

NIGERIA ENERGY SECTOR FUND

The Nigeria Energy Sector Fund ("the Fund") is a closed-ended investment vehicle managed by SCM Capital Asset Management Limited, the Asset Management subsidiary of SCM Capital Limited (formerly Sterling Capital Markets Limited).

The Fund Manager

SCM Capital Asset Management Limited is the full service Asset Management subsidiary of SCM Capital Limited and is licensed by the Securities & Exchange Commission as a Fund / Portfolio Manager. At SCM Capital Asset Management; we offer cutting edge professional asset management services to our esteemed clients. We manage assets for a broad range of clients which include: corporate institutions, high-net-worth individuals and retail investors. We provide independent advice based on established research methods, and our experts have in-depth knowledge of the financial market.

Investment Objective

The objective of the fund is to achieve a balance mix of current income and medium to long term capital appreciation through investment in a diversified portfolio of financial assets within the Nigerian energy sector..

Investor Profile

The Fund may be of interest to the following investors:

- ◆ Investors desirous of leveraging on the pool to benefit in big ticket investments.
- ◆ Busy executives with very tight schedule
- ◆ Nigerians in diaspora and foreign portfolio investors interested in making some investment in Nigeria without having to carry the burden of management.

Benefits of the Fund

- Liquidity
- Affordability
- Professional Management
- Performance Monitoring
- Accessibility

MARKET COMMENTARY

The Nigerian equities market continued its upward trajectory in the month of August driven by a renewed sense of enthusiasm among investors. This was fueled by persistent search for gains, driven by market-stimulating corporate actions and interim dividend payments. Consequently, the NGX-ASI rose 3.44% MoM to 66,548.99 points (highest since 5th March 2008). Also, YTD return rose to 29.85% against 25.53% in the prior month while market capitalization advanced by N1.4trn to N36.4trn. Monthly sectorial performance was majorly bullish as the Consumer Goods and the Insurance Indices rose 24.5% and 3.1% respectively following the buy interest in DANGSUGAR (+103.7%), NASCON (+55.5%), CORNERST (+59.1%), and SUNUASSURE (+30.3%). The Oil & Gas and Industrial indices followed suit with MoM gains of 9.9% and 0.6% respectively due to price appreciation on SEPLAT (+10.0%), WAPCO (+9.2%), and DANGCEM (+2.3%). Conversely, the BANKING index dipped by 3.6% due to sell pressure. This month, the system liquidity position in the money market drove the bearish sentiment in the 10-yr bond market as the yield in the secondary bond market rose to 14.35% at the end of the month from 14.00% at the previous month.

OUTLOOK

We expect a slight contraction with profit-taking activities dominating the bourse as companies continue to churn out half year numbers.

Market Indicators

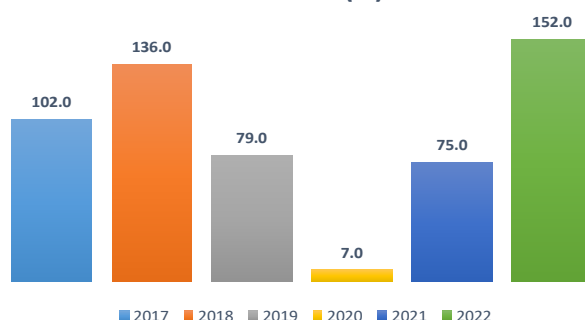
- Foreign Reserve: USD **\$33.954 Billion**
- Exchange Rate (USD/NGN): **BUY N756.523/SELL N757.58**
- Oil Price: USD **\$97.37**
- Inflation Rate: **25.80%**
- Monetary Policy Rate: **18.75%**

Reference: Central Bank of Nigeria and Trading View

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Dividend

Dividend (N)

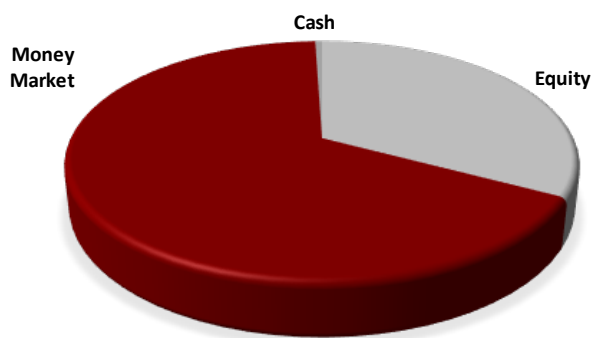


Fund Manager

SCM Capital Asset Management Limited

Custodian	UBA Global Investors Service Ltd
Trustees	United Capital Limited
Fund Launch Date	26-October-98
Fund size	₦1,491,038,463.44
Fund Yield	29.55%
Fund Type	Close –end
Offer Price	₦ 552.20
Base Currency	₦ Nigerian Naira
Minimum Investment	100 Units
Income Accrual	Daily
Income Distribution	Yearly
Annual Management Fee	1.50%

Asset Allocation (%)



Crude Oil Price (USD)

