

United Capital Sukuk Fund

Mutual Funds Factsheet | December 2025

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FUND OBJECTIVE

The objective of the fund is to provide investors with a low-risk investment with stable and competitive returns through investments in short, medium and long-term Sharia-Compliant securities and investment products, whilst ensuring the preservation of capital and maintaining a reasonable degree of liquidity.

The Fund aims to provide its Unitholders with halal profits on the growth of their capital over the long-term in accordance with the principles of Islamic finance.

MARKET REVIEW, OUTLOOK AND STRATEGY

The Debt Management Office (DMO) conducted the December 2025 bond auction with a total offer size of N460bn, split between the reopened 2030 ("5-year") and 2032 ("7-year") bond papers. Investors' demand was strong, with total subscriptions reaching N890.61bn, representing a subscription rate of 1.9x.

Notably, the DMO over-allotted, selling a total of N596.47bn worth of bills. The marginal rate on the 2030 and 2032 bond papers climbed by 1.37% and 1.40%, to settle at 17.20% and 17.30%, from 15.83% and 15.90%, 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). Nevertheless, the FGN Sukuk bonds market closed bullish as average yields on Sukuk bonds reduced by 0.52% m/m to close at 17.02% in Dec-2025 compared to the previous month's close of 15.71%.

Looking into January, the bond market is expected to be 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 rates.

FUND FEATURES

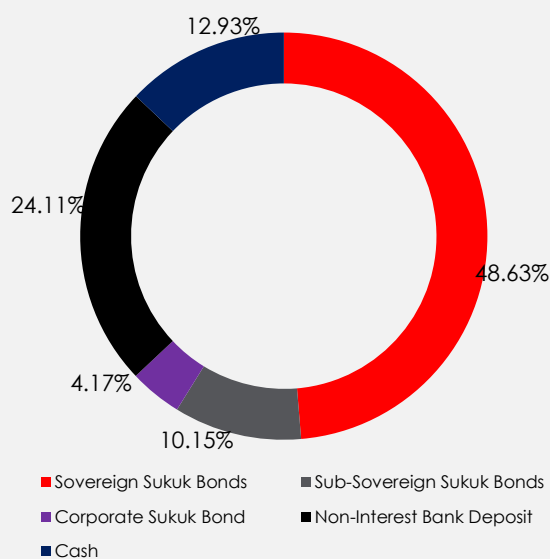
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2020
Fund Size (₦)	4bn
NAV Per Share (₦)	1.2303
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Minimum Holding Period	90 days
Management Fee	1.5%
Total Expense Ratio*	1.8%
Benchmark	3-Yr FGN Sovereign Sukuk Yield
Risk Profile	Medium
Investment Style	Income Oriented

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

MATURITY PROFILE OF ASSETS

<1yr	30.80%
1-3yr	18.90%
3-5yr	12.60%
5-10yr	37.80%
>10yr	0.00%

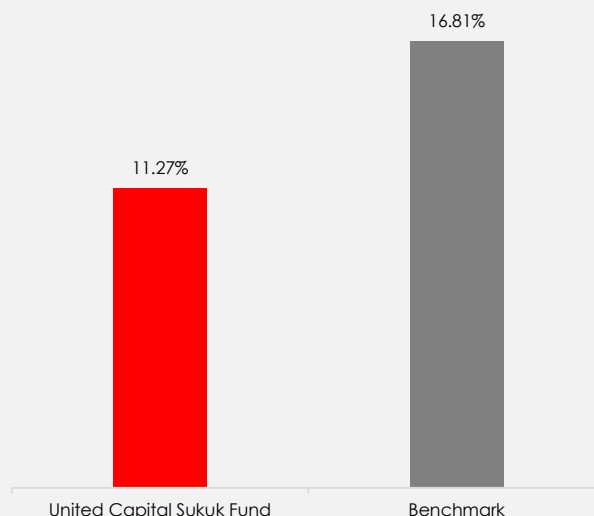
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Non-Interest Bank Deposit (20%-40%); Sukuk Bond: (60%-80%)

Sukuk Fund Return Vs Benchmark (YTD)



RETURN HISTORY

	2021	2022	2023	2024	2025
United Capital Sukuk Fund	7.32%	7.23%	11.36%	10.02%	11.27%
Benchmark	9.88%	12.92%	13.20%	19.81%	16.81%

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

PERFORMANCE REVIEW

The United Capital Sukuk Fund annualized YTD return for the month of December 2025 is 11.27% relative to the return of 16.81% posted by the benchmark for the same period.

The return can be attributed mainly to rental income and profit on the fund's bond holdings as well as non-interest bank deposits held during the period. There were also several maturities which were reinvested at higher profit rates and helped shore up the return of the fund.

Looking into January, the bond market is expected 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 rates.

The Fund maintains sufficient exposure to Sukuk bonds, Non-Interest bank Deposits, Mudarabah, Murabaha and other Shariah-compliant contracts with significantly higher yields. We will maintain current allocation to enhance returns for the Fund.

WHY CHOOSE THE FUND?

- Not exposed to equities market volatility
- Seamless entry and exit
- Low entry threshold
- Professional management with robust risk framework
- Long term capital preservation and growth

INVESTMENT RISK

- Market Risks
- Macroeconomic instability
- Interest Rate Risk

HOW TO PARTICIPATE

1. Log in to our online platform www.investnow.ng
2. Click on **Sukuk Fund**
3. Click on "**Open and account**" and complete the online form
4. Fund your account online with a one-time payment or recurrent payments



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