



Dear Esteemed Client,

Welcome

to the August 2021 edition of our monthly newsletter

This newsletter will feature a review of the Macroeconomic & Financial Markets, and a snapshot of your Fund performance in August 2021. We will also highlight some recent industry news by the National Pension Commission.

If you have any questions, kindly make enquires via info@sigmapensions.com or through any of our social media platforms. We would love to hear from you.

Thank You!

In August, despite concerns about mutations of the COVID-19 pandemic, global economic activity gathered further steam with a pick-up in the pace of vaccinations with a total of 5.42 billion doses administered. In terms of infections, the total stands at 219 million, with a mortality rate of 2.07%. The US Federal Reserve will start reducing its bond-buying program by the end of 2021. The gradual approach to tapering supported positive sentiment across financial markets with the MSCI World index posting a 2.3 percent gain over the month (YTD: + 16.8 percent). After a 52 percent rally over H1 2021, global crude oil markets remained weak for the second consecutive month (-5 percent m/m) reflecting sentiments over supply after OPEC+ agreed to raise output and fears about the impact of new COVID-19 variants on crude oil demand.

In Nigeria, the much dreaded third wave of COVID-19 infections took off in August as the daily average rate climbed to 581 (July: 505) with total case counts of 196k and a fatality rate of 1.3 percent. However, with the receipt of fresh vaccines (Moderna, AstraZeneca and Johnson & Johnson), Nigeria commenced a second round of COVID-19 vaccinations in August with coverage of 3.5million and 1.5million people for the first and second shot respectively. On the economic front, the Nigerian Bureau of Statistics (NBS) put out the Q2 2021 GDP report which showed that the Nigerian economy expanded 5.01 percent on a year-on-year basis on account of strong base effects. This is the fastest pace of growth over the last five years and was driven by a strong rebound in the non-oil economy, where growth expanded 6.97 percent, which helped offset the impact of a 12 percent contraction in the oil sector.

Headline inflation continued to slow on base effects, down to 17.38 percent in July (June: 17.75percent) as food price pressures moderated. Following the IMF's historic allocation of USD3.3billion Special Drawing Rights (SDR) to Nigeria, external reserves climbed 1.8 percent over August to USD34.1billion. However, developments across Nigeria's FX markets remained mixed as while the exchange rate at the market driven Investors and Exporters window held steady at NGN411/\$, the Naira weakened further at the parallel market at NGN526/\$ on reduced supply to the segment after the CBN's decision to suspend FX sales to BDC operators.

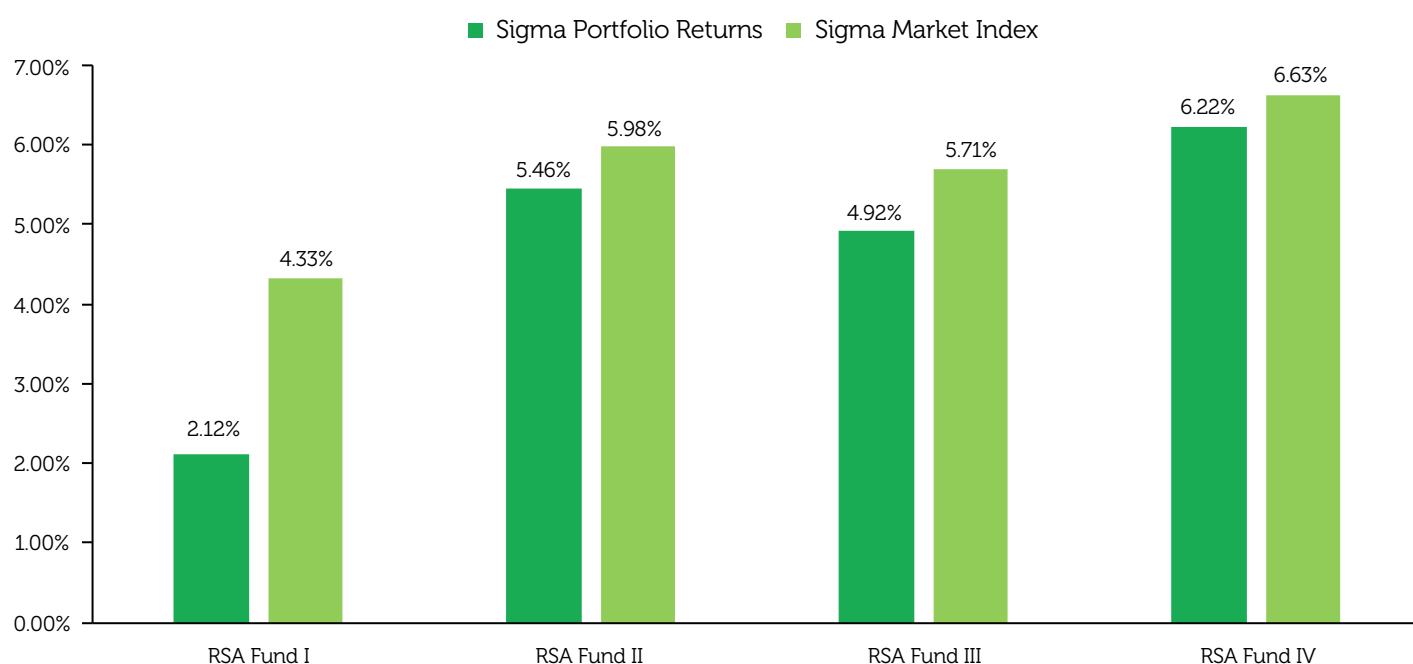
In terms of capital market performance, Nigerian equities remained in positive territory over August with the Nigerian Stock Exchange All Share Index (NSEASI) up 1.74 percent (YTD: -2.56 percent). In the fixed income space, the robust liquidity conditions across financial markets continued to drive further declines in bond yields (down 79bps) which implied an extended pick-up in bond prices with the S&P Nigeria Bond index up 4.8 percent during the month (YTD: -16.01 percent).

AUGUST 2021 INVESTMENT RETURNS AND ASSET ALLOCATION

The positive trends across equity and debt markets favorably impacted our investment portfolios and returns across our flagship RSA Funds improved further over August 2021. Our most recent addition, RSA Fund VI (Non-interest Fund) also posted positive returns after its first full month in operation.

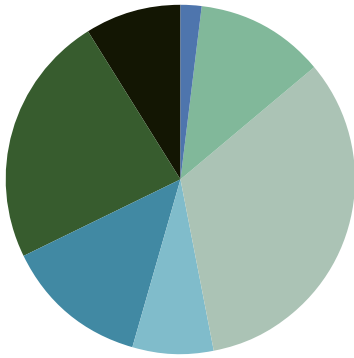
TABLE 1: RSA FUND PERFORMANCE

	RSA UNIT PRICES		PORTFOLIO RETURNS	BENCHMARK RETURNS
	31-DEC-20	31-AUG-21	m/m	YTD
Fund I	1.4115	1.4414	1.07%	2.12%
Fund II	4.0629	4.2848	0.86%	5.46%
Fund III	1.3057	1.37	0.94%	4.92%
Fund IV	3.8265	4.0645	0.99%	6.22%
Active Fund VI*	1.0000	1.0163	0.58%	1.63%
Retiree Fund VI*	1.0000	1.0158	0.79%	1.58%

FIGURE 1: INVESTMENT RETURNS ON SIGMA RSA PORTFOLIOS AND SIGMA MARKET INDICES


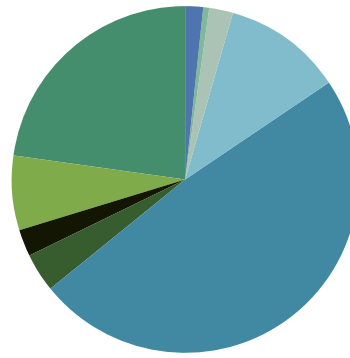
SEE BELOW ASSET ALLOCATION ACROSS OUR VARIOUS RSA FUNDS AS AT THE END OF AUGUST 2021

Fund I



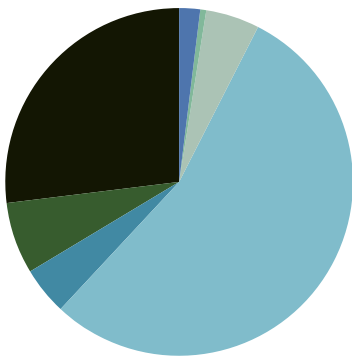
Hybrid Funds	2.1%
Equity	11.9%
FGN Bonds	33.0%
Treasury Bills	7.6%
Corporate Bonds	13.3%
Money Market	23.3%
Cash	8.7%
CPs	0.0%

Fund II



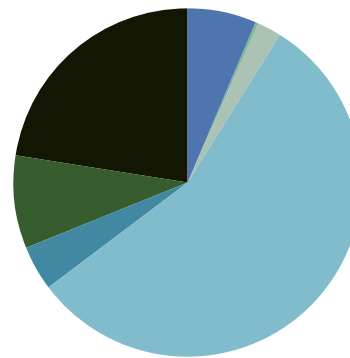
Cash	2.0%
CPs	0.4%
Hybrid Funds	2.2%
Equity	11.6%
FGN Bonds	46.9%
Treasury Bills	3.9%
SG Bonds	2.4%
Corporate Bonds	7.3%
Money Market	23.3%

Fund III



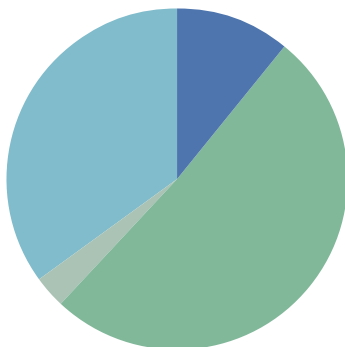
Cash	2.2%
CPs	0.5%
Equity	4.9%
FGN Bonds	54.6%
Treasury Bills	4.4%
Corporate Bonds	6.6%
Money Market	26.9%
SG Bonds	0.0%

Fund IV



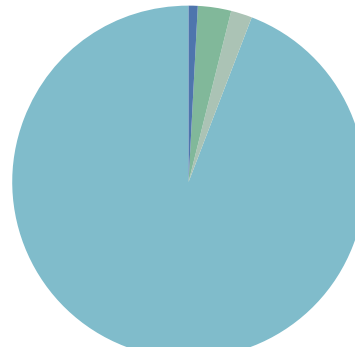
Cash	6.5%
CPs	0.3%
Equity	2.3%
FGN Bonds	55.7%
Treasury Bills	4.2%
Corporate Bonds	8.6%
Money Market	22.4%
SG Bonds	0.0%

Active Fund VI



Equity	11.0%
FGN Sukuk	51.0%
Corporate Sukuk	3.0%
Money Market	35.0%
Cash	0.0%

Retiree Fund VI



Cash	1.0%
Equity	3.0%
Corporate Sukuk	2.0%
Money Market	94.0%

INDUSTRY

NEWS

COMMENCEMENT OF ONLINE VERIFICATION AND ENROLMENT EXERCISE FOR 2021 RETIREES/PROSPECTIVE RETIREES OF FG TREASURY FUNDED MDAs

On Monday, August 30, 2021, the National Pension Commission announced that the annual pre-retirement verification and enrolment exercise for both retirees and prospective retirees of treasury-funded Ministries Department and Agencies will begin on September 1, 2021.

Retirees/prospective retirees of treasury-funded Ministries Department and Agencies for the year 2021 are required to visit PenCom's website www.pencom.gov.ng to initiate the online enrolment process.

Kindly note that all concerned retirees and prospective retirees must complete their verification and enrolment with their Pension Fund Administrator by October 29, 2021

Click below for a step-by-step procedure for the Online Enrolment

<https://www.pencom.gov.ng/step-by-step-procedures-for-online-enrolment-retiree-self-registration/>

Online Enrolment Procedure

NEW PENCOM REQUIREMENT FOR ACCOUNT PROCESSING - INS

Following the announcement of the Improved NIN Slip (INS) by the National Identity Management Commission (NIMC), The National Pension Commission (Pencom) has now amended its regulation to accommodate this new development.

Consequently, the INS will be obtained in place of the NIN Slip for all processes that require the submission of the NIN Slip.

Click here for the **step by step guide to download and print your INS**

<https://nimc.gov.ng/how-to-print-your-improved-nin-slip/>

WHAT IS
COMFORT?

Comfort is logging into **Sigma Web Portal**
from the comfort of your couch to

MONITOR YOUR RSA

www.sigmapensions.com

