

# FACT SHEET

July 2020

## FUND STRUCTURE

The ARM Aggressive Growth Fund is an open-ended investment vehicle sponsored and managed by ARM Investment Managers. A minimum of 75% and maximum of 100% of the Fund is invested in stocks of companies quoted on the Nigerian Stock Exchange. The ARM Aggressive Growth Fund is constituted by a trust deed and duly authorized and registered in Nigeria as a unit trust scheme under the Investments & Securities Act 1990.

## INVESTMENT OBJECTIVE

The Fund primarily invests in equities of publicly-quoted companies listed on the Nigerian Stock Exchange.

The mix of assets in the Fund is aimed at providing investors with long term capital growth.

## BENCHMARK

Given that the fund's strategy is largely geared towards capital growth and appreciation, the benchmark is the Nigerian Stock Exchange All Share Index (NGSEASI).

## MARKET REVIEW

### Equities

- The equity market returned +0.88% in July 2020 (-8.00% YTD), rebounding partially after the negative performance recorded in June. The performance was largely driven by gains in Wapco (+18%), Dangcem (+12%) and AirtelAfrica (+6%).
- Trading activities began the month on a bearish note. However, due to buoyant financial system liquidity, investors sought to invest idle funds in the equities market.
- The performance was supported by gains in the Cement (+8.83%) and Telecoms (+2.30%) sectors, despite the losses recorded in the Oil & Gas (-26.82%), Personal Care (-14.76%), Brewers (-13.61%) and Construction (-13.58%) sectors.

### Fixed Income

- High liquidity remained the major driver of the downward trend seen in the fixed income market in July and preceding months. Supply lagged as strong buying interest persisted in both the Treasury Bills and Bonds market.
- The 2045 FGN Bond with 25 years maturity was freshly issued at the July auction, in addition to the FGN 2026, 2035 and 2050 bonds offered. The newly issued bond closed at a yield of 9.8%, making up 42% of the total N177bn allotted across board. The average stop rate at the auction was 8.81%, representing 157bps MoM decline.
- In the Treasury Bills space, the average discount rate declined to 2.18% in July, with the 91-, 182- and 364-day instruments offered at average discount rates of 1.43%, 1.74% and 3.38% respectively. Consequently, rates in the NTB secondary market were repriced accordingly, as investors took profits on attractive positions.

## Key Facts

**Launch Date:** April 2004

**Memorandum listing:** 2008

**Size of Fund:** ₦2.1billion

**Initial Investment Amount:** ₦50,000.00

**Management Fee:** 1.5% of NAV

**Incentive Fee:** Maximum of 30% of returns in excess of 10% annually

**Benchmark:** Nigerian Stock Exchange All Share Index (NGSEASI)

**Trustee:** First Trustees Nigeria Ltd, a subsidiary of FBN Capital Ltd.

**Registrars:** First Registrars Ltd

## Asset Allocation

Equities	75% - 100%
Fixed Income	0% - 25%

## Contact Details

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