

United Capital Nigerian Eurobond Fund

Mutual Funds Factsheet | February 2026

Contact Us:

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

Asset Management | +234-1-631-7876 | mutualfunds@unitedcapitalnigeria.com

FUND OBJECTIVE

The United Capital Nigerian Eurobond Fund is an open-ended mutual fund that is invested in Dollar denominated Eurobonds, floated by the Federal Government of Nigeria, as well as top-tier corporates. Subscribers can expect to receive competitive short to medium term capital appreciation on their USD holdings invested in the Fund better than they would receive on domiciliary deposits. The minimum investment is \$1,000 and multiples of \$500 thereafter.

MARKET REVIEW, OUTLOOK AND STRATEGY

The Nigerian Eurobond market recorded modest improvement in February, as the average Eurobond yield declined by 0.09% to close at 6.98% (from 7.07% in January). Market activity remained orderly, supported by improving domestic sentiment and a more stable macroeconomic backdrop.

During the month, the Monetary Policy Committee (MPC) cut the policy rate by 0.05% to 26.5%, signaling a cautious shift in stance while maintaining a relatively tight monetary environment. This decision reinforced confidence in the policy outlook and supported valuations across the sovereign curve. Yields at the short to mid end of the curve eased further in February, reflecting continued preference for shorter-dated bonds. The Nov-2027 and Sep-2028 bonds closed the month at 5.56% and 5.75% respectively (from 5.65% and 5.80% in January), indicating sustained demand for carry and capital preservation amid improving domestic clarity.

Mid-curve bonds also recorded measured yield compression, as investors responded positively to the policy rate adjustment and stable macro conditions. The Mar-2029 bond closed at 6.02% (from 6.09%), while the Feb-2030 and Jan-2031 maturities ended at 6.35% and 6.64% respectively. Further along the curve, the Feb-2032 and Sep-2033 bonds closed at 6.89% and 7.10%, reflecting steady but selective appetite for intermediate duration. Long-dated bonds remained broadly stable with slight improvements in yields, supported by longer-term investors. The Feb-2038 bond closed at 7.72%, while the Nov-2047, Jan-2049 and Sep-2051 bonds ended February within the 8.15%–8.32% range. Price movements at the long end suggested stability rather than aggressive risk taking, as investors remained measured despite improved domestic conditions.

From a macroeconomic perspective, Nigeria's improving policy direction and stable foreign exchange environment continued to underpin confidence. The MPC's modest rate cut supported real yield attractiveness while maintaining monetary discipline. Inflation trends and FX liquidity developments remained key factors sustaining offshore investor interest in the sovereign curve.

On the global front, the US Federal Reserve held policy rates steady during the period, while markets continued to assess the timing of eventual rate cuts. Although global yields remained sensitive to economic data, broader risk sentiment towards emerging and frontier markets stayed relatively balanced, allowing Nigerian Eurobonds to trade with resilience.

Looking ahead to March, market activity is expected to remain measured given the absence of coupon inflows during the month. While domestic policy support and stable macro fundamentals should continue to underpin sentiment, global rate uncertainty may introduce periods of mild volatility. Short- to mid-dated bonds are likely to remain relatively well supported, with modest yield movements expected across the curve.

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.

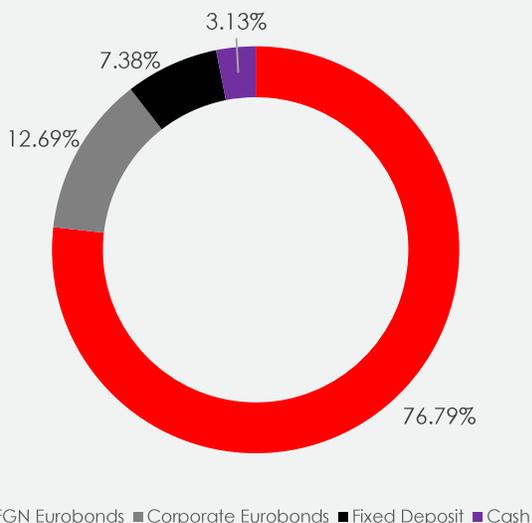
FUND FEATURES

Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	USD/2017
Fund Size (\$)	112.4m
NAV Per Share (\$)	125.8837
Minimum Investment(\$)	1,000
Additional Investment (\$)	500
Structure	Open Ended
Minimum Holding Period	90 days
Management Fee	1.35%
Total Expense Ratio*	1.66%
Benchmark	Composite of 3-yr FGN sovereign Eurobond and 3mth US T-Bill
Risk Profile	Medium
Investment Style	Income Oriented

MATURITY PROFILE OF ASSETS

<1yr	14.87%
1-3yr	0.00%
3-5yr	5.67%
5-10yr	12.55%
>10yr	66.91%

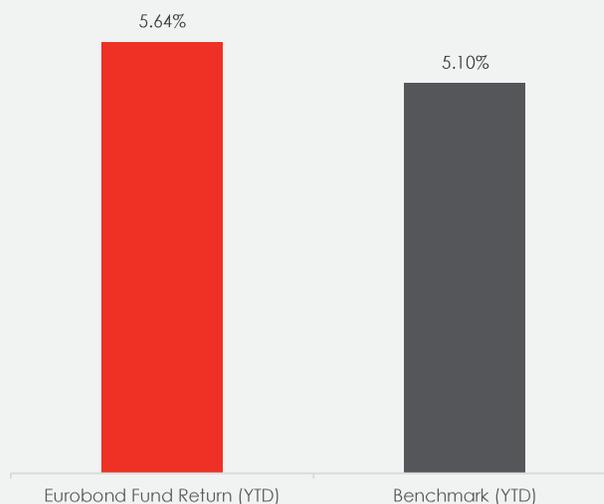
Current Portfolio Holdings



Governance Asset Allocation Ranges:

FGN Eurobonds (20%-80%); Corporate Eurobonds (20%-80%); Money Market placements (0% - 20%)

Eurobond Fund Return Vs Benchmark (Annualized)



RETURN HISTORY

	2021	2022	2023	2024	2025	2026 YTD
UCAP Nigerian Eurobond Fund	6.84%	5.73%	5.52%	5.71%	7.67%	5.64%
Benchmark	4.04%	8.91%	7.46%	7.30%	5.12%	5.10%

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

PERFORMANCE REVIEW

The United Capital Nigerian Eurobond Fund closed the month with an annualized year-to-date return of 5.64%, compared to the benchmark return of 5.10%.

The global market experienced a drag with current crisis impacting the prices of Eurobonds. Select Nigerian and Sub-Saharan African sovereign bonds however continued to offer attractive returns for investors seeking foreign-currency income.

We still expect the current yields on these instruments to continue attracting investors in the short to mid term, although at a diminishing rate.

Coupon inflows helped the fund talk new positions improving the overall performance of the fund with the fund locking in rates at previously high rates hedging against projected drop in rates.

We will continue to maintain the required allocation ranges in line with the Trust Deed and tactically pick higher yielding maturities in the sovereign bond space to enhance the fund return.

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WHY CHOOSE THE FUND?

- Much better returns than the average domiciliary deposit
- A good hedge against depreciation of the Naira
- Seamless Entry and Exit
- Professional management with robust risk framework
- Long term capital preservation and growth

INVESTMENT RISK

- Credit Risks
- Macroeconomic instability
- Interest Rate Risk

HOW TO PARTICIPATE

1. Log in to our online platform www.investnow.ng
2. Click on "Eurobond Fund"
3. Click on "Open an account" and complete the online form
4. Fund the Custody Account detailed here

UNITED CAPITAL NIGERIAN EUROBOND FUND

Account No: 0406315251

Account Name: MAINSTREET TRUSTESS/UNITED CAPITAL NIGERIAN EUROBOND FUND

Currency: USD

Bank: FCMB

Correspondent Bank: CITIBANK, New York, USA,
399 Park Avenue, New York, NY10043, U.S.A.

BIC/SWIFT ID:FCMBNGLAXXX

Intermediary BIC : CITIUS33XXX



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Nigerian Eurobond Fund Sukuk Fund Wealth for Women Fund