

# United Capital Stable Income Fund

## Mutual Funds Factsheet | April 2026

Contact Us:  
Philip Ndunaka | +234-703-192-1664 | [philip.ndunaka@unitedcapital.com](mailto:philip.ndunaka@unitedcapital.com)  
Asset Management | +234-1-631-7876 | [assetmanagement@unitedcapital.com](mailto:assetmanagement@unitedcapital.com)



### FUND OBJECTIVE

The Stable Income Fund is an actively managed open-ended specialized fund whose main objective is to provide investors with stable returns over a medium to long-term period, through investment in select naira denominated highly rated fixed income instruments with relatively high return. The fund is targeted at investors looking to gain exposure to naira denominated fixed income instruments yielding relatively high return, with risk profile moderately higher than money market investment. The fund is ideal for investors with moderate risk tolerance and investment horizon. The Fund will also help investors diversify their portfolio and income streams whilst providing long-term capital appreciation, through investment in a selected portfolio of fixed income securities and investment products.

### 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. 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). The FGN Sukuk bonds market also closed bearish, with average yields on Sukuk bonds climbing by 0.35% to 17.01% in Apr-2026 compared to the previous month's close of 16.66%.<sup>2</sup>

On the money market front, the financial system opened April 2026 with a surplus balance of ₦6.22tn and closed the month at ₦4.96tn, reflecting deliberate CBN liquidity tightening via OMO and NTB mop-up operations supported by ₦203bn in FAAC inflows. The OPR and O/N closed flat at 22.00% and 22.30% respectively. Across two NTB auctions, total subscriptions of ₦5.29tn against a combined offer of ₦1.50tn

underscored the depth of domestic liquidity, with stop rates settling at 15.95% (91-day), 16.19% (182-day) and 16.20% (364-day) — reinforcing investor preference for the longer end where real yields remain most attractive.

Heading into May 2026, the Nigerian fixed income market is expected to retain a bearish bias. 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.

A key near-term focal point is the 305th Monetary Policy Committee (MPC) meeting, scheduled for May 19-20, 2026. We expect the MPC to hold key policy rates, with the possibility of a slight upward adjustment to the Non-TSA public sector deposit ratio to 80% from the current 75%. This expectation is anchored on the need to tame rising inflation amid lingering geopolitical pressures from the Middle East, which continue to weigh on global energy prices and Nigeria's imported inflation outlook.

Fund strategy remains anchored on capturing attractive yields at the longer end of the NTB curve and selectively building exposure to FGN bonds offering compelling risk-adjusted returns at current elevated marginal rates. The Fund Manager will maintain a barbell positioning — combining short-tenor liquidity buffers with mid- to long-duration accumulations — to lock in elevated coupons ahead of any future easing cycle while preserving capital and ensuring sufficient liquidity to meet redemption obligations.

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**

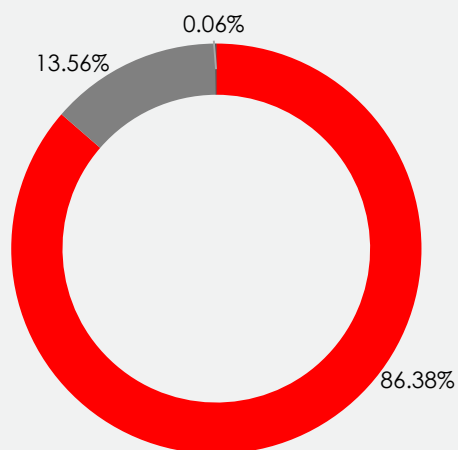
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2024
Fund Size (₦)	58.2bn
NAV Per Share (₦)	135.1623
Minimum Entry (₦)	50,000,000
Additional Investment (₦)	10,000,000
Structure	Open Ended
Minimum Holding Period	30 days
Benchmark	91-Weighted Average T-Bills rate
Management Fee	2.00%
Total Expense Ratio*	2.23%
Risk Profile	Low
Investment Style	Income Oriented

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

**MATURITY PROFILE OF ASSETS**

< 1 yr.	90.74%
1 – 3yr	1.01%
3-5yr	5.21%
5 – 10yr	3.04%
>10yr	0.00%

**Current Portfolio Holdings**

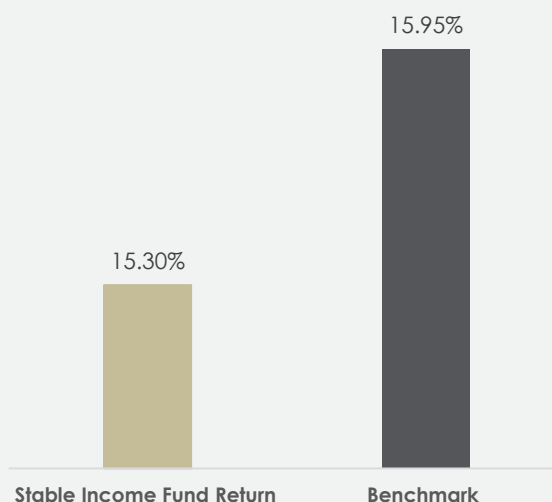


■ Money Market Securities ■ Fixed Income Securities ■ Cash

**Governance Asset Allocation Ranges:**

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

**Stable Income Fund Return Vs Benchmark (Annualized)**



**RETURN HISTORY**

	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	2025	2026 YTD
UCAP Stable Income Fund	22.88%	21.87%	22.09%	21.63%	21.93%	19.80%	15.30%
Benchmark	19.06%	17.75%	17.75%	15.95%	18.84%	16.12%	15.95%

**PERFORMANCE REVIEW**

The United Capital Stable Income Fund recorded a year-to-date annualized return of 15.30%, as against the benchmark of 15.95% as at the end of April.

The market posted mix reactions across several instruments and maturities largely based on market expectations. We expect the economy to maintain its steady pace with a slight uptick in inflationary figures and general interest rate.

Treasury bills and other money market instruments were major picks as investors still looked to buying into the long end of the curve. The fund maintained its long-term positioning keying into new issuances and taking profit to reinvest in key instruments.

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 fund manager still intends to take advantage of current rates and take position in current instruments with good pricing to optimize overall returns.

The Fund will continue to invest in high quality fixed income instruments that generate competitive returns for the benefit of the subscribers. The Fund is well positioned to deliver above-average returns despite the current yield environment.

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?

- Stable returns over a medium to long-term period
- Capital preservation
- Low risk investment
- Portfolio diversification
- Open entry and exit
- Professional management

### INVESTMENT RISK

- Market risk
- 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 "Stable Income Fund"
3. Click on "Open an 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 Eurobond Fund   Sukuk Fund   Wealth for Women Fund