

# United Capital Sukuk Fund

Mutual Funds Factsheet | January 2026

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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 January 2025 bond auction with a total offer size of N900bn, split between the reopened 2031 ("7-year"), 2034 ("10-year") and 2035 ("10-Year") bond papers. Investors' demand was strong, with total subscriptions reaching N2.52tn, representing a subscription rate of 2.5x.

Notably, the DMO over-allotted, selling a total of N1.54tn worth of bills. The marginal rates on the 2031, 2034 and 2035 bond papers closed at 17.62%, 17.50 and 17.52% respectively.

In the secondary bond market, we observed positive sentiments as the bulls dominated. Thus, the monthly average yields on the 2030, 2032 and 2035 bonds fell by 0.26%, 0.42% and 0.12% in January to close at 16.80%, 16.69%, and 16.76% respectively.

Similarly, we observed bullish movements in corporate bonds, as average yields in Jan-2025 fell by 2.88% m/m to close at 14.29% (previously, 17.17% in Dec-2025). Nevertheless, the FGN Sukuk bonds market closed bullish as average yields on Sukuk bonds reduced by 0.05% to close at 19.97% in Jan-2026 compared to the previous month's close of 17.02%.

**Looking into February, 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**

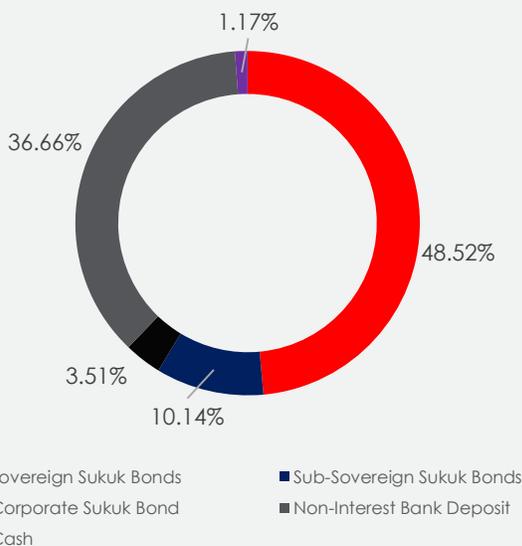
<b>Fund Manager</b>	United Capital Asset Management Ltd
<b>Investment Manager Rating</b>	A+(IM)
<b>Base Currency/Start Year</b>	Naira/2020
<b>Fund Size (₦)</b>	4bn
<b>NAV Per Share (₦)</b>	1.2319
<b>Minimum Entry (₦)</b>	10,000
<b>Additional Investment (₦)</b>	5,000
<b>Structure</b>	Open Ended
<b>Minimum Holding Period</b>	90 days
<b>Management Fee</b>	1.5%
<b>Total Expense Ratio*</b>	1.8%
<b>Benchmark</b>	3-Yr FGN Sovereign Sukuk Yield
<b>Risk Profile</b>	Medium
<b>Investment Style</b>	Income Oriented

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

**MATURITY PROFILE OF ASSETS**

<1yr	39.80%
1-3yr	15.90%
3-5yr	11.10%
5-10yr	33.20%
>10yr	0.00%

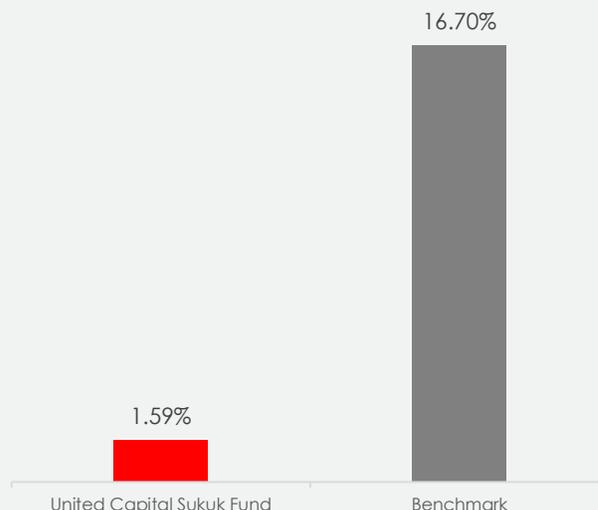
**Current Portfolio Holdings**



**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	2026 YTD
United Capital Sukuk Fund	7.32%	7.23%	11.36%	10.02%	11.27%	1.59%
Benchmark	9.88%	12.92%	13.20%	19.81%	16.81%	16.70%

\*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 January 2026 is 1.59% relative to the return of 16.70% 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 February, 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.

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.

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?

- 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](http://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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