

United Capital Fixed Income Fund

Mutual Funds Factsheet | April 2026

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FUND OBJECTIVE

The main objective of the Fund is to achieve consistent income streams through investment in select portfolio of securities and investments specified in the Trust Deed. The Fund's assets are invested in Federal Government bonds, Sub-national bonds, corporate bonds and high-quality money market securities. The Fund is not affected by the fluctuations in the equity markets. However, opportunities for capital appreciation are dependent on changes in interest rate.

MARKET REVIEW, OUTLOOK AND STRATEGY

The Debt Management Office (DMO) conducted the April 2026 bond auction with a total offer size of ₦700bn, split across the reopened 2030 (5-year), 2032 (7-year), and 2035 (10-year) instruments. Investor appetite remained strong, with total subscriptions at ₦948.01bn, representing a subscription rate of 1.35x. Despite the robust demand, the DMO maintained a cautious stance, under-allotting a total of ₦276.79bn, with the bulk of allotments skewed toward the 2035 bond (₦211.24bn). This reflects investor preference for longer-duration instruments. Marginal rates closed higher across all tenors at 16.30% (2030), 16.50% (2032), and 16.59% (2035).

In the secondary bond market, we observed negative sentiments as the bears dominated. Thus, the 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. Similarly, we observed bearish movements in corporate bonds, as average yields in April-2026 rose by 0.16% m/m to close at 18.94% (previously, 18.78% in Mar-2026). Similarly, the FGN Sukuk bonds market closed bearish as average yields on Sukuk bonds climbed by 0.35% to close at 17.01% in Apr -2026 compared to the previous month's close of 16.66%.

The CBN conducted two NTB auctions during the month. The first auction had an offer size of ₦750bn worth of bills across the 91-day, 182-day, and 364-day tenors. Investors' demand was strong, with total subscriptions amounting to ₦2.36tn, representing a subscription rate of 3.15x. Bids were heavily skewed toward the longer-tenored 364-day bill, which attracted a total of ₦2.11tn in bids. Notably, the Apex Bank only allotted ₦894.17bn worth of bills. Following the auction, stop rates on the 91-day, 182-day and 364-day Treasury bills closed at 15.95%, 16.19% and 16.20% respectively.

The second auction had an offer size of ₦750bn worth of bills across the 91-day, 182-day, and 364-day tenors. Investors' demand was strong, with total subscriptions amounting to ₦2.93tn, representing a subscription rate of 3.92x. Bids were heavily skewed toward the longer-tenored 364-day bill, which attracted a total of ₦2.63tn in bids. Notably, the Apex Bank under-allotted, selling ₦731.37bn worth of bills. Following the auction, stop rates on the 91-day, 182-day and 364-day Treasury bills closed at 15.95%, 16.19% and 16.20% respectively.

Heading into May 2026, the Nigerian fixed income market is expected to retain a bearish. Yields are expected to remain elevated across the curve following the broad-based sell-off in April across FGN, corporate, and Sukuk bonds. This trend reflects the impact of tight monetary policy and persistent inflationary pressures. Despite the DMO's under-allotment at recent auctions, higher marginal rates indicate that investors continue to demand elevated risk premiums. On the external front, 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.

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.

FUND FEATURES

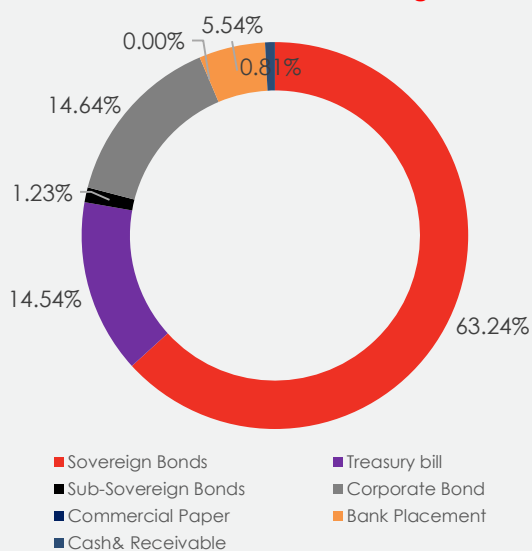
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2006
Fund Size (₦)	75.6bn
NAV Per Share (₦)	2.0320
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Minimum Holding Period	90 days
Management Fee	1.5%
Total Expense Ratio*	1.8%
Benchmark	3-Yr FGN Bond Yield
Risk Profile	Medium
Investment Style	Income Oriented

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

MATURITY PROFILE OF ASSETS

<1yr	37.14%
1-3yr	27.96%
3-5yr	13.75%
5-10yr	16.97%
>10yr	4.18%

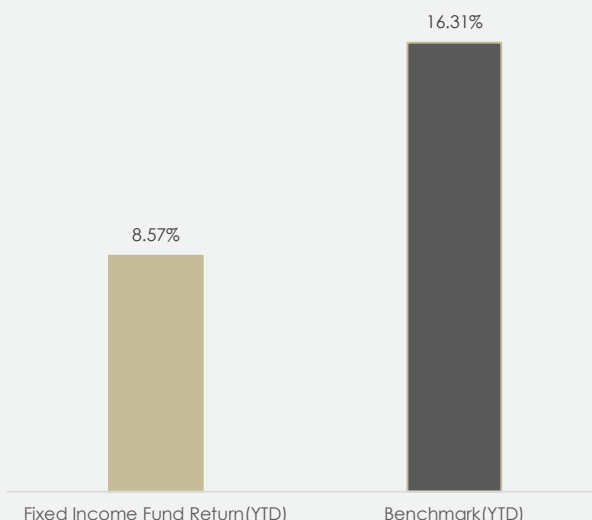
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Money Market (10%-30%); Fixed Income: 70%-90%

Fixed Income Fund Return vs Benchmark (Annualized)



RETURN HISTORY

	2021	2022	2023	2024	2025	2026 YTD
UC Fixed Income Fund	6.40%	6.33%	6.88%	6.50%	8.31%	8.57%
Benchmark	9.45%	12.83%	13.30%	20.11%	16.60%	16.31%

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

PERFORMANCE REVIEW

The United Capital Fixed Income Fund annualized YTD return as of April 2026 is 8.57% relative to 16.31% posted by the benchmark for the same period.

The fund was also able to reposition using proceeds from Coupons and asset maturities to lock in to long term assets.

The bond market was bearish with marginal uptick in the yield curve. A slight increase in several bond assets poised the fund for MTM gains.

The money market space was more vibrant with the fund taking position at the long end of the curve. The fund manager still intends to take advantage of current rates and take position in current instruments with good pricing to optimize overall performance.

Looking ahead to May 2026, we expect the impact of the inflationary pressure and interest rate to influence the fund's profitability and returns.

The portfolio remains invested in FGN Bonds, money market instruments and sub-sovereign bonds with decent yield. The fund is constantly monitoring the market to ensure optimal returns across all asset class while maintaining its current allocation to enhance the overall yield of the Fund.

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WHY CHOOSE THE FUND?

- Medium Risk Profile
- Seamless entry and exit
- Low entry threshold
- Professional management with robust risk management framework
- Long term capital preservation and growth

INVESTMENT RISK

- Market risk
- Macroeconomic instability
- Interest Rate Risk

HOW TO PARTICIPATE

1. Log in to our online platform www.investnow.ng
2. Click on Bond 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



Diversify your investments with our Mutual Funds today.

Balanced Fund Equity Fund Fixed Income Fund Money Market Fund

Nigerian Durband Fund Sukuk Fund Wealth for Women Fund

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