

# United Capital Equity Fund

Mutual Funds Factsheet | August 2025

## Contact Us:

Philip Ndunaka | +234-703-192-1664 | [philip.ndunaka@unitedcapital.ng](mailto:philip.ndunaka@unitedcapital.ng)

Asset Management | +234-1-631-7876 | [asset.management@unitedcapital.ng](mailto:asset.management@unitedcapital.ng)

## 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 2025, the Nigerian equities market extended its July rally with a modest gain, driven by early-month enthusiasm, before giving way to profit-taking and cautious trading towards the end of the month. Investors gained approximately N0.35tn compared to N12.47tn in July as market capitalization grew marginally. Despite intermittent selloffs among major banks and industrial players, notably in the latter weeks, investor appetite shifted toward fundamentally sound mid- and small-cap stocks.

Notably, standout performers which lifted the local bourse include BUAFOODS (+31.45% month-on-month – m/m), BUACEMEN (+12.44% m/m), TRANCOH (+9.95% m/m), and AIICO (+91.47% m/m). As a result, the NGX-All Share Index (NGX-ASI) gained 0.31% m/m to close at 140,295.50 points. Consequently, Year to date returns increased marginally to 36.31% from 35.89% recorded in July. Market capitalization also closed at N88.77tn from N88.42tn recorded in July.

On a sectoral level, market activity was bullish, as Three(3) of the Five (5) sectors under our coverage closed in the green while two (2) closed in red. The Insurance sector (+44.30% m/m) led the gainers mainly driven by gains in AIICO (by more than 90%), GUINEAINS, LINKASSURE and others (gaining more than 50%). Following was the Consumer Goods sector (+8.91% m/m) following share price appreciations in BUAFOOD (+28+% m/m), and CHAMPION (+24% m/m). This was followed by the Industrial sector (+1.83% m/m) on account of gains in TRIPPLEG, BETAGLASS.

However, sectors like the Oil & Gas and Banking Sectors were the major losers, shedding 3.95% and 5.09% respectively mainly driven by losses in some large cap stocks.

In terms of corporate disclosures, we saw a spree of earnings announcement from some of our coverage companies with the HY1-2025 earning season starting off. Major declarations in the month of August includes: Consolidated hallmark, UPDC Reits, Learn Africa, Stanbic IBTC ETC 30 and Stanbic IBTC ETF 40.

In the Banking sector, FCMB Group Plc announced plans to undertake an equity capital raise via an Offer for Subscription, aimed at strengthening its capital base to support regional and international expansion, with proceeds to be injected into First City Monument Bank Limited, subject to SEC's approval.

GTCO Plc also injected N365.85bn into Guaranty Trust Bank Limited through a Rights Issue, raising the Bank's share capital to N504.11bn and ensuring compliance with the new minimum capital requirement, with the funds to support branch expansion, IT infrastructure, and growth initiatives across its markets.

In the Insurance sector, International Energy Insurance Plc announced that with the support of its new investor, Norrenberger Advisory Partners Limited, it has fully repaid its outstanding JPY 1.85bn zero-coupon bond due 2028 and noted that NAICOM is still reviewing its 2024 audited results ahead of a planned nine-month audit for 2025.

In the Consumer Goods Sector, Champion Breweries Plc announced that it has entered into an agreement to acquire the Bullet range of ready-to-drink alcoholic and energy beverages from Sun Mark International, in line with its diversification strategy and to strengthen its market presence across Africa.

**Looking ahead into September 2025, we anticipate a measured yet resilient performance in the Nigerian equities market. The market is likely to remain cautiously steady, with sentiment shaped by lingering profit-taking from August, alongside fresh catalysts such as expectations of monetary easing and continued corporate earnings activity.**

**We also anticipate the NGX All-Share Index gaining renewed traction toward the end of September, following its typical seasonal strength entering the fourth quarter. We also expect the CBN to initiate its first rate cut in September, potentially marking a turning point in market confidence. Supportive investor actions may emerge if financials and industrials react well to anticipated interest rate relief.**

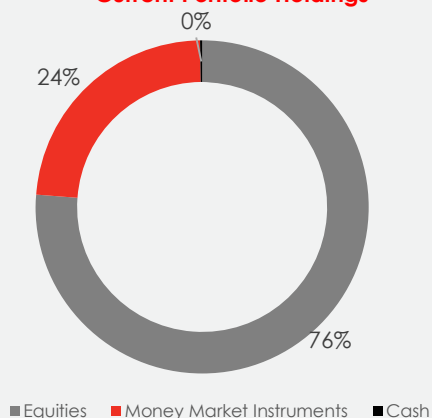
**At the macro level, economic fundamentals continue to stabilize amid ongoing reforms, sustained capital inflows, and a moderating inflation trajectory. We expect select large-cap stocks, especially those benefiting from expected monetary easing and operating in structurally resilient sectors to retain investor appeal. While general caution may prevail in the near term, the backdrop positions the market could gradually regain momentum once rate cuts materializes.**

## FUND FEATURES

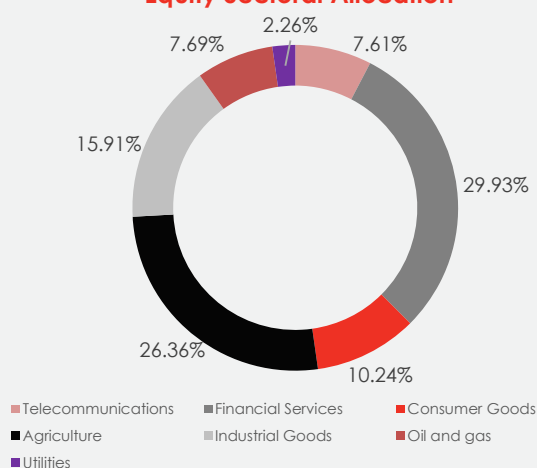
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2006
Fund Size (₦)	5.9bn
NAV Per Share (₦)	1.8138
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.8%
Benchmark	NGX ASI
Risk Profile	Aggressive
Investment Style	Growth Oriented

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

## Current Portfolio Holdings



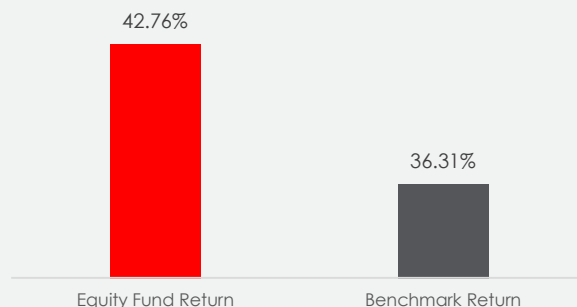
## Equity Sectoral Allocation



## Governance Asset Allocation Ranges:

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

## Equity Fund Performance Vs Benchmark



## Top ten equity exposures (million)



## RETURN HISTORY

	2020	2021	2022	2023	2024	2025 YTD
UCAP Equity Fund	22.91%	16.43%	7.55%	48.40%	35.60%	42.76%
Benchmark (ASI)	50.03%	6.07%	19.98%	45.90%	37.65%	36.31%

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

## PERFORMANCE REVIEW

The United Capital Equity Fund returned -1.42% for the month of August 2025 translating to a YTD return of 42.76%, relative to the return of 36.31% posted by the benchmark for the same period.

Following the gains in July, the performance of the Nigerian stock market slowed in August as the benchmark index gained 0.31% on a MoM basis translating to a YTD return of 36.31%. The Insurance sector led the gainers list following the signing of the Nigerian Insurance Industry Reform Act, 2025.

Looking ahead, we expect that cautious sentiment will continue to persist as investors continue to take profit. Market performance during the month is also expected to be shaped by the release of H1 earnings report and interim dividend announcement from tier-1 banks. The fund manager will continue to take position in tickers with good fundamentals as the opportunity presents and ensure a mix with money market instruments to take advantage of the attractive yield environment.

The fund manager will watch activities in the market and 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.

### WHY CHOOSE THE FUND?

- Diversification across sectors
- Seamless Entry and Exit
- Low entry threshold
- Professional management with robust risk framework
- Long term capital 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 **"Equity Fund"**
3. Click on **"Open and account"**.
4. Fund your account online with a one-time payment or recurrent payments.

