

United Capital Children Investment Fund

Mutual Funds Factsheet | March 2026

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FUND OBJECTIVE

The United Capital Children Investment Fund is a long-term investment vehicle designed to enable parents, guardians and investors to accumulate wealth over a long term. The Fund is targeted at investors who seek to build a financial reserve for their children future needs, including education, healthcare and other significant life events. The Fund's objective is to provide unit holders with long-term capital appreciation and steady income flow through a diversified portfolio. The Fund aims to leverage a mix of fixed-income securities, equities and money market instruments, providing a balanced risk-return profile. The equity portion of the Fund has exposures to stocks of companies with stable growth.

MARKET REVIEW, OUTLOOK AND STRATEGY

The Nigerian equity market recorded a strong In March 2026, the Nigerian equity market recorded a modestly strong performance with investors gaining approximately N5.45trillion compared to the N17.61trillion gain recorded in February as market capitalisation appreciated.

The overall market gain in March was driven majorly by sharp advances in the Industrial Goods and Oil and Gas sectors. The financial sector however, sustained a loss with the Banking Index posting a month-on-month (m/m) depreciation amid selloffs in select banking stocks during the month.

Notably, the major stocks that lifted the market higher month on month include BUACEMENT (+49.18%), GUINNESS (+20.91%), ARADEL (+16.24%), WAPCO (+9.95%), ZENITHBANK (+5.27%). As a result, the Nigerian Exchange All Share Index (NGX-ASI) gained 4.39% m/m to close at 201,287.78 points. Consequently, year to date stood at 29.35% while market capitalisation closed the month at N129.21 trillion.

The financial system opened in March 2026 with a surplus balance of N3.75 trillion. March 2026 was defined by deliberate Central Bank of Nigeria (CBN) liquidity tightening, heavy reliance on OMO and NTB mop-up operations, and constrained banking-sector lending. However, inflows from Federation Account Allocation Committee (FAAC) helped support liquidity.

At the treasury bill market, the CBN conducted four auctions in the month. The first auction had an offer size of N1.05tn worth of bills across the 91-day, 182-day, and 364-day tenors. Stop rates on the 91-day, 182-day and 364-day Treasury bills closed at 16.61%, 18.15% and 20.09% respectively.

The second auction had an offer size of N850bn worth of bills across the 91-day, 182-day, and 364-day tenors. Following the auction, stop rates on the 91-day, 182-day and 364-day Treasury bills closed at 16.61%, 18.15% and 20.08% respectively.

The third auction had an offer size of N1.05tn worth of bills across

the 91-day, 182-day, and 364-day tenors. Stop rates on the 91-day, 182-day and 364-day Treasury bills closed at 15.95%, 16.62% and 16.63% respectively.

The fourth auction had an offer size of N400bn worth of bills across the 91-day, 182-day, and 364-day tenors. Stop rates on the 91-day, 182-day and 364-day Treasury bills closed at 15.95%, 16.42% and 16.43% respectively

The Debt Management Office conducted the March 2026 bond auction with a total offer size of ₦750bn, split across the reopened 2030 ("5-year"), 2032 ("7-year"), and 2033 ("9-year") bond papers. Investor demand was solid, with total subscriptions reaching ₦931.50bn. Despite the healthy demand, the Debt Management Office (DMO) under-allotted, allotting a total of ₦485.50bn.

In the secondary bond market, we observed negative sentiments as the bears dominated. Thus, the monthly average yields on the 2032 and 2034 bonds rose by 0.54% and 0.69% in March to close at 16.22% and 16.13% respectively.

Similarly, we observed bearish movements in corporate bonds, as average yields in March-2026 rose by 0.52% m/m to close at 18.78% (previously, 18.26% in Feb-2026).

Similarly, the FGN Sukuk bonds market closed bearish as average yields on Sukuk bonds climbed by 0.89% to close at 16.66% in Mar-2026 compared to the previous month's close of 15.77%.

Looking ahead into April 2026, we expect the equity market to sustain its bullish momentum through April 2026, supported by improving domestic fundamentals and favourable global developments. A major catalyst is FTSE Russell's reclassification of Nigeria to Frontier Market status (effective September 2026), which is expected to drive foreign inflows via tracker funds into large-cap names such as MTNN, Dangote Cement, and tier-1 banks.

The Nigeria Treasury Bills market is expected to sustain strong demand, with investors continuing to favour the 364-day tenor amid recent yield compression. The sharp decline in stop rates alongside consistent oversubscription levels reflects robust system liquidity, while the Central Bank of Nigeria's mixed allotment strategy will remain a key driver of rate direction.

The Nigeria fixed income market is expected to remain bearish, with yields staying elevated across the curve, reflecting the broad-based sell-off in March across FGN, corporate, and Sukuk bonds amid tight monetary policy and persistent inflation. Despite under-allotment by the Debt Management Office, elevated marginal rates signal continued investor demand for higher risk premiums, while globally, delayed rate cuts in the United States reduce the likelihood of strong foreign inflows.

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

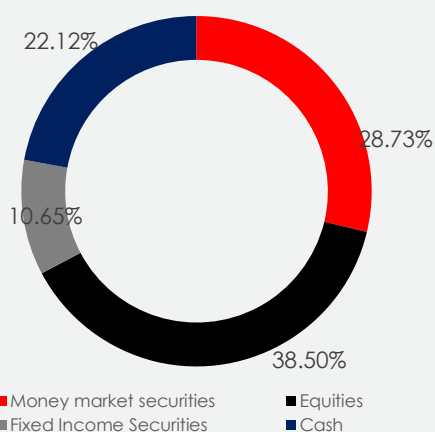
| Fund Manager | United Capital Asset Management Ltd |
|---------------------------|--|
| Investment Manager Rating | A+(IM) |
| Base Currency/Start Year | Naira/2025 |
| Fund Size (₦) | 294mm |
| NAV Per Share (₦) | 1.3649 |
| Minimum Entry (₦) | 5,000,000 |
| Additional Investment (₦) | 1,000 |
| Structure | Open Ended |
| Entry/Exit Charges | Nil |
| Management Fee | 2.0% |
| Total Expense Ratio* | 3.32% |
| Benchmarks | 91-Day T-bills/NSE ASI/3-year FGN Bond |
| Risk Profile | Moderate |
| Investment Style | Market Oriented |

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

MATURITY PROFILE OF ASSETS

| | |
|--------------|--------|
| 0-30days | 0.00% |
| 31-60days | 42.14% |
| 61-90days | 0.00% |
| 91-180days | 0.00% |
| 180-365 days | 57.86% |
| >1 year | 0.00% |

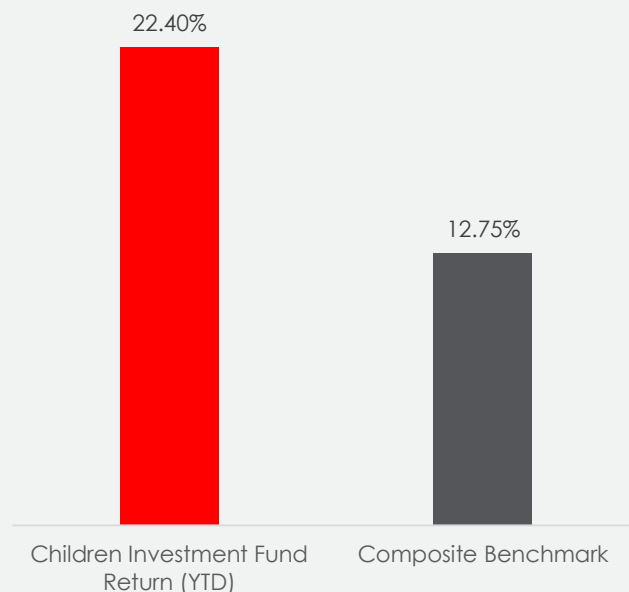
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Quoted Equities (20-50%), Fixed Income (5% - 200%); Money Market Instruments (20% - 40%)

Children Investment Fund Return Vs Benchmark (YTD)



RETURN HISTORY

| | 2025 | 2026 YTD |
|-------------------------------|--------|----------|
| UCAP Children Investment Fund | 11.51% | 22.40% |
| Composite Benchmark | 19.82% | 12.75% |

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

PERFORMANCE REVIEW

The United Capital Children Investment Fund returned 22.40% for the month of March as against the composite benchmark of 12.75% posted during the same period.

The Nigerian equities market started the year strong amidst fears of the new CGT regime. The month of march saw performance spurred by several earning report across sectors, including corporate actions from notable companies like Ecobank Transnational Corporation Plc, Nigerian Breweries and Seplat among others driving market sentiments and activities. All sectors we currently cover for the fund closed in green which spurred the current portfolio return.

The money market space was also vibrant with the fund taking position at the long end of the curve. The fund still intends to take advantage of current rates and take position in current instruments with good pricing to optimize overall performance.

Looking ahead, we expect that market outlook will be shaped by the release of other FY 2025 earnings as well as corporate actions announcements. The fund manger will continue to take position in tickers with good fundamentals as the opportunity presents and ensure a mix with money market instruments to take advantage of the attractive yield environment.

We will maintain our allocation in line with the investment policy objectives and the Trust Deed.

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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

INVESTMENT RISK

- Market risk of equity exposure
- Macroeconomic instability

HOW TO PARTICIPATE

1. Log in to our online platform www.investnow.ng
2. Click on "Balanced 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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