

United Capital Children Investment Fund

Mutual Funds Factsheet | February 2026

Contact Us

Philip Ndunaka | +234-703-192-1664 | philip.ndunaka@unitedcapital.com

Asset Management | +234-1-631-7876 | assetmanagement@unitedcapital.com

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 February 2026, the Nigerian equity market recorded a strong performance with investors gaining approximately N17.61trillion compared to the N6.78trillion gain recorded in January as market capitalization appreciated sharply.

The overall market gain in February was driven majorly by sharp advances in the Oil and Gas 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 during the month.

Notably, the major stocks that lifted the market higher month on month include ARADEL (+38.94%), SEPLAT (+35.82%), MTNN (+32.87%), DANGSUGAR (+27.62%), WAPCO (+27.39%). As a result, the Nigerian Exchange All Share Index (NGX-ASI) gained 16.60% m/m to close at 192,826.75 points. Consequently, year to date stood at 23.91% while market capitalization closed the month at N123.76 trillion.

In the secondary money market, the financial system opened in February 2026 with a surplus balance of N1.87 trillion. February 2026 was defined by deliberate CBN liquidity tightening, heavy reliance on OMO and NTB mop-up operations, and constrained banking-sector lending.

However, inflows from Federation Account Allocation Committee (FAAC) helped support liquidity. Consequently, the financial system closed the month with a surplus balance of N3.75 trillion. Due to the rise in liquidity, the monthly average Open Repo Rate (OPR) and Overnight Rate (O/N) declined by 4.07% and 4.19% to close at 22.00% and 22.17%, respectively.

In the secondary bond market, we observed positive sentiments as the bulls dominated. Thus, the monthly average yields on the 2032 and 2034 bonds fell by 1.01% and 0.43% in February to close at 15.68% and 15.44% respectively. Similarly, we observed bearish movements in corporate bonds, as average yields in Jan-2025 rose by 3.97% m/m to close at 18.26% (previously, 14.29% in Jan-2026).

Nevertheless, the FGN Sukuk bonds market closed bullish as average yields on Sukuk bonds reduced by 4.20% to close at 15.77% in Feb -2026 compared to the previous month's close of 19.97%.

Looking ahead into March 2026, we expect the Nigerian equity market to maintain a constructive but measured tone, supported by strong year-to-date momentum, improved macroeconomic conditions, and elevated oil prices. The 4.07% Q4 2025 GDP growth, rising external reserves, and the recent monetary policy easing to 26.50% by the Central Bank of Nigeria collectively provide a supportive backdrop for risk assets.

While the NGX All-Share Index may experience intermittent profit-taking following its strong rally in the first two months of the year, underlying liquidity conditions and improving fiscal dynamics should sustain investor interest, particularly in fundamentally strong and dividend-paying stocks. However, FX pressures, global risk sentiment, and oil price volatility remain key variables that could shape market direction and drive sector rotation throughout the month.

We expect the fixed income market to retain a constructive bias, supported by stable macro conditions supported by improving macro conditions and intermittent liquidity inflows, despite ongoing CBN sterilization. With inflation gradually moderating and the exchange rate relatively steady, investor confidence in fixed income should remain firm. FGN Bonds are likely to see sustained demand as investors lock in attractive yields ahead of potential rate moderation later in the year.

This could keep secondary market yields on a mild downward trend. Corporate bonds may experience selective demand, with some investors tilting toward sovereign instruments for liquidity and safety. Overall, the market tone is expected to remain cautiously bullish, favoring high quality sovereign exposure.

FUND FEATURES

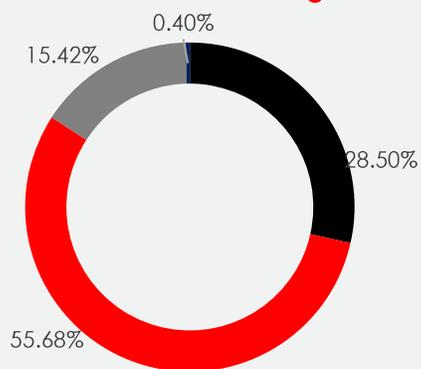
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2025
Fund Size (₦)	215mm
NAV Per Share (₦)	1.3564
Minimum Entry (₦)	5,000,000
Additional Investment (₦)	1,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	2.0%
Total Expense Ratio*	3.32%
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	20.07%
31-60days	0.00%
61-90days	46.76%
91-180days	0.00%
180-365 days	0.00%
>1 year	33.16%

Current Portfolio Holdings

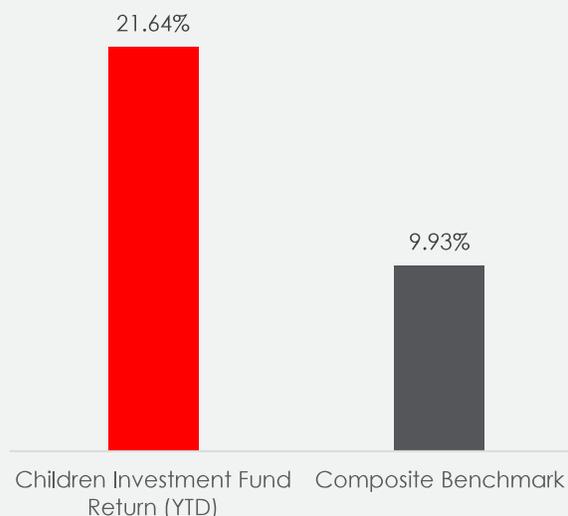


■ Money market securities ■ Equities ■ Fixed Income Securities ■ Cash

Governance Asset Allocation Ranges:

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

Children Investment Fund Return Vs Benchmark (YTD)



RETURN HISTORY

	2025	2026 YTD
UCAP Children Investment Fund	11.51%	21.64%
Composite Benchmark	19.82%	9.93%

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

PERFORMANCE REVIEW

The United Capital Children Investment Fund returned 6.67% for the month of January 2026 translating to a YTD return of 6.67% compared to 3.03% posted by the composite benchmark during the same period.

The Nigerian equities market started the year strong amidst fears of the new CGT regime. The month of March saw performance spurred by several earnings reports across sectors, including corporate actions from notable companies like Ecobank Transnational Corporation Plc, Nigerian Breweries and Seplat among others driving market sentiments and activities. All sectors we currently cover for the fund closed in green which spurred the current portfolio return.

The money market space was also vibrant with the fund taking position at the long end of the curve. The fund still intends to take advantage of current rates and take position in current instruments with good pricing to optimize overall performance.

Looking ahead, we expect that market outlook will be shaped by the release of other FY 2025 earnings as well as corporate actions announcements. 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.

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.

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 and account" and complete the online form
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