

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 (June, 2017)

Market Overview

The Nigerian Equities Market recorded a gain of 12.27% in the month of June, 2017 while the NSEASI return YtD stands at 23.23%. The Fund posted a gain of 12.34% in June with its YtD return at 31.91% compared to 11.54% posted by the Fund’s composite benchmark. The market continued the bullish trend of previous Month as domestic economic fundamentals outlook improved, easy access to FX by foreign Investors, ease of inflationary pressure, stable crude oil prices and ramping up of production level, and above all, positive expectations on FGN 2017 budget on the economy given its focus on 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 net of fees by 80bps in the month of June, 2017.

The confidence in the Nigerian equities maintained positive trajectory as investors’ remained bullish. We are upbeat on equity asset class for the second half of the year given macroeconomic indicators signalling upswing in the domestic economy. We maintain positive outlook as the Nigerian equities prices remain relatively attractive.

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 0.52% in Q1’2017 while inflation pegged at +16.25% YoY in May, 2017. This signals a possible reverse in the economic cycle which has positive connotations for the equities market in the near term.

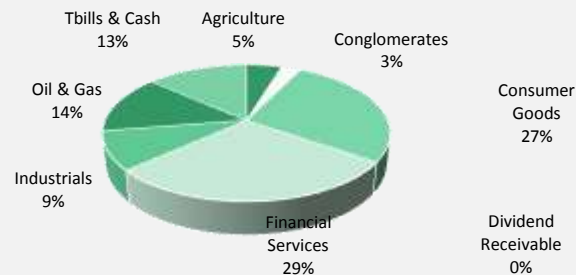
The stability of crude oil prices and increasing world demand as Nigeria ramp up production level, government focus on policy initiatives to increase revenue generation, passage of 2017 budget and release of funds for capital projects have potential to stimulate the economy and improve capacity utilization in the real sector of the economy. Hence, we maintain a positive view on equities for the rest of the year 2017, Our strategy is to position the Fund in value companies that have solid fundamentals across different sectors.

Meristem Equity Market Fund

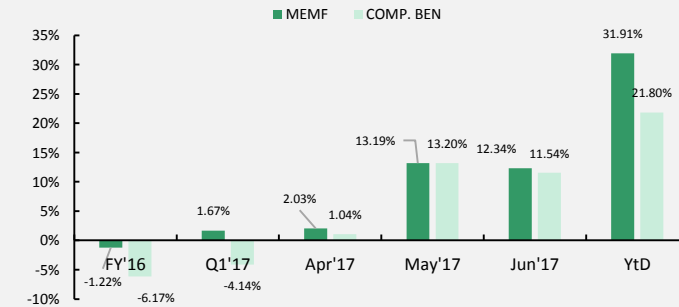
Fund Profile and Objective

Fund Launch Date	28-Oct-15
Investment horizon	Medium to Long term
Currency	Naira (NGN)
Bid/Offer (June 30, 2017)	NGN12.7225/NGN12.8393
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