

United Capital

Money Market Fund

Mutual Funds Factsheet | July 2025

Contact Us:
Philip Ndunaka | +234-703-192-1664 | info@unitedcapitalnigeria.com
Asset Management | +234-1-631-7876 | info@unitedcapitalnigeria.com



FUND OBJECTIVE

The United Capital Money Market Fund allows investors to invest in high quality money market instruments like Treasury bills and certificates, Commercial papers and Bankers' acceptance. The Fund is an income Fund. It provides liquidity, capital preservation, as well as moderate and stable return. The Fund is appropriate for corporate and individual investors who desire less volatility in returns using their surplus funds for short periods of time. The main objective of the Fund is to achieve consistent income streams through investment in a portfolio of money market securities and investments specified in the Trust Deed. The money market fund preserves capital, offers quarterly interest payment as well as safety and liquidity.

MARKET REVIEW, OUTLOOK AND STRATEGY

The financial system opened in July 2025 with a surplus balance of N980.86bn. However, system liquidity was tight for most of the month due to primary market sales by the Apex Bank. However, inflows from FAAC payments, N300.00bn from OMO maturities, and N281.95bn from bond coupon payments at the end of the month helped support system liquidity. Thus, the financial system closed the month with a surplus balance of N1.52tn. Nevertheless, the monthly average Open Rate (OPR) and Overnight Rate (O/N) climbed by 1.64% m/m and 1.63% m/m from 27.29% and 27.77% to print at 28.92% and 29.40%, respectively.

At the primary market, CBN conducted two NTBs auctions during the month. The first auction had an offer size of N250.00bn across the 91-day, 182-day, and 364-day bills. At the auction, investors' demand was strong, as total subscriptions printed just at N1.33tn, indicating an oversubscription rate of 5.32x. The bids were majorly skewed towards the longer-tenured instrument, "364-day bill", which received total bids of N1.18tn. Notably, the Apex Bank undersold the auction, allotting just N20.82bn worth of bills. That said, the stop rate on the 91-day, 182-day, and 364-day bills declined by 2.06%, 2.15%, and 2.54% from 17.80%, 18.35%, and 18.84% to settle at 15.74%, 16.20%, and 16.30%, respectively.

At the second auction, CBN offered N290.00bn worth of NTBs across the 91-day, 182-day, and 364-day to the market. At the auction, investors' demand was strong, as total subscriptions printed just at N675.65bn, indicating an oversubscription rate of 2.33x. The bids were majorly skewed towards the longer-tenured instrument, the "364-day bill", which received total bids of N609.32bn. settle at 17.80%, 18.35%, and 18.84%, respectively. Notably, the Apex Bank sold the exact amount on offer.

That said, the stop rates on the 91-day, 182-day, and 364-day bills declined by 0.74%, 0.70%, and 0.42% from 15.74%, 16.20%, and 16.30% to settle at 15.00%, 15.50%, and 15.88%, respectively.

In the secondary market, bullish sentiments prevailed as investors took advantage of attractive yields. We noticed buy interest as investors sought to lock in funds at current levels before a further decline. As a result, the average yield on NTBs fell by 2.43% m/m to close the month of July 2025 at 17.77% (previously 20.20% in June 2025). Similarly, the average yield on OMO bills decreased by 1.66%, settling at 24.69% in July 2025 from 26.35% in the prior month.

Looking ahead to August 2025, system liquidity is expected to improve significantly, with projected total inflows of N2.37tn. We expect N395.29bn from coupon payments, N562.42bn from NTBs maturities, and N1.61tn from OMO maturities representing a 134.41% climb from July's inflows of N1.01tn. As a result, interbank funding rates are projected to decline for most of the month. That said, CBN may opt to conduct OMO auctions or engage in primary market operations to manage and mop up excess liquidity. Overall, FTD and money market rates are expected to continue their current downward trend. Meanwhile, bullish sentiment is likely to persist in the secondary market, as investors continue positioning ahead of a further decline in fixed-income rates.

FUND FEATURES

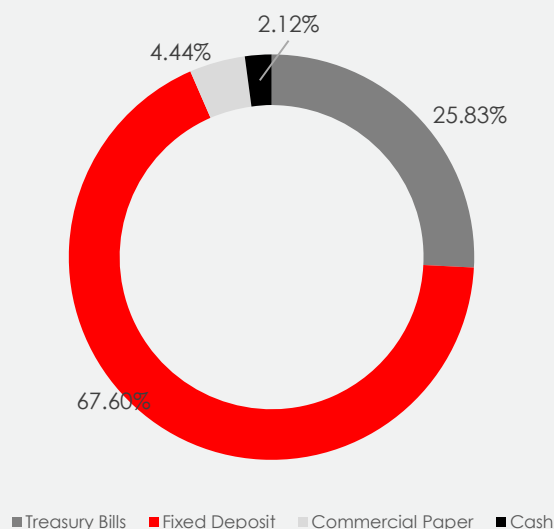
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2006
Fund Size (₦)	164.71bn
NAV Per Share (₦)	1
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Minimum Holding Period	14 days
Benchmark	91-day T-Bills Yield
Management Fee	1.5%
Total Expense Ratio*	1.8%
Risk Profile	Low
Investment Style	Income Oriented
Fund Rating (Agusto&Co.)	A+

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

MATURITY PROFILE OF ASSETS

0-30days	27.7%
31-60days	19.0%
61-90days	30.8%
91-180days	10.0%
180-365 days	12.5%

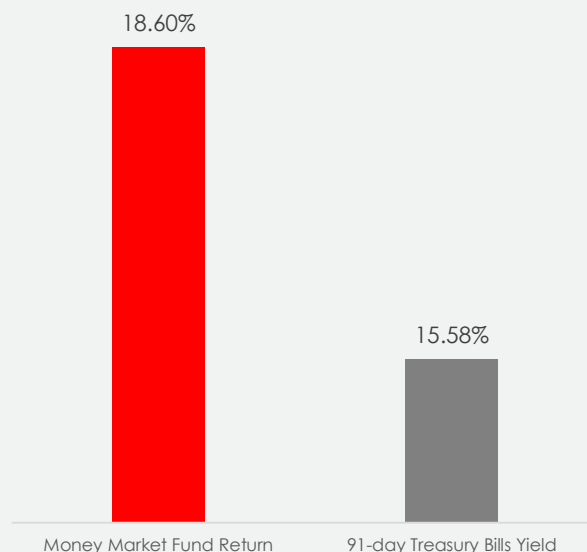
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Money Market Fixed Deposits (60%-75%); Short Term Securities: (25%-40%)

Money Market Fund Return vs Benchmark



RETURN HISTORY

	2020	2021	2022	2023	2024	Jul-25
Money Market Fund Return	5.42%	6.91%	9.34%	12.15%	22.18%	18.60%
Benchmark Returns	1.52%	3.34%	3.97%	7.00%	18.84%	15.58%

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

PERFORMANCE REVIEW

The United Capital Money Market Fund recorded a net return of 18.60% as at end of June 2025, from 19.73% in the previous month. The benchmark return however closed at 15.58% as at the end of June 2025.

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The Fund will continue to invest in high quality money market instruments that generate competitive returns for the benefit of the subscribers. The Fund is well positioned to deliver above-average returns despite the current yield environment.

WHY CHOOSE THE FUND?

- Short-term capital preservation
- Seamless entry and exit
- Low entry threshold
- Professional management with robust risk framework

INVESTMENT RISK

- Market risk
- Macroeconomic instability
- Interest Rate Risk

HOW TO PARTICIPATE

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

