

Strategy Overview

The Fund investments is subject to regulatory guidelines and limits as set by the National Pension Commission (PENCOM), and can be allocated as follows:-

Govt. Securities

i. Fed Govt. (Including FGN Eurobonds) (80%)

ii.State/ Local Govt.(20%) -Guaranteed/ ISPO

iii.State/ Local Govt.(3%) - Not Guaranteed

Corporate Bond/Debt (35%)

Supra-national Bonds (20%)

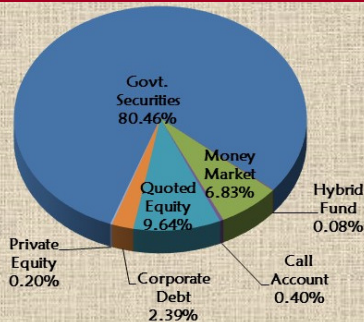
Infrastructural Funds (5%)

Money Market Instruments (35%)

Ordinary Share (including GDRs) (25%)

Private Equity (5%)

CURRENT ASSET ALLOCATION



Industry and Regulatory Update

- The total value of pension industry assets under the Contributory Pension Scheme (CPS) as at July 31, 2016 has risen to approximately 5.82trillion.
- The National Pension Commission (PenCom) has released the Draft Guideline on Withdrawal from RSA towards Equity Contribution for Payment of Residential Mortgage .
- The new Pension Reform Law 2014 has made it compulsory for State and Local Governments to adopt the CPS for the benefit of their employees.
- PenCom has reiterated on the right of Public and Private sector employees to Life Insurance Policy taken on their behalf by their employers while also directing the employers to provide evidence of compliance with the policy.
- The amended pension reform act 2014 has reviewed the minimum contributions upward to 18% from 15% such that employer and employee contributions are now 10% and 8% respectively. Also, it has expanded the contribution base by stipulating a new minimum of 3 rather than 5 employees for employers to enroll in the scheme.
- NSITF-All individuals who had worked in organizations that contributed to the defunct NPF/NSITF schemes should contact us at info@crusaderpensions.com or 01-2713800-4 for further information on the transfer of their NSITF contributions.
- Contributors with changes in personal and employment details should contact us at the above address or through our website: www.crusaderpensions.com.

Launch	117-mth	118-mth	119-mth	120-mth	121-mth	122-mth	123-mth	
Jul-06	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Cumulative
Unit Price N1.00	N2.86	N2.90	N2.98	N3.02	N3.02	N3.03	N3.05	***
% Return	186%	190%	198%	201%	202%	203%	205%	205%

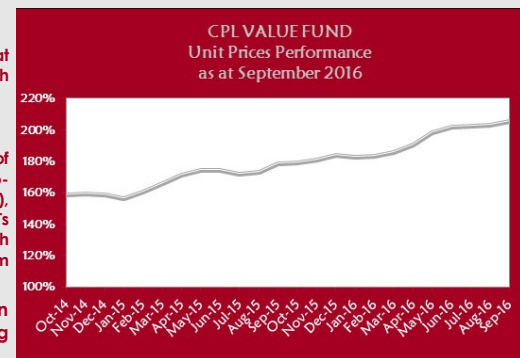
Investment Objective

Maximizing total returns by investing in securities and instruments that would deliver long term capital appreciation and income growth without compromising the safety of the funds.

CPL VALUE FUND

CPL Value Fund closed September 30, 2016 with a unit price of N3.0537. The Fund assets, invested within regulatory limits, were allocated to Government Securities (80.46%), Corporate Debt (2.39%), Money Market (6.83%), Quoted Equities (9.64%), Hybrid Fund/ REITs (0.08%), Private Equities (0.20%) and Call Account (0.40%). The graph shown in this report represents the performance of the Fund from October 2014 to September 30, 2016.

We are pleased to inform you that we have returned 205% on Funds under our management till date and we remain among the industry leader in terms of return on investment.



Market Overview

Macroeconomic Indicators

- Real GDP declined by 2.06% in Q2, 2016 as against the decline of 0.36% in Q1, 2016 bringing the economy into technical recession.
- At the interbank market, the Naira appreciated to N315.00/USD in September 2016 as against N316.24/USD in August 2016. The parallel market rate however, weakened to close at N475/\$ in September 2016 from N420/\$ in August 2016.
- The foreign reserves dropped further to USD24.57bn in September 2016 from USD25.44bn in August 2016.
- Brent crude price appreciated to close at USD50.04pb in September 2016 from USD46.89pb in August 2016.
- The MPR was retained at 14% while the CRR was also left unchanged at 22.5% and liquidity ratio at 30%.
- Inflation (YoY) for August 2016 increased to 17.60% from 17.10% in July 2016.

Government Securities

- The Auction of 14.50% FGN Feb 2021 (5-year) re-opening, 12.50% FGN Jan 2026 (10-year) re-opening and 12.40% FGN Mar 2036 (20-year) re-opening, took place during the month of September 2016 and successful bids were allotted at higher rates of 15.14%, 15.53% and 15.59% respectively as against previous stop rates of 15.08%, 15.28% and 15.53% respectively.

Money Market

- The average market rates for September 2016 closed slightly higher than in August 2016 due to system liquidity management .
- The OBB and the O/N rates for September 2016 closed lower at 14.33% and 14.83% respectively as against 16.00% and 18.00% respectively in August 2016.
- The NIBOR rates for 30 and 90 days and however closed higher at 18.90%, and 19.84% respectively while 180 days closed lower at 20.35% in September 2016 as against 16.85%, 17.68% and 20.40% respectively in August 2016.

Stock Market

- The Nigerian Stock Exchange All-Share Index (ASI) which opened the month at 27,599.03 closed higher at 28,335.40 in September 2016. The ASI increased by 2.67% compared to an decrease of 1.47% in August 2016. It however, recorded a cumulative YTD decline of 1.07%.
- The monthly traded volume increased by 41.43% while traded value decreased by 19.49% as against the increase of 9.83% and 25.49% respectively in the preceding month of August 2016.
- The market capitalization of all listed equities also increased by 2.68% at the end of September 2016 to close at 9.733trillion compared to 9.479trillion at the end of August 2016.
- Building sub-sector retained its position as the most capitalized in the market at the end of September 2016.

Economic News

- Standard and Poor (S&P) downgrades Nigeria's rating one level to B with stable outlook due to low oil prices and forex shortages.
- African Development Bank (AfDB) has agreed to offer Nigeria USD1billion loan to finance 2016 budget deficit.
- FG targets about USD2billion from its planned concession of Lagos-Kano and PH-Maiduguri rail line.
- The 2016 World Pension Summit 'Africa Special' kicked off in Abuja during the month with central theme - Pension Innovation: The African Perspective.
- The Organization of Petroleum Exporting Countries (OPEC) agreed to cut its oil output for the first time since 2008 which implication for global oil price recovery.
- The MSCI has opted to retain the Nigeria Indexes among the Frontier Market till next review in June 2017 unless issues (FX liquidity) under consideration deteriorates.

Outlook for next month.

- We expect market rates to hover around the ongoing levels as CBN continues to manage liquidity . We shall continue to monitor the market and also, invest in the short to medium term as market opportunity arises.
- We still expect volatile equities market with tendencies for profits taking. We shall continue to monitor the market for stocks with strong fundamentals, good corporate governance and high returns.
- We expect active government securities market in view of expected influx of foreign interests. We shall continue to track the market closely to take advantage of good yields in the market.