

United Capital

Money Market Fund

Mutual Funds Factsheet | August 2025

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FUND OBJECTIVE

The United Capital Money Market Fund allows investors to invest in high quality money market instruments like Treasury bills and certificates, Commercial papers and Bankers' acceptance. The Fund is an income Fund. It provides liquidity, capital preservation, as well as moderate and stable return. The Fund is appropriate for corporate and individual investors who desire less volatility in returns using their surplus funds for short periods of time. The main objective of the Fund is to achieve consistent income streams through investment in a portfolio of money market securities and investments specified in the Trust Deed. The money market fund preserves capital, offers quarterly interest payment as well as safety and liquidity.

MARKET REVIEW, OUTLOOK AND STRATEGY

The financial system opened in August 2025 with a surplus balance of N1.61tn. Although there were mop-up activities during the month (due to primary market sales by the Apex Bank), inflows from Federation Account Allocation Committee (FAAC) payments, Open Market Operations (OMO) maturities (N1.61tn), and bond coupon payments (N395.29bn) helped support liquidity. Nonetheless, the financial system closed the month with a surplus balance of N1.43tn. As a result, the monthly average Open Repo Rate (OPR) and Overnight Rate (O/N) declined by 1.11% month-on-month (m/m) and 1.31% m/m from 28.92% and 29.40% to close at 27.82% and 28.09%, respectively.

At the primary market, CBN conducted two NTBs auctions during the month. The first auction had an offer size of N220.00bn worth of bills across the 91-day, 182-day, and 364-day tenors. Investor demand was strong, with total subscriptions amounting to N366.55bn, representing a subscription rate of 1.67x. Bids were heavily skewed toward the longer-tenored 364-day bill, which attracted a total of N323.08bn in bids. Notably, the Apex Bank under-allotted, selling just N173.25bn worth of bills. Following the auction, the stop rates on the 364-day bill climbed by 0.62%, settling at 16.50%. Meanwhile, the stop rate on the 91-day and 182-day bills remained unchanged at 15.00% and 15.50%, respectively.

At the second auction, the CBN offered a total of N230.00bn worth of bills across the 91-day, 182-day, and 364-day tenors. Investor demand was strong, with total subscriptions amounting to N396.42bn, representing an subscription rate of 1.72x. Bids were heavily skewed toward the longer-tenored 364-day bill, which attracted a total of N356.18bn in bids. Notably, the Apex Bank over-allotted, selling N303.79bn worth of bills. The stop rates on the 91-day and 364-day bills climbed by 0.35% and

0.94%, settling at 15.35% and 17.44%, respectively. Meanwhile, the stop rate on the 182-day bill remained unchanged at 15.50%.

In the secondary market, bearish sentiments resumed amongst investors following the uptick in rates in the primary market. As a result, the monthly average yield on the 364-day bills climbed by 0.25% m/m to close Aug-2025 at 19.5% (previously 19.33% in Jul-2025). Meanwhile, the monthly average yields on the 91-day and 182-day bills fell by 0.16% and 0.10% to settle at 17.00% and 18.28%, respectively.

Looking ahead to September 2025, system liquidity is expected to decline, with projected total inflows of N1.96tn from coupon payments (N600.99bn), NTB maturities (N371.98bn), and OMO maturities (N986.04bn)—representing a 17.26% drop from August's inflows of N2.37tn. As a result, interbank funding rates are projected to remain elevated for most of the month. Consequently, The CBN may opt to conduct OMO auctions or engage in primary market operations to manage and mop up available liquidity. Overall, Fixed-Term Deposit and money market rates are expected to continue on their current downward trend, as we believe the recent uptick is an outlier.

FUND FEATURES

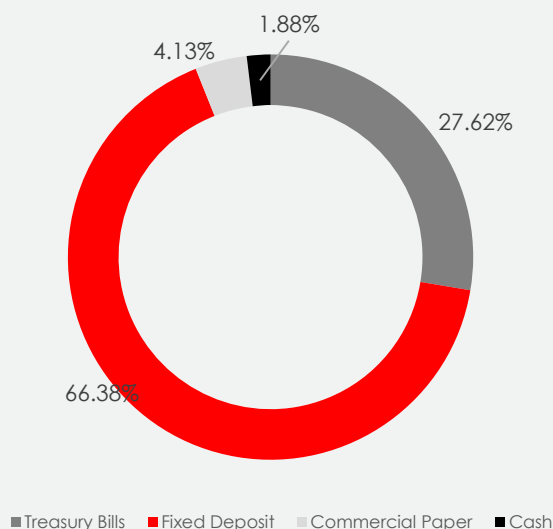
| Fund Manager | United Capital Asset Management Ltd |
|---------------------------|-------------------------------------|
| Investment Manager Rating | A+(IM) |
| Base Currency/Start Year | Naira/2006 |
| Fund Size (₦) | 180.54bn |
| NAV Per Share (₦) | 1 |
| Minimum Entry (₦) | 10,000 |
| Additional Investment (₦) | 5,000 |
| Structure | Open Ended |
| Minimum Holding Period | 14 days |
| Benchmark | 91-day T-Bills Yield |
| Management Fee | 1.5% |
| Total Expense Ratio* | 1.8% |
| Risk Profile | Low |
| Investment Style | Income Oriented |
| Fund Rating (Agusto&Co.) | A+ |

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

MATURITY PROFILE OF ASSETS

| | |
|--------------|-------|
| 0-30days | 26.9% |
| 31-60days | 30.3% |
| 61-90days | 19.3% |
| 91-180days | 9.6% |
| 180-365 days | 13.9% |

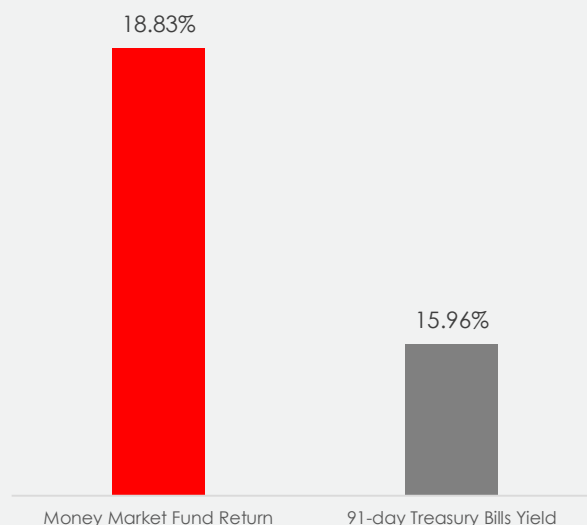
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Money Market Fixed Deposits (60%-75%); Short Term Securities: (25%-40%)

Money Market Fund Return vs Benchmark



RETURN HISTORY

| | 2020 | 2021 | 2022 | 2023 | 2024 | Aug-25 |
|--------------------------|-------|-------|-------|--------|--------|--------|
| Money Market Fund Return | 5.42% | 6.91% | 9.34% | 12.15% | 22.18% | 18.83% |
| Benchmark Returns | 1.52% | 3.34% | 3.97% | 7.00% | 18.84% | 15.96% |

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

PERFORMANCE REVIEW

The United Capital Money Market Fund recorded a net return of 18.83% as at end of August 2025, from 18.60% in the previous month. The benchmark return however closed at 15.96% as at the end of August 2025.

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The Fund will continue to invest in high quality money market 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.

WHY CHOOSE THE FUND?

- Short-term capital preservation
- Seamless entry and exit
- Low entry threshold
- Professional management with robust risk framework

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 "Money Market 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.

