

# United Capital Nigerian Eurobond Fund

Mutual Funds Factsheet | April 2026

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## FUND OBJECTIVE

The United Capital Nigerian Eurobond Fund is an open-ended mutual fund that is invested in Dollar denominated Eurobonds, floated by the Federal Government of Nigeria, as well as top-tier corporates. Subscribers can expect to receive competitive short to medium term capital appreciation on their USD holdings invested in the Fund better than they would receive on domiciliary deposits. The minimum investment is \$1,000 and multiples of \$500 thereafter.

## MARKET REVIEW, OUTLOOK AND STRATEGY

The Nigerian Eurobond market experienced a broad-based yield contraction in April, reversing the upward trend observed in March. The average Eurobond yield declined by approximately 0.74% to close around 6.73%, from about 7.47% in March. The downward correction reflected improved investor sentiment and selective re-entry into emerging market assets, supported by easing global yield pressures and growing confidence in Nigeria's macroeconomic stability.

Yields at the short- to mid-end of the curve compressed significantly in April, indicating renewed appetite for short tenor following the cautious stance observed in March. The 3-year tenor declined to 5.86% from 6.29%, while the 5-year yield fell sharply to 5.78% from 6.58%. Similarly, the 7-year segment recorded the most pronounced repricing, with yields dropping to 6.20% from 7.35%, reflecting strong demand for intermediate tenors and improved risk appetite.

Mid-curve bonds also experienced notable yield compression. The 10-year tenor closed April at 6.98%, down from 7.76% in March, aligning with broader emerging market curve flattening. The repricing suggests increasing investor confidence with Nigeria's medium-term outlook, as improved FX stability and policy consistency begin to anchor market expectations. At the long end, the 20-year tenor declined to 7.40% from 8.18%, while the 30-year yield fell to 8.13% from 8.65%, pointing to continued but cautious participation.

From a macroeconomic perspective, Nigeria's domestic fundamentals continue to improve, supported by enhanced FX liquidity, resilient external reserves, and stronger policy credibility. The FOMC maintained the federal funds rate at the April meeting, citing heightened economic uncertainty driven by the US-Iran conflict and the closure of the Strait of Hormuz. While global geopolitical tensions persist, declining global yields and stabilizing risk sentiment have supported inflows into emerging and frontier markets, including Nigerian Eurobonds.

**Looking ahead to May, market activity could remain cautiously constructive, with yields likely to trade within a narrowing range. While global monetary conditions will remain a key driver, Nigeria's improving macroeconomic fundamentals and FX stability may continue to provide downside support to yields. Short-to-mid-dated bonds are expected to outperform, driven by strong demand and defensive positioning, while long-dated bonds may see selective accumulation. Overall, the market is likely to sustain a gradual bullish bias, with intermittent volatility driven by external developments but underpinned by strengthening domestic fundamentals.**

*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.*

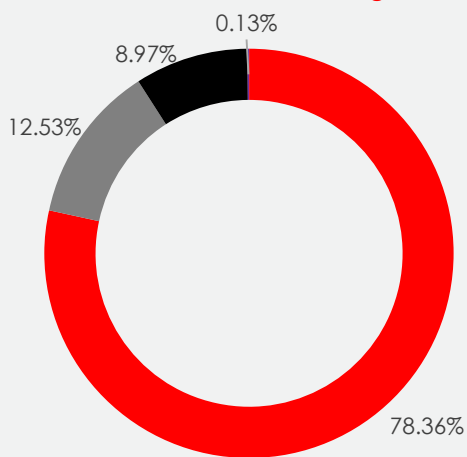
**FUND FEATURES**

Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	USD/2017
Fund Size (\$)	114.1m
NAV Per Share (\$)	127.23
Minimum Investment(\$)	1,000
Additional Investment (\$)	500
Structure	Open Ended
Minimum Holding Period	90 days
Management Fee	1.35%
Total Expense Ratio*	1.65%
Benchmark	Composite of 3-yr FGN sovereign Eurobond and 3mth US T-Bill
Risk Profile	Medium
Investment Style	Income Oriented

**MATURITY PROFILE OF ASSETS**

<1yr	13.59%
1-3yr	0.00%
3-5yr	5.62%
5-10yr	11.35%
>10yr	69.45%

**Current Portfolio Holdings**

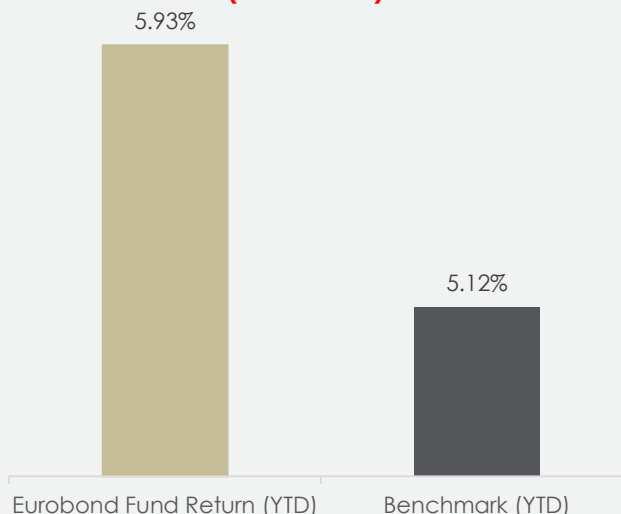


■ FGN Eurobonds ■ Corporate Eurobonds ■ Fixed Deposit ■ Cash

**Governance Asset Allocation Ranges:**

FGN Eurobonds (20%-80%); Corporate Eurobonds (20%-80%); Money Market placements (0% - 20%)

**Eurobond Fund Return Vs Benchmark (Annualized)**



**RETURN HISTORY**

	2021	2022	2023	2024	2025	2026 YTD
UCAP Nigerian Eurobond Fund	6.84%	5.73%	5.52%	5.71%	7.67%	5.93%
Benchmark	4.04%	8.91%	7.46%	7.30%	5.12%	5.12%

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

**PERFORMANCE REVIEW**

The United Capital Nigerian Eurobond Fund closed the month with an annualized year-to-date return of 5.93%, compared to the benchmark return of 5.12%.

April delivered a broad-based rally in Nigerian Eurobonds, with average yields compressing 0.74% to 6.73%. The short to mid end of the curve led the move, supported by improved FX liquidity, resilient external reserves, and easing global yield pressures that drew renewed offshore and domestic appetite.

With the Fed holding at 3.50% - 3.75% and the ECB at 2.0%, the higher-for-longer global backdrop continues to anchor attractive carry on Nigerian and Sub-Saharan African sovereign Eurobonds, drawing investors in the short to mid term.

The Fund will maintain Trust Deed allocation ranges and tactically pick higher-yielding sovereign Eurobond maturities to enhance returns and capture mark-to-market gains.

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### WHY CHOOSE THE FUND?

- Improved Risk adjusted returns than the average domiciliary deposit rate
- A good hedge against Domestic Inflation & Naira Devaluation
- Seamless Entry and Exit
- Professional management with robust risk management framework
- Long term capital preservation and growth

### INVESTMENT RISK

- Credit Risks
- Macroeconomic instability
- Interest Rate Risk

### HOW TO PARTICIPATE

1. Log in to our online platform [www.investnow.ng](http://www.investnow.ng)
2. Click on "Eurobond Fund"
3. Click on "Open an account" and complete the online form
4. Fund the Custody Account detailed here

#### UNITED CAPITAL NIGERIAN EUROBOND FUND

**Account No:** 0406315251

**Account Name:** MAINSTREET TRUSTESS/UNITED CAPITAL NIGERIAN EUROBOND FUND

**Currency:** USD

**Bank:** FCMB

**Correspondent Bank:** CITIBANK, New York, USA,  
399 Park Avenue, New York, NY10043, U.S.A.

**BIC/SWIFT ID:**FCMBNGLAXXX

**Intermediary BIC :** CITIUS33XXX



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