

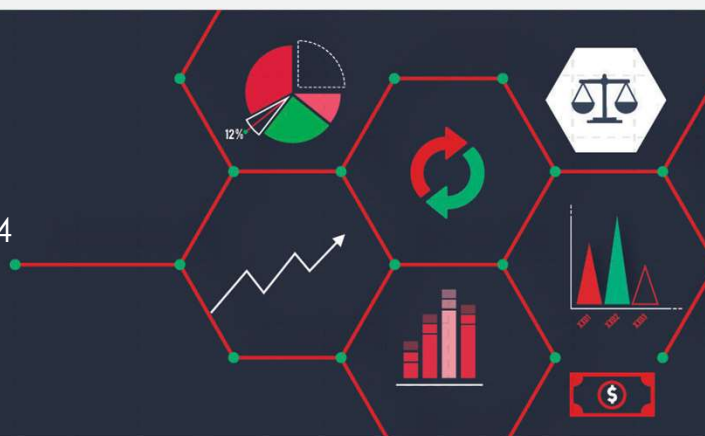
United Capital Equity Fund

Mutual Funds Factsheet | August 2024

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FUND OBJECTIVE

The United Capital Equity Fund invests in quoted equities that are traded on the Floor of the Nigerian Exchange ("NGX"). The objective of the Fund is to achieve high returns over a medium to long-term period. The Fund is suited for investors who have a long-term outlook and have funds that can be set aside for investments extending for a period of more than one year. The Fund is impacted by fluctuations in stock prices.

The Fund seeks to achieve long-term capital appreciation and income distribution through investment in fundamentally strong companies. As such, the Fund targets investors who seek significant capital appreciation in the long-term and can tolerate the volatility in the stock market.

MARKET REVIEW, OUTLOOK AND STRATEGY

In August, the Nigerian Exchange Group (NGX) closed lower despite bouts of buy-interests. As in previous months, we observed that the activities in the fixed-income market continue to serve as a key demotivator for risk on sentiments in the equities market. Notably, share price depreciations in large-cap stocks, DANGCEM (-10.0% m/m) and BUACEMEN (-19.2% m/m) were the major equity index movers, outweighing gains in OANDO (+212.2% m/m) and BUAFODS (+5.5% m/m). The broad-based growth was reflected in the 3.1x market breadth as 72 stocks appreciated against 23 decliners. As a result, the benchmark NGX-All Share Index (NGX-ASI) declined by 1.3% m/m to close at 96,579.5 points. Consequently, YTD return weakened to 29.2% from July's print of 30.5%, with market capitalization settling at 5.5tn.

On a sectoral level, market activities were broadly bullish, as four (4) of the five (5) sectors under our coverage made month-on-month gains. The Oil and Gas sector (+22.4% m/m) led the gainers due to gains in TOTAL (+73.3% m/m). Trailing behind was the Insurance sector (+13.08% m/m) following buy-interest in CORNERST (+44.4% m/m), VERITASK (+55.3% m/m), AICO (+17.7% m/m) and MANSARD (+7.9% m/m). The Banking sector (+7.6% m/m) and Consumer Goods sector (+3.5% m/m) appreciated following share price appreciations in ZENITHBA (+13.0% m/m), UBA (+15.9% m/m), and BUAFODS (+5.5% m/m). The Industrial Goods sector (-13.1% m/m) declined on account of losses in BUACEMEN (-19.2% m/m) and DANGCEM (-10.0% m/m).

On corporate disclosures, the Securities and Exchange Commission (SEC) has approved the extension of the Rights Issue of Access Holdings Plc to August 23. The N351.0bn Rights Issue, earlier scheduled to end Wednesday 14th August was extended due to the hunger protests across the country in early August.

Also, Oando Plc has acquired a 100% stake in the Nigerian Agip Oil Company from Italian energy firm, Eni, in a deal valued at \$783mn. The newly acquired assets include 40 oil and gas fields, with 24 currently producing, as well as 1,490 kilometres of pipelines; 12 production stations; 3 gas processing plants; the Brass River Oil Terminal; and the Kwale-Okpai power plants, with a combined capacity of 960MW.

Looking ahead into September, we expect improved investor sentiment towards the equities market as investors shop for fundamentally sound stocks which are underpriced and pay high dividends. However, the downward trajectory of yields in the money/fixed income market will incentivize long-term fund placements, dampening interest in the equities market.

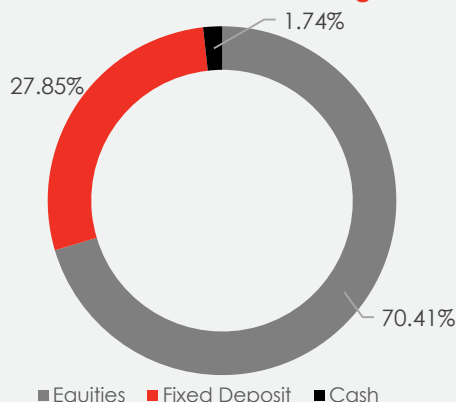
Past performance is not a reliable indicator of future performance, and individual investors' returns may differ depending on individual investment period. Performance is net of fees and charges. This information has been prepared for the purpose of providing general information, without taking into 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

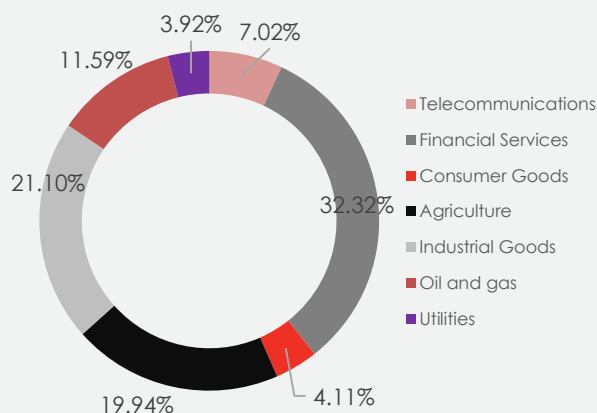
Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2006
Fund Size (₦)	3.2bn
NAV Per Share (₦)	1.3053
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.8%
Benchmark	NGX ASI
Investment Style	Aggressive
Base Currency/Start Year	Growth Oriented

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

Current Portfolio Holdings

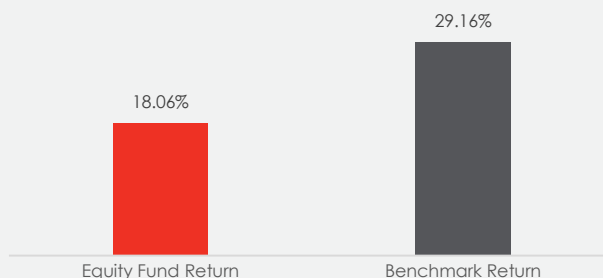


Equity Sectoral Allocation

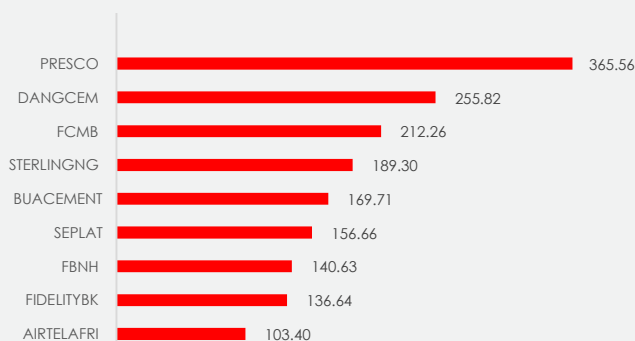


Governance Asset Allocation Ranges:
 Money Market(10%-30%); Equities: 70%-90%

Equity Fund Performance Vs Benchmark



Top ten equity exposures (million)



RETURN HISTORY

	2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD
UCAP Equity Fund	-1.00%	36.10%	-5.42%	-1.59%	22.91%	16.43%	7.55%	48.38%	18.06%
Benchmark (ASI)	-1.90%	42.30%	-17.80%	14.60%	50.03%	6.07%	19.98%	45.90%	29.16%

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

PERFORMANCE REVIEW

The United Capital Equity Fund returned 1.55% for the month of August 2024 translating to a YTD return of 18.06%, relative to the return of 29.16% posted by the benchmark for the same period.

The equities market continued its decline in August 2024, as the NGX All Share Index shed 1.22% MoM. Activities in the fixed-income market continue to serve as a key demotivator for risk on sentiments in the equities market.

Looking ahead, we would actively monitor activities in the equities market ahead of the release of more H1 financial performance. The funder manger will continue to take position in attractive tickers that are currently undervalued.

The fund would continue to take positions in stocks with low prices, solid valuations, and dividend performance in a bid to take advantage of potential market rally. We will maintain our allocation in line with the investment policy objectives and the Trust Deed.

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WHY CHOOSE THE FUND?

- Delivers significantly higher returns than regular domiciliary bank deposits
- A good hedge against depreciation of the Naira
- Seamless Entry and Exit
- Professional management with robust risk 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
2. Click on "Equity Fund"
3. Click on "Open and account".
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