



...We are value investors...unlocking value in Africa

SIM Capital Alliance Value Fund

Market Review

During the period under review, the National Bureau of Statistics (NBS) reported Q2 2015 YoY growth rate of real GDP at 2.4%, compared with 3.6% from the previous quarter. Inflation edged up to 9.4% YoY in September, from 9.3% YoY in August. The NBS attributed the increase in inflation to the faster pace of growth in both Food & Non-Food divisions of the index.

Fixed Income Market: In Q3 2015, the Treasury Single Account (TSA) directive issued by the Federal Government of Nigeria was implemented. This was shortly followed by the reduction of the harmonized CRR on private and public sector CRR to 25% from 31%. Interest rates observed declines for the shorter tenured instruments, with the Nigerian Inter-Bank Treasury Bills True Yields closing the quarter at 10.91%, 13.40% and 14.64% for 91, 182 and 364 days respectively, whilst yields on the longer tenured instruments witnessed a marginal increase, closing at 14.86%, 14.95% and 15.05% for 2Y, 5Y and 10Y tenors respectively.

Equity Market: At the end of Q3 2015, the NSE All Share Index closed at 31,217.77 representing a YTD decline of 9.99%. The NSE Consumer Goods Index and the Oil & Gas Index were the worst performers, recording 12.22% and 11.72% YTD declines respectively. Equity market activity measured by value of turnover decreased by 19.62% relative to the previous quarter.

Fund Review

During the quarter under review, the Fund increased its holdings in listed equities by adding to its positions in Custodian & Allied Plc and Zenith Bank Plc. The Fund also disposed of some of its holdings in MTN Nigeria Ltd and Friesland Campina WAMCO Plc.

Portfolio Performance: The volatile market environment experienced through the course of the year continued in Q3 2015, with the net asset value of the Fund recording moderate year to date growth of 1.77%, closing the quarter with NAV/Unit of N131.8592. The listed securities held in the portfolio recorded a year to date total return of -6.53%, whilst unlisted securities held in the portfolio recorded a year to date total return of 2.33%.

Portfolio Outlook: The Fund Manager expects the challenging market environment witnessed through the course of the year to continue into the final quarter of the year. The Fund Manager will continue to evaluate opportunities for the Fund in both the listed and unlisted equity space, keeping in line with the Fund's disciplined Value Philosophy. The Fund Manager will also seek to cautiously manage the duration of the fixed income portfolio of the Fund to take advantage of opportunities that present.

Top 5 Sector holdings - 30.09.15

Banking	15.71%
Consumer Goods - Food	7.82%
Telecommunication	6.97%
Conglomerates	4.76%
Insurance	4.60%

** percentages represent equity holdings relative to Gross Asset Value of Fund

Top 5 Holdings - 30.09.15

Friesland WAMCO
MTN
UACN
Zenith Bank
GT Bank

Investment Objective

The SIM Capital Alliance Value Fund aims to provide investors with capital growth over the long-term by investing in listed and unlisted Nigerian equities and other securities as approved by SEC. The Fund pursues a total return objective.

Investment Strategy

The Fund pursues a pragmatic value philosophy. Thus, the Fund invests in securities which are sufficiently undervalued relative to their intrinsic value. It seeks securities with low earnings multiple, low price to book ratio, and which are trading at an acceptable margin of safety to the Fund Manager's assessment of fair value.

Fund Information

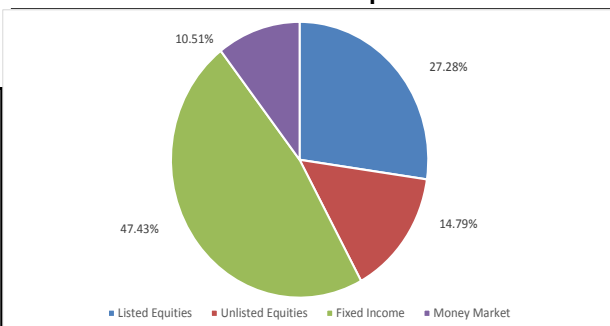
Classification:	Closed End Fund listed on the NSE
Start Date:	30th June 2011
Trustees:	Leadway Capital & Trusts Limited
Custodian:	Stanbic IBTC Bank Plc
GAV:	N4,246 million
Latest Distribution:	N10.00 per unit (December 2014)
Nominal Value:	N100 per unit
Market Price:	N103.24 per unit
NAV/Unit:	N131.8592 per unit

Fund Returns as at 30.09.2015 (net of fees & expenses)

	YTD	CAGR	HPR
Based on NAV/Unit	1.77%	11.31%	57.69%

Asset Class	Permissible range	Strategic Asset Allocation
Equity	25% - 85%	60%
Fixed Income	15% - 50%	35%
Cash & cash equivalents	0% - 5%	5%

Asset Allocation as at 30th September 2015



Manager Information:

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