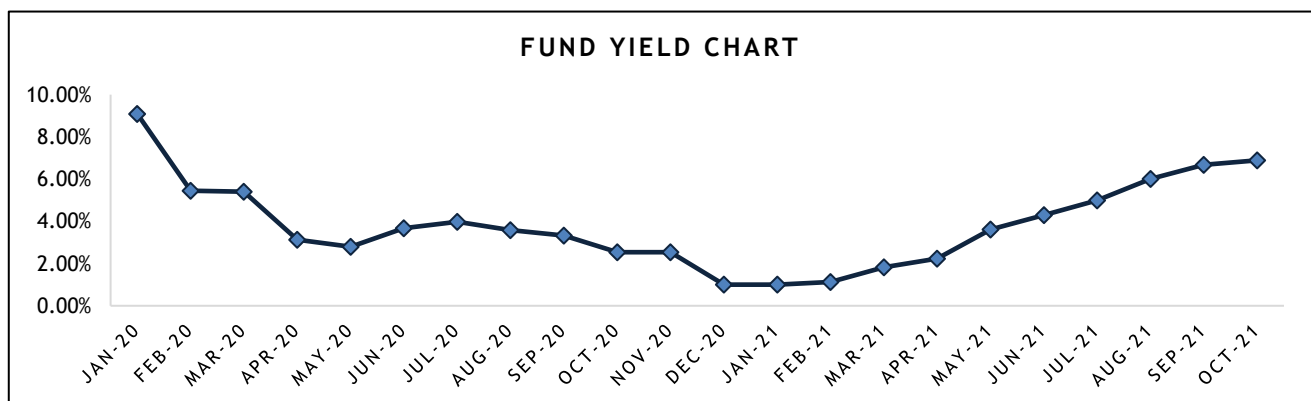
The fixed income market has seen mixed movements in yields during the month. However, the money market fund yield inched up marginally as the Fund Manager took strategic positions with improved market rates.

INVESTMENT COMMITTEE

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

FUND RETURNS

	Sep-21	Oct-21
Current Yield	6.68%	6.89%
Inception to Date	64.52%	65.17%



PACAM FIXED INCOME FUND

31-Oct-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	7.08%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 11.02

PERFORMANCE REVIEW

The fixed income market has seen mixed movements in yields during the month. The slight reduction on NAV was due to movement in asset prices and redemptions. This presents opportunity to take renewed positions in the fund.

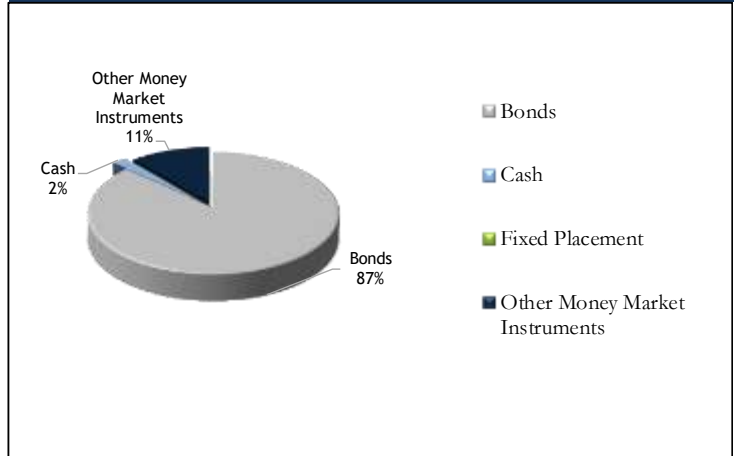
INVESTMENT COMMITTEE

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

ASSET QUALITY (% TOTAL ASSETS)

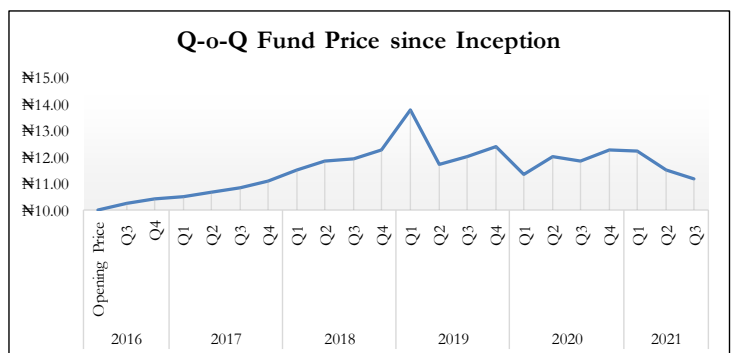
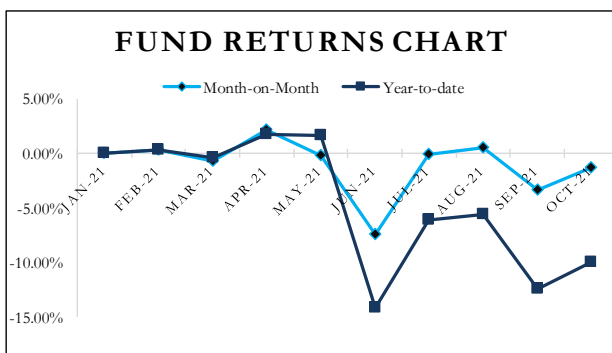
	Sep-21	Oct-21
Bonds	86.75	86.87
Cash	2.31	1.99
Fixed Placement	-	-
Other Money Market Instruments	10.95	11.15

ASSET ALLOCATION (% OF TOTAL ASSETS)



FUND RETURNS

	Sep-21	Oct-21
Month-on-Month	-3.35%	-1.34%
Year-to-date	-12.42%	-9.97%
Inception-to-date	47.18%	45.68%



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

31-Oct-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.

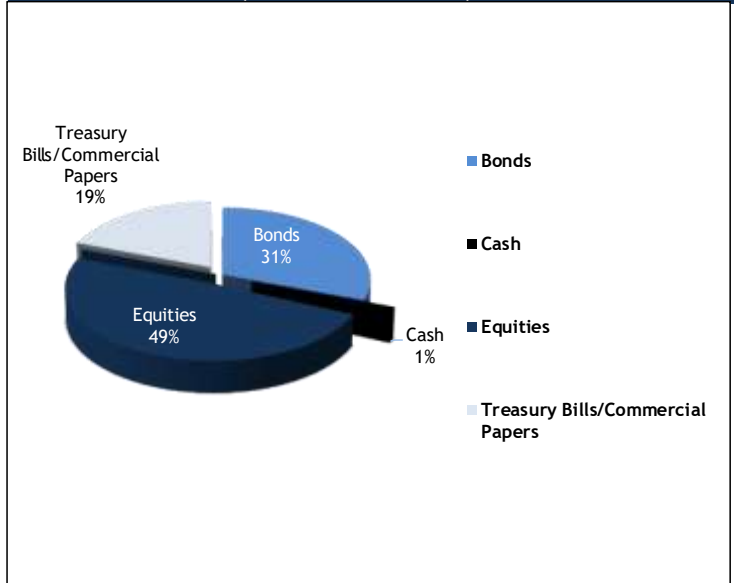
FUND INFORMATION

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	13.39%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 1.61

ASSET QUALITY (% TOTAL ASSETS)

	Sep-21	Oct-21
Bonds	31.77	30.68
Cash	1.51	1.07
Equities	48.40	49.08
Fixed Placement	-	-
Treasury Bills/Commercial Papers	18.32	19.17

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

The fund witnessed marginal 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 9-months financial results. The fund manager will continue to carry out tactical allocation measures to ensure a fully optimized portfolio.

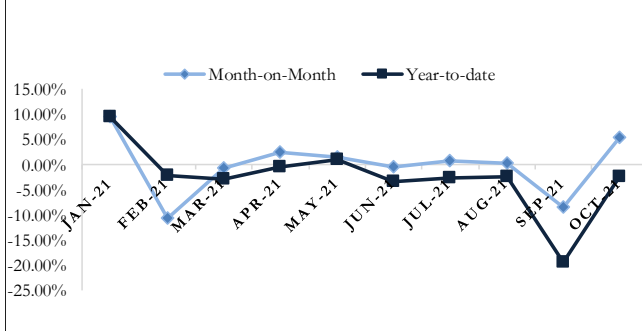
INVESTMENT COMMITTEE

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

FUND RETURNS

	Sep-21	Oct-21
Month-on-Month	-8.53%	5.25%
Year-to-date	-19.58%	-2.36%
Inception-to-date	105.14%	113.43%

FUND RETURNS CHART



Q-o-Q Fund Price since Inception



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

31-Oct-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.

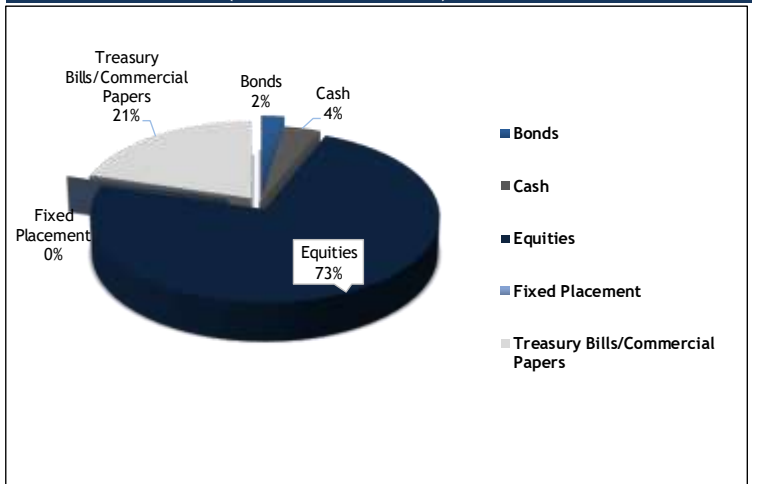
FUND INFORMATION

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	23.29%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 1.49

ASSET QUALITY (% TOTAL ASSETS)

	Sep-21	Oct-21
Bonds	2.43	2.35
Cash	1.05	3.80
Equities	74.85	73.41
Fixed Placement	-	-
Treasury Bills/Commercial Papers	21.67	20.44

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

The fund witnessed 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 9-months financial results. The Fund manager will continue to carry out tactical allocation measures to ensure a fully optimized portfolio.

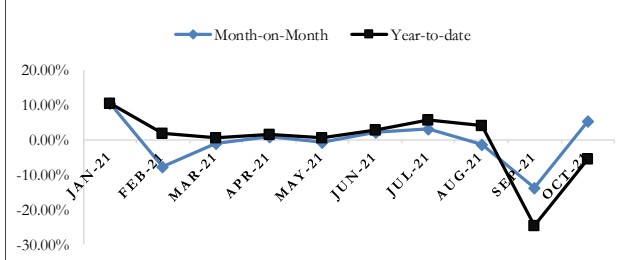
INVESTMENT COMMITTEE

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

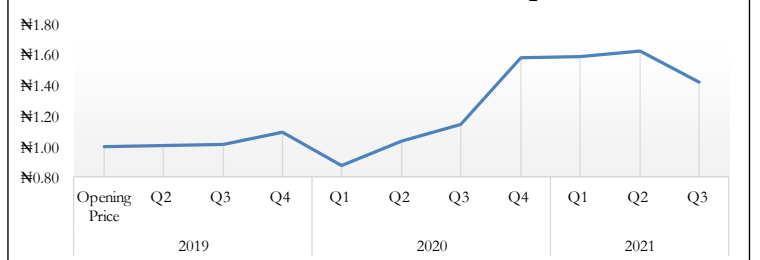
FUND RETURNS

	Sep-21	Oct-21
Month-on-Month	-13.76%	5.20%
Year-to-date	-24.78%	-5.55%
Inception-to-date	64.86%	72.25%

FUND RETURNS CHART



Q-o-Q Fund Price since Inception



PACAM EUROBOND FUND

31-Oct-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.

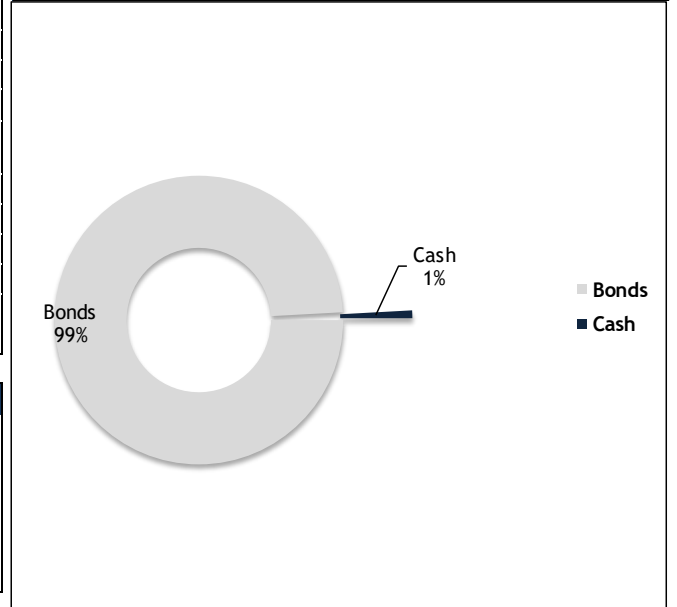
FUND INFORMATION

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	5.92%
Dealing Days	Monday - Friday
NAV per unit (USD)	\$ 113.20

ASSET QUALITY (% TOTAL ASSETS)

	Sep-21	Oct-21
Bonds	98.76	99.13
Cash	1.24	0.87

ASSET ALLOCATION (% OF TOTAL ASSETS)



PERFORMANCE REVIEW

The Fund saw a mignal increase the NAV, as the Fund manager has taken strategic positions to ensure capital preservation and growth. The fund still presents tactical opportunities and hedge against devaluation of the local currency.

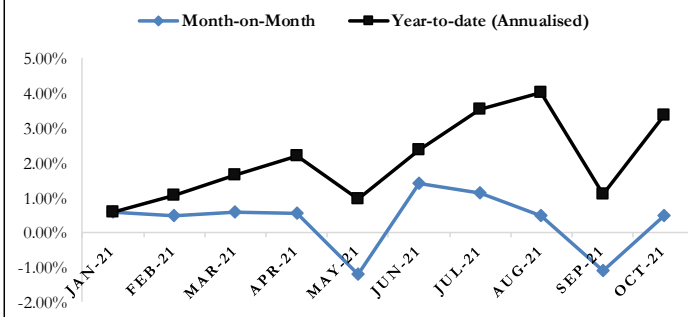
INVESTMENT COMMITTEE

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

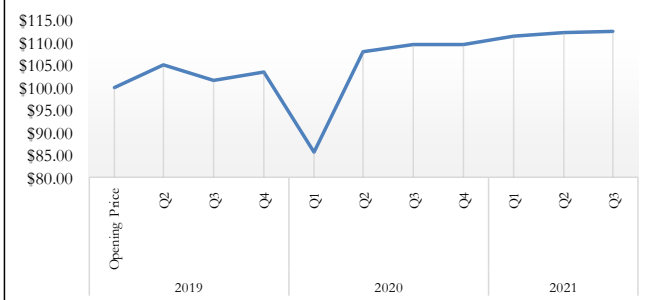
FUND RETURNS

	Sep-21	Oct-21
Month-on-Month	-1.12%	0.48%
Year-to-date (Annualised)	1.10%	3.35%
Inception-to-date	15.58%	16.12%

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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