

Fund Overview

Introduction

The Meristem Equity Market Fund (MEMF) is an actively managed open-ended collective investment scheme authorized by the SEC whose primary objective is long term capital appreciation targeted at investors with high risk appetite and long term horizon. Resources pooled through subscription are invested leveraging on the Fund's size and expertise of the Manager to grow the wealth over long term horizon to achieve positive risk-adjusted return.

Market & Fund Review (Mar, 2017)

Market Overview

The Nigerian Equities Market recorded a gain of 0.74% in the month of March, 2017 while the NSEASI return YtD stands at -5.05%. The Fund posted a gain of 2.55% in March with its YtD return at +1.67% compared to -4.14% posted by the Fund's composite benchmark. The market performance was driven by myriad of factors which included; improved domestic economic fundamentals outlook, abatement of FX scarcity, earnings season, ease of inflationary pressure, improved crude oil output level, stable prices, and above all, positive expectations on FGN implementation of Economic Recovery and Growth Plan (ERGP) to spur growth of the domestic economy. All these contributed to the Fund closing the month positive; outperforming its composite benchmark return of +0.80% in the month of March, 2017.

The confidence in the Nigerian equities improved slightly despite investors' preference for risk free assets, supporting our positive outlook on some counters over the medium to long term, as the Nigerian equities remain relatively attractive compared with sub-Saharan African peers.

Statement of objectives

The Fund's objective is to seek long term capital appreciation through investment in equity securities with a focus on a portfolio of stocks listed on the Floor of the NSE

Investment Management

The mode of investment management shall be **full discretionary**. A portion of dividends and gains earned by the fund shall be distributed to unit holders of the Fund on an annual basis.

Fund Outlook

Macro-economic data in the recent National Bureau of Statistics' releases showed that the nation's GDP contracted by 1.50% YoY in 2016, inflation pegged at +17.78% YoY in February, 2017, and the unemployment rate increased to 13.90%. This signals a weak domestic economy, which has negative connotations for the equities market in the near term.

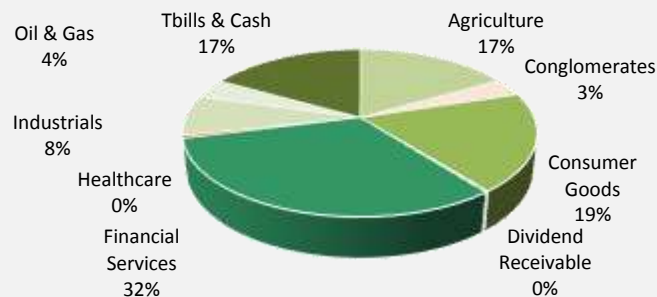
While most of the headwinds that shaped 2016 still remained prevalent, there has been some respite as the international price of crude oil seems to have stabilised around \$50pb following output cut agreement by OPEC members. We believe some of the headwinds will wane as government focus on its ERGP which may potentially stimulate an economic recovery. Hence, we maintain a positive view on equities for the year 2017, given our belief that select stocks present opportunities for potential gains in the medium to long term. Hence, our strategy is to position the Fund in the counters of companies that have solid fundamentals across different sectors.

Meristem Equity Market Fund

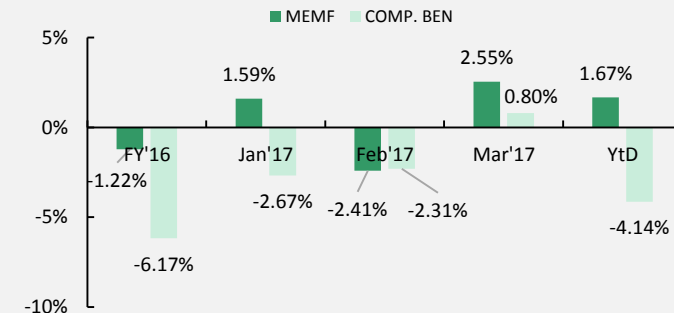
Fund Profile and Objective

Fund Launch Date	28-Oct-15
Investment horizon	Medium to Long term
Currency	Naira (NGN)
Bid/Offer (March 31, 2017)	NGN 9.8115/NGN9.8977
Objectives	Capital Preservation & Growth
Risk tolerance	High

MEMF Assets Distribution



Fund vs Benchmark Performance



Subscription

Bank Name: Standard Chartered Bank Nigeria
Account Name: VETIVA TRUSTEES LTD/MERISTEM EQUITY FUND
Account Number: 0002190530
Sort code: 068150057
Minimum Subscription: 1,000, subsequent multiples of 100
Redemption: Five (5) business days

Profile of the Fund Manager

The company's business is all about wealth management for both high net worth individuals and corporate organizations. Meristem Wealth Management has evolved over the years as a household name in investment portfolio management in Nigeria. The Company has a variety of portfolios developed for retail and semi retail clients.

It is based on this strength that the company has decided to take a giant stride to improve its market share by setting up two investment funds namely, the Meristem Money Market Fund and Meristem Equity Fund.

Fund Managers

Sulaiman Adedokun, CFA
 Taiwo Yusuf, CFA
 Kehinde Ibrahim, M.Sc., ACS