

United Capital Global Fixed Income Fund

Mutual Funds Factsheet | March 2025

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FUND OBJECTIVE

The United Capital Global Fixed Income Fund is an actively managed open-ended specialized fund whose main objective is to achieve consistent income streams through investment in select dollar-denominated global Fixed income securities issued by non-Nigerian issuers, sovereign as well as top-tier corporate Eurobonds. The fund is targeted at investors looking to diversify their portfolios from country specific investment risks.

The Fund will also provide portfolio managers access to diversify their portfolio and income streams whilst providing long-term capital appreciation. The minimum investment is \$50,000 and multiples of \$1,000 thereafter.

MARKET REVIEW, OUTLOOK AND STRATEGY

In March, U.S. Treasury yields experienced significant volatility, reflecting a complex mix of factors. While inflation data remained elevated, a flight to safe instruments saw yields drop sharply towards month-end, with the 2-year yield dipping by 4bps. The 10-year yield fluctuated throughout the month, ultimately ending flat. Tariff announcements, including a 25.00% levy on car imports, and weaker consumer sentiment led to an ambiguous impact on long-term yields, while short-term yields priced in more aggressive potential Fed rate cuts. As a result, yield curves steepened, highlighting market uncertainty amidst mixed economic signals.

Central Banks across key regions took distinct approaches in response to shifting economic conditions. The U.S. Federal Reserve held the federal funds target at 4.25 - 4.50% for a 2nd consecutive meeting, acknowledging increased uncertainty around the economic outlook, and slightly revising down growth projections for 2025 - 2027. Even with upward revisions to U.S. inflation projections, the Federal Reserve remained circumspect, signaling no imminent policy shifts while hinting at potential, gradual rate reductions later in the year. In Brazil, the Central Bank raised its benchmark Selic rate by 1.00ppts to 14.25%, citing rising inflation, especially following CPI's 5.06% y/y February print (vs 4.56% y/y in Jan-2025), and external uncertainties, including U.S. trade policy. Conversely, the Bank of Canada cut its policy rate by 25bps to 2.75%, marking the 7th reduction since Jun-2024, amid a complex inflationary landscape influenced by U.S. tariffs and domestic shelter costs. Similarly, the European Central Bank lowered its key rates by 25bps, signaling a less restrictive stance as inflation is expected to ease over the next few years, with modest GDP growth projections.

We expect global interest rates to stay higher for longer as the U.S. Fed approaches rate cuts cautiously. There will continue to be divergent approaches to monetary policy, with the Bank of Japan (BoJ) set to hike its benchmark rate in response to rising inflation, while the Reserve Bank of India (RBI) is set for a 225bps cut to 6.00% to boost economic growth given that CPI (3.61% y/y in Feb-2025) is at a 7-month low. Also, US trade policy and any potential intensification of current geopolitical pressure points will increase market volatility. Therefore, we expect yields to continue to experience volatility across most fixed-income instruments in response to market uncertainty as investors flock to safer instruments.

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

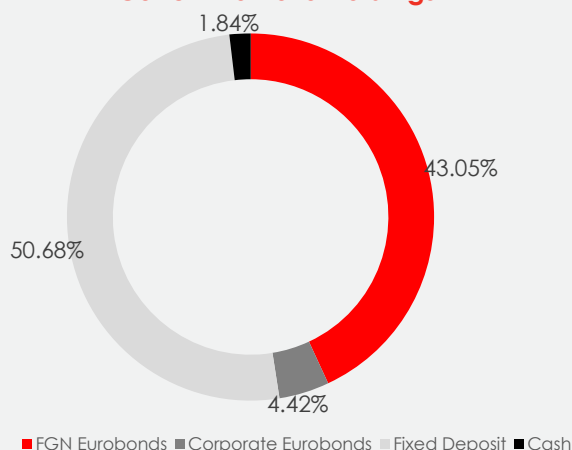
Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	USD/2023
Fund Size (\$)	137.9Mn
NAV Per Share (\$)	1.1909
Minimum Investment(\$)	50,000
Additional Investment (\$)	1,000
Structure	Open Ended
Minimum Holding Period	180 days
Management Fee	2.00%
Total Expense Ratio*	2.3%
Benchmark	3-yr FGN sovereign Eurobond
Risk Profile	Medium
Investment Style	Income Oriented

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

MATURITY PROFILE OF ASSETS

<1yr	51.18%
1-3yr	2.13%
3-5yr	14.78%
5-10yr	17.64%
>10yr	14.27%

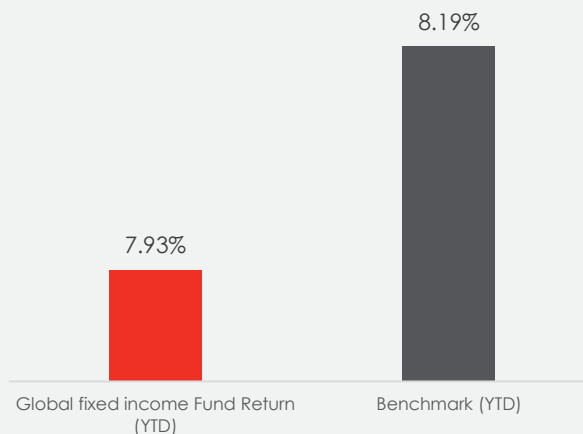
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Nigerian Eurobonds- FGN Sovereign and Corporates (50%-70%); Money Market Instruments (30% - 50%) Global Fixed Income securities(0%-20%), Alternative Investment Assets denominated in USD (0%-20%)

Global Fixed Income Fund Return Vs Benchmark (Annualized)



RETURN HISTORY

	FY 2023	FY 2024	2025 YTD
UCAP Global Fixed Income Fund	8.64%	9.20%	7.93%
Benchmark	8.43%	8.62%	8.19%

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

PERFORMANCE REVIEW

The United Capital Global Fixed Income Fund returned a year-to-date annualized return of 7.98%, compared to the benchmark return of 8.19%.

The global Eurobond space witnessed significant volatility in the month of March on the back of global uncertainties and policy summersault in the global space, especially in the USA. We saw global interest rate rising, however, market participants were more concerned about the volatility as market direction becomes unpredictable. Central Banks across key regions took distinct approaches in response to shifting economic conditions. The U.S. Federal Reserve held the federal funds target at 4.25 - 4.50% for a 2nd consecutive meeting, acknowledging increased uncertainty around the economic outlook, and slightly revising down growth projections for 2025 - 2027.

In the coming month, we expect volatility to remain elevated as yield rises globally. The reliance of most SSA countries on commodities is expected to play a significant role in pricing these countries' Eurobonds. We expect to see significant increase in SSA Eurobond yields, especially as oil price declines. We also expect the shift in policies to lead to rising yield in the advanced economies.

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.

WHY CHOOSE THE FUND?

- Delivers significantly higher returns than regular domiciliary bank deposits
- 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 "Global fixed income Fund"
3. Click on "Open an account" and complete the online form
4. Fund the Custody Account detailed here:

UNITED CAPITAL GLOBAL FIXED INCOME FUND

Account Name: EAC Trustees/ United Capital Global Fixed Income Fund

Account No: 0045814566

Currency: USD

Bank: STANBIC IBTC

Correspondence : Citibank N.A 111 Wall Street, New York N/A

Swift Code : CITIUS33XXX ABA 021000089



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 Nigerian Bond Fund Sukuk Fund Wealth for Women Fund