

United Capital Balanced Fund

Mutual Funds Factsheet | April 2026

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FUND OBJECTIVE

The objective of the United Capital Balanced Fund is to achieve long-term capital appreciation and income distribution through investment in a portfolio of securities and instruments as specified in the Trust Deed. The Fund is targeted at investors who seek a blend of safety and regular income. The Fund holds equities and fixed income assets in a blended proportion. The securities are held in relatively small proportions to diversify unsystematic risk in the portfolio.

The Fund aims to balance risk and return. The risk profile is structured to be lower than that of a pure equity investment. With assets tactically allocated between fixed income and equity investments, the Fund is structured for investors seeking a blend of safety, income and modest capital appreciation. The equity portion of the Fund has exposures to mid-cap and large-cap stocks with significant diversification across sectors of the Nigerian economy.

MARKET REVIEW, OUTLOOK AND STRATEGY

In April 2026, the Nigerian equity market recorded strong performance with a growth of N26.78trillion in market capitalisation compared with a N5.45trillion growth recorded in March. The gain was driven by sharp advances in the share prices of Oil and Gas and Industrial Goods sectors. The financial sector also added to the broad gains, with the Banking Index posting a m/m appreciation of 22.61%. Notably, the major stocks that lifted the market higher month on month include ARADEL (+60.63%), BUAFODDS (+21.18%), WAPCO (+59.16%), ETI (+75.22%), BUACEMENT (+27.95%), and MTNN (20.39%). As a result, the NGX-ASI gained 20.36% m/m to close at 242,277.81 points. Year to date stood at 55.69% while market capitalisation closed the month at N155.99 trillion.

On a sectoral level, market activity was mostly bullish, as 4 out of the 5 sectors under our coverage closed in green. The Oil & Gas sector led the gains appreciating by 39.04% m/m due to buy interest in ARADEL (+60.63%) and SEPLAT (+26.32%). The Industrial Goods sector gained 28.04% m/m on the back of WAPCO (+59.16%), BUACEMENT (+27.95%) and DANGCEM (+19.75%). The Banking sector followed with a 22.61% m/m gain owing to buy interest in ZENITHBANK (+36.22%), GTCO (+19.84%) and ETI (+75.22%). The Consumer Goods sector closed with an 11.31% m/m gain on account of BUAFODDS (+21.18%), GUINNESS (+17.44%) and VITAFOAM (+31.27%). On the flip side, the Insurance index was the only loser, with a m/m loss of 3.65%.

In the secondary money market, the financial system opened in April 2026 with a surplus balance of N6.22tn and closed the month at N4.96tn. The month was defined by deliberate CBN liquidity tightening, with heavy reliance on OMO and NTB mop-up operations, supported by N0.203tn FAAC inflows. The monthly average Open Repo Rate (OPR) and Overnight Rate (O/N) closed flat at 22.00% and 22.30%, respectively. The CBN conducted two NTB auctions, with stop rates closing at 15.95% (91-day), 16.19% (182-day) and 16.20% (364-day).

In the secondary bond market, bearish sentiments dominated. Monthly average yields on the 2032 and 2034 bonds rose by 0.63% and 0.20% in April to close at 16.85% and 16.33% respectively. Average yields on corporate bonds rose by 0.16% m/m to close at 18.94% (vs.

18.78% in Mar-2026). The FGN Sukuk bonds market closed bearish, with average yields climbing by 0.35% to 17.01% (vs. 16.66% prior). The April DMO bond auction recorded a subscription rate of 1.35x on a N700bn offer, with marginal rates settling higher at 16.30% (2030), 16.50% (2032), and 16.59% (2035).

On corporate disclosures, Q1 2026 saw a spree of earnings releases. Banking: Zenith Bank FY2025 PBT N1.26tn / PAT N1.04tn (final div N8.75k); ETI FY2025 PBT N1.22tn / PAT N914.09bn (final div US\$0.16) and Q1-26 PBT N270.24bn / PAT N197.53bn; UBA FY2025 PBT N423.40bn / PAT N404.70bn and Q1-26 PBT N160.66bn / PAT N146.62bn; GTCO Q1-26 PBT N302.89bn / PAT N218.13bn; Stanbic IBTC FY2025 PBT N551.76bn / PAT N380.80bn (final div N4.00k); Wema Bank FY2025 PBT N221.89bn / PAT N194.48bn (final div N1.25k). Industrial Goods: Dangote Cement Q1-26 PBT N421.17bn / PAT N321.10bn; BUA Cement Q1-26 PBT N192.68bn / PAT N176.38bn; Lafarge Q1-26 PBT N149.12bn / PAT N97.95bn. Consumer Goods & Telecoms: MTN Nigeria Q1-26 PBT N546.42bn / PAT N355.50bn; BUA Foods Q1-26 PBT N153.76bn / PAT N142.32bn; Nigerian Breweries Q1-26 PBT N80.41bn / PAT N55.95bn; Guinness Q1-26 PBT N15.75bn / PAT N10.39bn; International Breweries Q1-26 PBT N40.31bn / PAT N19.62bn; Unilever Q1-26 PBT N13.42bn / PAT N7.02bn. Insurance: NEM Insurance FY2025 PBT N27.56bn / PAT N23.55bn (final div N1.50k); Custodian Investment FY2025 PBT N77.35bn / PAT N67.63bn (final div N2.50k); AICO FY2025 PBT N24.36bn / PAT N22.68bn. Other notable dividends: Okomu Oil N15.00k; Beta Glass N7.20k; Julius Berger N4.25k; Transcorp Power N4.00k; Berger Paints N1.25k; Transnational Corp N1.60k; NAHCO N6.25k plus 1-for-7 bonus.

Looking ahead into May 2026, there may be some strategic positioning in large, valued stocks during the month. However, there is a possibility of profit taking as the earnings season comes to an end. A key near-term focal point is the 305th MPC meeting, scheduled for May 19-20, 2026, where we expect the MPC to maintain key policy rates with a slight upward adjustment to the Non-TSA public sector deposit to 80% from the current 75%. We expect the fixed income market to retain a bearish bias, with yields remaining elevated across the curve following the broad-based sell-off in April. The likelihood of delayed rate cuts in the United States is expected to limit foreign portfolio inflows, reinforcing the dominance of domestic investors and sustaining upward pressure on yields.

Fund strategy remains anchored on tactical asset allocation between equities and fixed income to capture upside in the bullish equity market while preserving capital through high-yielding short-tenor fixed income instruments. The equity sleeve will continue to favour fundamentally strong large-cap names with exposure to Banking, Industrial Goods, and Telecoms — sectors that delivered the strongest Q1 2026 earnings momentum. The fixed income sleeve will tilt toward shorter-duration NTBs and select bonds offering attractive risk-adjusted yields, with selective participation in primary auctions where marginal rates remain elevated.

FUND FEATURES

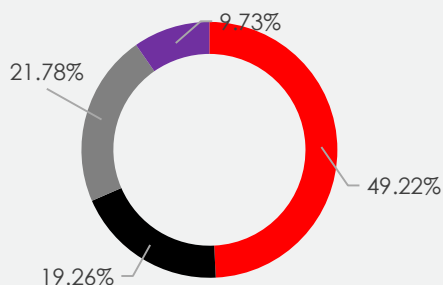
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2006
Fund Size (₦)	7.9bn
NAV Per Share (₦)	3.0529
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.81%
Benchmarks	91-Day T-bills/NGX ASI/3-year FGN Bond
Risk Profile	Moderate
Investment Style	Market Oriented

* Inclusive of management fee; Returns are net of all fees

MATURITY PROFILE OF ASSETS

0-30days	25.11%
31-60days	0.00%
61-90days	9.75%
91-180days	3.85%
180-365 days	33.89%
>1 year	27.41%

Current Portfolio Holdings

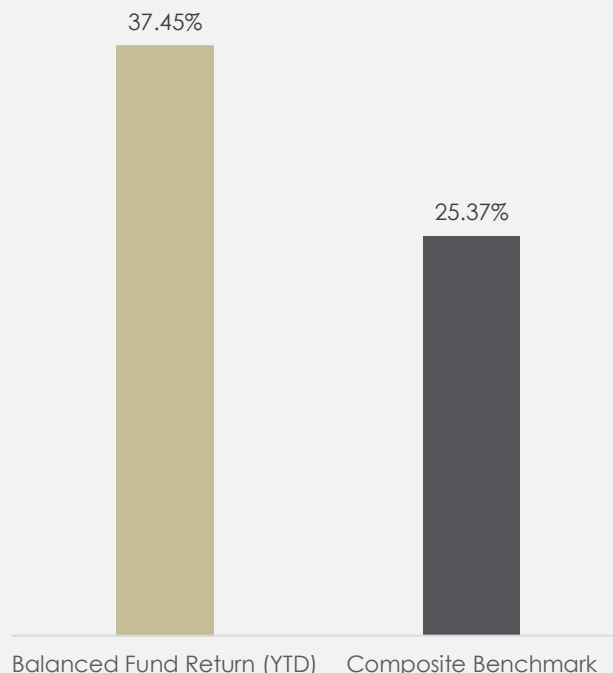


■ Equities ■ Bonds ■ Money Market Instruments ■ Cash

Governance Asset Allocation Ranges:

Quoted Equities (40%-60%), Money Market and Fixed Income Instruments (40%-60%), Alternative investments (0%-10%)

Balanced Fund Return Vs Benchmark (YTD)



RETURN HISTORY

	2021	2022	2023	2024	2025	2026 YTD
UCAP Bal. Fund	6.19%	4.89%	42.23%	30.41%	32.38%	37.45%
Composite Benchmark	5.56%	12.82%	19.97%	26.62%	30.24%	25.37%

*Represents the Fund's Absolute Return vs the Benchmark's Absolute Return

PERFORMANCE REVIEW

The United Capital Balanced Fund returned 37.45% YTD as at the end of April 2026, compared to the composite benchmark return of 25.37% over the same period.

The Nigerian equity market extended its rally in April, with the NGX-ASI gaining 20.36% m/m to close at 242,277.81 points and market capitalisation rising N26.78tn to N155.99tn. Oil & Gas, Industrial Goods, and Banking led the move, with ARADEL (+60.63%), WAPCO (+59.16%), ETI (+75.22%), and BUACEMENT (+27.95%) anchoring the gains.

The fixed income market traded bearish, with average bond yields rising across the curve and NTB stop rates settling at 15.95% / 16.19% / 16.20% across the 91-, 182-, and 364-day tenors. The Fund continued to add at the long end of the NTB curve to lock in elevated coupons while selectively building bond exposure at higher marginal rates.

Looking ahead, market direction will be shaped by the 305th MPC meeting (May 19-20) and remaining Q1 2026 earnings releases. The Fund Manager will continue to take positions in tickers with strong fundamentals while maintaining a balanced mix with fixed income to capture the attractive yield environment.

We will maintain allocations in line with the investment policy and the Trust Deed.

Past performance is not a reliable indicator of future performance, and individual investors' returns may differ depending on individual investment period. Performance is net of fees and charges. This information has been prepared for the purpose of providing general information, without taking into account your objectives, financial situation or needs. Before making an investment decision, you need to consider whether this information is appropriate to your objectives, financial situation or needs. Please consult your financial adviser. This information has been compiled from sources considered to be reliable but is not guaranteed. Any potential investor should consider conducting further enquiries in deciding whether to acquire or continue to hold units in a fund.

WHY CHOOSE THE FUND?

- Low volatility of Investment returns
- Well diversified portfolio
- Seamless entry and exit
- Professional management with robust risk management framework
- Ability to enjoy long term capital growth as well as safety

INVESTMENT RISK

- Market risk of equity exposure
- Macroeconomic instability

HOW TO PARTICIPATE

1. Log in to our online platform www.investnow.ng
2. Click on "Balanced Fund"
3. Click on "Open and account" and complete the online form
4. Fund your account online with a one-time payment or recurrent payments



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Nigerian Eurobond Fund Sukuk Fund Wealth for Women Fund