

United Capital Children Investment Fund

Mutual Funds Factsheet | December 2025

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FUND OBJECTIVE

The United Capital Children Investment Fund is a long-term investment vehicle designed to enable parents, guardians and investors to accumulate wealth over a long term. The Fund is targeted at investors who seek to build a financial reserve for their children future needs, including education, healthcare and other significant life events. The Fund's objective is to provide unit holders with long-term capital appreciation and steady income flow through a diversified portfolio. The Fund aims to leverage a mix of fixed-income securities, equities and money market instruments, providing a balanced risk-return profile. The equity portion of the Fund has exposures to stocks of companies with stable growth.

MARKET REVIEW, OUTLOOK AND STRATEGY

In December 2025, the Nigerian equity market recorded a strong performance with investors gaining approximately N8.11trillion reversing the N6.56trillion loss recorded in November as market capitalisation appreciated. The overall market gain in December was driven majorly by sharp advances in the Consumer Goods and Industrial Goods sectors. The financial sector also contributed to the improvement, with the Banking Index posting a month-on-month (m/m) appreciation amid sustained buy interest in major bank stocks. Notably, the major stocks that lifted the market higher include GUINNESS (+109.52% m/m), FIRSHOLDCO (+54.27% m/m), ETI (+20.92% m/m), and BUAFODS (+15.36% m/m). As a result, the NGX-All Share Index (NGX-ASI) gained 8.42% m/m to close at 155,613.03 points. Consequently, year to date for the year 2025 stood at 51.19% while market capitalisation closed the year at N99.38 trillion.

At the primary market, CBN conducted three NTBs auctions during the month. The first auction had an offer size of N700.00bn worth of bills across the 91-day, 182-day, and 364-day tenors with the stop rates settling at 15.91% , 16.79% and 21.21%, respectively. At the second auction, N750.00bn worth of bills was offered across the 91-Day, 182-Day, and 364-Day tenors. Following the auction, the stop rates on the 364-Day bills climbed by 0.45% to close at 21.88%, while the 91-Day and 182-Day closed flat settling at 15.91%, and 16.79%, respectively. At the third auction, N750.00bn worth of bills was offered across the 91-Day, 182-Day, and 364-Day tenors with stop rates on the 364-Day bills declining by 0.44% to close at 21.23% while, the 91-Day and 182-Day closed flat settling at 15.91%, and 16.79%, respectively.

In the secondary money market, the financial system opened in December 2025 with a surplus balance of N1.96 trillion. There were mop-up activities during the month (due to primary market sales by the Apex Bank), inflows from Federation Account Allocation Committee (FAAC), and Open Market Operations (OMO) helped support liquidity. Nonetheless, the financial system closed the month with a surplus balance of N3.36 trillion. Due to the rise in liquidity, the monthly average Open Repo Rate (OPR) and Overnight Rate (O/N) remained unchanged to close at 22.50% and 22.75%, respectively.

In the secondary bond market, we observed mixed sentiments as the bears strove for dominance. Thus, the monthly average yields on the

2030, 2032 and 2035 bonds closed higher by 1.61%, 1.81% and 0.80% in December to close at 17.06%, 17.11%, and 16.76% respectively. Similarly, we observed bearish movements in corporate bonds, as average yields in Dec-2025 climbed by 3.34% m/m to close at 17.17% (previously, 13.83% in Nov-2025).

Looking ahead into January 2026, we expect the equity market to extend the positive momentum recorded in late 2025, supported by strong year-end returns and improved macroeconomic fundamentals. The NGX All-Share Index has already shown early-year gains, reflecting sustained investor interest and positive market breadth. Continued moderation in inflation alongside the CBN's projections of economic growth and rising external reserves should bolster investor confidence. However, global oil price volatility and broader economic uncertainties may temper market performance, making sector selection and liquidity trends key determinants of market outcomes in the month.

We expect the fixed income market to stay bullish, supported by strong demand and improved economic fundamentals. Robust liquidity in the financial system could sustain investor interest in sovereign bonds. Meanwhile, corporate bonds could face mild pressure as investors shift toward FGN Bonds to lock in at current rates in anticipation of further drop in Looking ahead into January 2026, we expect the equity market to extend the positive momentum recorded in late 2025, supported by strong year-end returns and improved macroeconomic fundamentals. The NGX All-Share Index has already shown early-year gains, reflecting sustained investor interest and positive market breadth. Continued moderation in inflation alongside the CBN's projections of economic growth and rising external reserves should bolster investor confidence. However, global oil price volatility and broader economic uncertainties may temper market performance, making sector selection and liquidity trends key determinants of market outcomes in the month. rates.

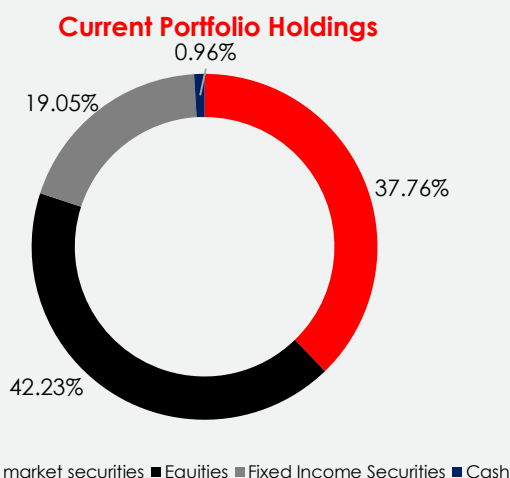
FUND FEATURES

Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2025
Fund Size (₦)	170mm
NAV Per Share (₦)	1.1151
Minimum Entry (₦)	5,000,000
Additional Investment (₦)	1,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	2.0%
Total Expense Ratio*	3.4%
Benchmarks	91-Day T-bills/NSE ASI/3-year FGN Bond
Risk Profile	Moderate
Investment Style	Market Oriented

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

MATURITY PROFILE OF ASSETS

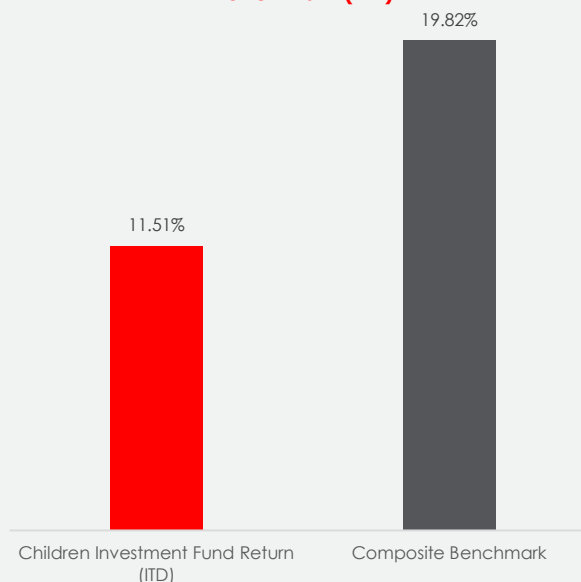
0-30days	1.67%
31-60days	0.00%
61-90days	19.08%
91-180days	46.28%
180-365 days	0.00%
>1 year	32.97%



Governance Asset Allocation Ranges:

Quoted Equities (20-50%), Fixed Income (5% - 200%); Money Market Instruments (20% - 40%)

Children Investment Fund Return Vs Benchmark (ITD)



ITD- Inception to date

RETURN HISTORY

	2025 ITD
UCAP Children Investment Fund	11.51%
Composite Benchmark	19.82%

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

PERFORMANCE REVIEW

The United Capital Children Investment Fund commenced in May 2025 and returned an inception to date return of 11.51% in December compared to 19.82% posted by the composite benchmark during the same period.

The Nigerian equities market rebounded in December following the decline in the prior month as the benchmark index gained 8.43% translating to a YTD return of 51.19%, driven by renewed interest in the market. Sectoral performance was broadly positive with the Consumer Goods sector leading the gainers list (16.19%) closely followed by the Industrial sector (10.58%), Insurance sector (9.85%), and the Banking sector (9.70%) while the Oil & Gas sector recorded a -1.08% decline.

Looking ahead, we expect that the commencement of the FY 2025 earnings release will shape market performance in Q1 2026. 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.

We will maintain our allocation in line with the investment policy objectives and the Trust Deed.

WHY CHOOSE THE FUND?

- Low volatility of Investment returns
- Well diversified portfolio
- Seamless entry and exit
- Professional management with robust risk framework
- Automatic rebalancing in times of rising or falling markets
- Ability to enjoy long term capital growth

INVESTMENT RISK

- Market risk of equity exposure
- Macroeconomic instability

HOW TO PARTICIPATE

1. Log in to our online platform www.investnow.ng
2. Click on "Balanced 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

