

SFNG Small Cap Index

As of 30/12/2016

Objective

The SFNG Small Cap Index is a market capitalization weighted index adjusted for free float and designed to provide local and foreign investors with a reflection of the performance of the smaller capitalized companies publicly quoted in the Nigerian equity market. The index will consist of stocks that are in the SFNG Broad Share Index, but are not large enough to qualify for the SFNG Blue-Chip 30 or the SFNG Mid Cap 40 indices.

Index Identification

Index	Code	ISIN	Reuters/Bloomberg
Price NGN	SFNGSC	DE000SLA0096	.SFNGSC/SFNGSC
Gross Return NGN	SFNGSCG	DE000SLA01F1	.SFNGSCG
Net Return NGN	SFNGSCN	DE000SLA01M7	.SFNGSCN
Price USD	SFNGSCUSD	DE000SLA01T2	.SFNGSCUSD
Gross Return USD	SFNGSCGUSD	DE000SLA01Z9	.SFNGSCGUSD
Net Return USD	SFNGSCNUSD	DE000SLA0153	.SFNGSCNUSD
Price EUR	SFNGSCEUR	DE000SLA02B8	.SFNGSCEUR
Gross Return EUR	SFNGSCGEUR	DE000SLA02H5	.SFNGSCGEUR
Net Return EUR	SFNGSCNEUR	DE000SLA02P8	.SFNGSCNEUR

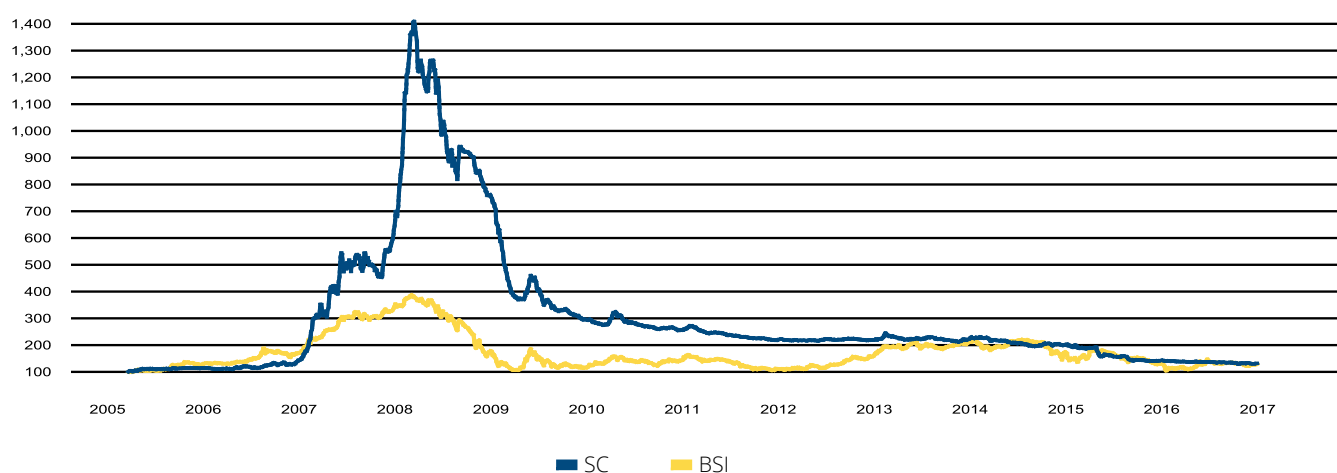
Index Features

Index Level	697.26
Index Universe	SFNG Broad Share Index
Launch Date	01 September 2015
Currency	NGN, USD, EUR
Index Calculation	Price, Gross Return, Net Return
Number of components	21
Base Date	23 March 2015
Back History	From 21 March 2005
Review Frequency	Semi-annually in March and September
Index Dissemination	Real-Time, End of Day
Liquidity Criteria	6 Months ADTV of at least N100,000
Index Capping	None

For a full description of the index methodology please visit:

<http://www.scottfreemarkets.com/index-methodology-and-policy/index-guide>

Performance (SC vs. BSI)¹



Performance Figures

Index	1D	30D	YTD	1Y	3Y	5Y	10Y	Max	
Absolute Returns	0.14%	-0.25%	-7.98%	-7.89%	-41.12%	-40.26%	-8.35%	31.51%	
Annualized Returns		-2.96%	-7.98%	-7.87%	-16.18%	-9.79%	-0.87%	2.35%	
Volatility		3.63%	3.45%	3.45%	7.11%	6.32%	14.55%	13.85%	
Sharpe ratio		-0.92	-2.26	-2.18	-2.29	-1.58	-0.14	0.07	
VaR 95\99				-1.53%	\ -3.39%			-4.83%	\ -11.34%
CVaR 95\99				-1.84%	\ -3.49%			-4.83%	\ -27.62%

¹ Index performance data for the SFNG Index Series prior to Mar 23, 2015 is back-tested (data that shows how the index could have performed over a certain period had it existed). Please note that the back-test data is hypothetical and does not serve as a guarantee of actual or future performance.

SFNG Small Cap Index

As of 30/12/2016

Index Statistics

<u>Market Capitalization</u>	<u>NGN</u>	<u>USD</u>	<u>EUR</u>
Full	101,565,921,896	322,451,997	307,404,498
Free Float	28,078,730,249	89,144,493	84,984,489
<u>Index ADTV</u>	<u>NGN</u>	<u>USD</u>	<u>EUR</u>
6 Months	3,079,109	9,776	9,272
<u>Components Sizes (FF Mkt Cap)</u>	<u>NGN</u>	<u>Dividend Yield²</u>	<u>Value</u>
Largest	3,441,900,000	Gross	1.85%
Median	1,513,277,550	Net	1.66%
Smallest	93,325,996		
Average	1,337,082,393		
<u>Weights</u>	<u>%</u>		
Largest	12.2581		
Smallest	0.3324		

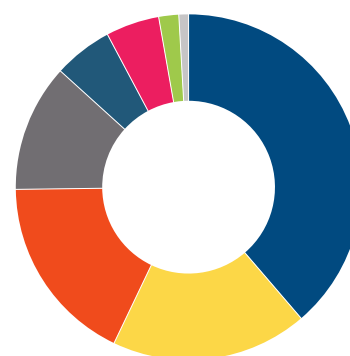
Top 10 Components

<u>Name</u>	<u>Sector</u>	<u>Weighting</u>
E-TRANZACT INTERNATIONAL PLC	Technology	12.26%
UNITY KAPITAL ASSURANCE PLC	Financials	9.96%
REGENCY ALLIANCE INSURANCE	Financials	8.77%
LASACO ASSURANCE PLC.	Financials	8.07%
TRANSCORP HOTELS PLC	Consumer Optional	7.43%
LINKAGE ASSURANCE PLC	Financials	6.15%
MASS TELECOMMUNICATION INNOVATIONS	Technology	6.13%
RED STAR EXPRESS PLC	Industrials	5.82%
SOVEREIGN TRUST INSURANCE PLC	Financials	5.76%
MULTI-TREX INTEGRATED FOODS PLC	Consumer Basics	5.51%

Index Fundamentals/Analytics

Alpha (SC vs BSI)	2.578%
Beta (SC vs BSI)	0.20
Correlation (SC vs BSI)	0.27
R-Squared (SC vs BSI)	0.1
P/E (Trailing) ³	10.99
P/B (Trailing) ³	0.70
P/S (Trailing) ³	0.61

Sector Breakdown



Financials	38.71%
Technology	18.39%
Consumer Optional	17.70%
Industrials	11.92%
Consumer Basics	5.51%
Health Care	5.00%
Oil & Gas	1.87%
General Materials	0.90%

Contact Details

Scottfree Markets

London

Tel: +44 (0) 203 773 1499

Fax: +44 (0) 203 637 2785

www.scottfreemarkets.com

Lagos

Tel: +234 809 321 5780

Tel: +234 (1) 773 9889

Fax: +234 (1) 261 3675

 For daily factsheets please contact enquiries@scottfreemarkets.com

Disclaimer

All Scottfree Markets indices are protected through various intellectual property rights under our trademark "SF Markets®". For any financial product or instrument linked to SF Markets indices, a license will be required from SF Markets. All information and opinions provided in this document which has been prepared by SF Markets is for information purposes only and not intended to provide any advice on which reliance should be placed. No guarantee is given by SF Markets, any of its suppliers or any third parties involved as to the accuracy, correctness, completeness or timeliness of the information or opinions contained in this document and no liability is accepted for any such information or opinions. Whilst every effort has been made to ensure that all information given by SF Markets in this publication is accurate, no responsibility or liability can be accepted by SF Markets, any of its suppliers or any third parties involved for any errors or for any loss arising from use of this publication. This document and the information contained within it may not be reproduced, redistributed, or passed on, in any circumstances, to any other person or published, or transmitted by any other form or means whether electronic, mechanical, by photocopy, or otherwise in whole or in part, for any purpose without the prior written consent of SF Markets.

² Dividend Yield is calculated at Month-End

³ 12 Months