

# United Capital Wealth For Women Fund

Mutual Funds Factsheet | January 2025

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## FUND OBJECTIVE

The objective of the United Capital Wealth for Women Fund is to promote the financial inclusion of the female gender by increasing their access to financial investment products and addressing the current imbalance of most investment products being skewed towards the male gender.

The Fund Manager seeks to maintain a balance between realized income and capital growth to ensure regular distribution payments and continuous appreciation in asset values while ensuring optimal safety of assets and adequate liquidity to meet the Fund's obligations as they fall due. The Fund invests in money markets and equities. The equity portfolio is tilted towards companies with significant female representation on their boards and management teams.

## MARKET REVIEW, OUTLOOK AND STRATEGY

The Nigerian Equities Market (NGX) started the year 2025 on a positive note despite the undertone of bearish sentiments playing the background at intervals. We observed that activities in the fixed-income market (elevated rates/yields) continue to serve as a key demotivator for risk on sentiments in the equities market. Nevertheless, investors have begun bargain hunting activities across stocks with strong fundamentals ahead of the FY-2024 earning season and corporate action declarations. Notably, buy-interests in large-cap stock, MTNN (+25.00% m/m) spurred the local bourse northwards. Other standout performers were TRANSCOR (+21.84% m/m), ZENITHBA (+11.21% m/m), and UBA (+10.88% m/m). As a result, the benchmark NGX-All Share Index (NGX-ASI) climbed by 153bps m/m to close at 104,496.12 points. Consequently, market capitalisation rose by N1.95tn m/m to settle at N64.71tn.

The financial system opened the month of January 2025 with a surplus balance of N353.27bn. During the month, activities at the primary market instigated increased activities at the CBN's Standing Lending Facility (SLF) window, as investors looked to aggressive secure current level of short-term yields in their balance sheet. Additionally, the inflows from OMO maturities (N1.56trn), coupon payments (N166.62bn), and FAAC inflows (>N600.00bn), translated into increased activity at the CBN Standing Deposit Facility (SDF) window, as investors looked to exploit the 32.50% (MPR @ 27.50% plus 500bps) offered, at different intervals.

For context, the financial system saw total auctions to the tune of N1.55trn (NT-bills offering of N1.05trn and Open Market Operations offerings amounting to N500.00bn), compared to total maturities of N1.72trn (N1.56trn worth of OMO maturities and N166.62bn of coupon payments). This implies a surplus of N179.02bn, indicating that the financial system was more liquid than illiquid in January 2025. That said, the financial system wrapped up with a surplus balance of N721.34bn, largely influenced by increased activities at CBN SDF

window. Given the surplus in the financial system for the better part of the month under review, funding rates between banks tapered, with the monthly average of the Open Repo Rate (OPR) and Overnight Rate (OVN) tapering by 51bps m/m and 44bps m/m to settle at 29.02% and 29.59% (previously, 29.53% and 30.03%).

The DMO conducted January's bond auction with total offering of N450.00bn, across the 2029s (N100.00bn), 2031s, (N150.00bn) and 2035s (N200.00bn). The auction was met with decent demand, with total bids amounting to N669.94bn, implying a bid-to-cover ratio of 1.49x. The CBN opted to oversell the auction, selling papers to the tune of N606.46bn. Ultimately, marginal rates on the papers printed at 21.79%, 22.50% and 22.60% respectively.

In the secondary market, we observed bearish sentiments as investors remained cautious and lacklustre toward duration exposure. As a result, average yields on sovereign bonds rose to 20.69% in Jan-2025, 94bps m/m higher than the 19.75% print in Dec-2024.

**Looking ahead into Feb-2024, we maintain our positive outlook for the domestic equities market for Q1-2024, supported by the commencement of the FY-2024 earnings season. Investors will continue bargain-hunting stocks with strong fundamentals. We strongly anticipate impressive outings among corporates in the financial services sector (particularly the banks) given the impact of the Foreign Exchange (FX) revaluation gains and elevated interest rate environment in 2024. Thus, we expect an increased appetite among investors towards corporates in the financial services sector. Additionally, investors will look to position themselves in dividend-paying stocks ahead of full-year dividend declarations. Lastly, the expected neutral monetary policy (due to positive progress with inflation) by the Monetary Policy Committee (MPC) will further stimulate bullish sentiments in the equities market.**

**Looking ahead to February 2025 we expect the cautious trend in the bonds market to persist as investors remain attracted to the elevated rates at the shorter end of the yield curve. This situation is expected to persist given the inverted yield curve. That said, we expect coupon payments to the tune of N216.76bn to hit the system in the month under review. We anticipate that investors will have a bias for reinvesting coupon received, however, it will not be sufficient to transform the lacklustre sentiment toward duration exposure, particularly owing to the elevated levels of short-term rates. Additionally, the Monetary Policy Committee is expected to meet 17 & 18 February 2025.**

FUND FEATURES

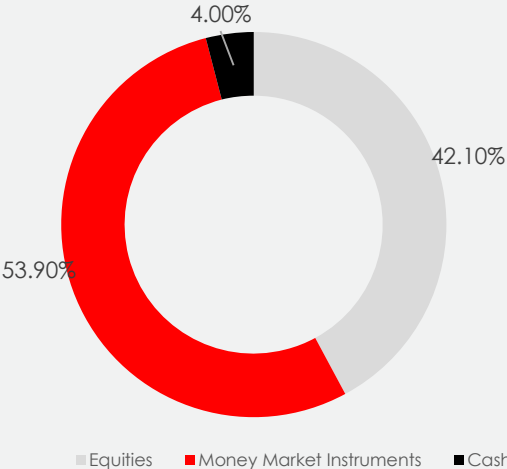
Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2017
Fund Size (₦)	1.3bn
NAV Per Share (₦)	1.5702
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Minimum Holding Period	90 days
Management Fee	1.5%
Total Expense Ratio*	1.8%
Benchmarks	91-Day T-bills/NGX ASI
Risk Profile	Moderate
Investment Style	Market Oriented

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

MATURITY PROFILE OF ASSETS

0-30days	71.30%
31-60days	13.06%
61-90days	15.63%
91-180days	0.00%
181-365days	0.00%

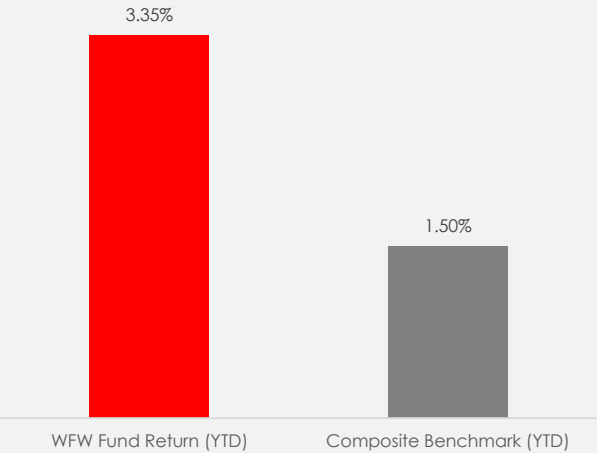
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Equities (10%-80%), Money Market Instruments (20% -90%)

WFW Fund Return Vs Benchmark (YTD)



RETURN HISTORY

	2019	2020	2021	2022	2023	2024	2025 YTD
UCAP WFW	7.79%	3.12%	6.60%	12.33%	31.93%	28.11%	3.35%
Benchmark Return	1.12%	25.16%	5.56%	2.10%	23.99%	28.25%	1.50%

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

PERFORMANCE REVIEW

The United Capital Wealth For Women Fund returned 3.35% in January 2025 compared to the composite benchmark (91-day T-bills and the ASI) return of 1.50% for the same period.

The Nigerian stock market ended January on a positive note amidst mixed sentiment during the month. The All-Share Index gained 1.53% driven majorly by impressive FY 2024 earnings releases and strong gains in MTNN (25%), PRESCO(23.16%) and TRANSCORP (21.84%), offsetting losses in DANGCEM (-17.71%), JBERGER (-9.95%).

Looking ahead, we would actively monitor activities in the equities market ahead of the release of more FY 2024 earnings reports. The fund manger will continue to take position in tickers with good fundamentals and ensure a mix with money market instruments to take advantage of the attractive yield environment.

We remain conservative in line with the investment policy objectives, as our selection of fundamentally strong stocks and high yielding money market instruments should further enhance the returns of the Fund going forward.

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 as well as safety

### INVESTMENT RISK

- Market risk of equity exposure
- Macroeconomic instability

### HOW TO PARTICIPATE

1. Log in to our online platform [www.investnow.ng](http://www.investnow.ng)
2. Click on "Wealth for Women 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.

