

United Capital Fixed Income Fund

Mutual Funds Factsheet | March 2026

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FUND OBJECTIVE

The main objective of the Fund is to achieve consistent income streams through investment in select portfolio of securities and investments specified in the Trust Deed. The Fund's assets are invested in Federal Government bonds, Sub-national bonds, corporate bonds and high-quality money market securities. The Fund is not affected by the fluctuations in the equity markets. However, opportunities for capital appreciation are dependent on changes in interest rate.

MARKET REVIEW, OUTLOOK AND STRATEGY

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, representing a subscription rate of approximately 1.24x. Despite the healthy demand, the Debt Management Office (DMO) under-allotted, allotting a total of ₦485.50bn across the three tenors, with the bulk of allotments concentrated in the 2033 bond. Marginal rates cleared higher across the curve, with the 2030, 2032, and 2033 papers closing at 16.00%, 16.15%, and 16.64%, respectively, reflecting sustained upward pressure on yields.

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%.

The first auction had an offer size of N1.05tn worth of bills across the 91-day, 182-day, and 364-day tenors. Investors' demand was strong, with total subscriptions amounting to N2.34tn. Following the auction, 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. Investors' demand was strong, with total subscriptions amounting to N2.78tn. 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. Investors' demand was strong, with total subscriptions amounting to N3.06tn, representing a subscription rate of 2.92x. Following the auction, 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. Investors' demand was strong, with total subscriptions amounting to N2.89tn, representing a subscription rate of 7.23x. Following the auction, stop rates on the 91-day, 182-day and 364-day Treasury bills closed at 15.95%, 16.42% and 16.43% respectively.

Heading into April 2026, 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

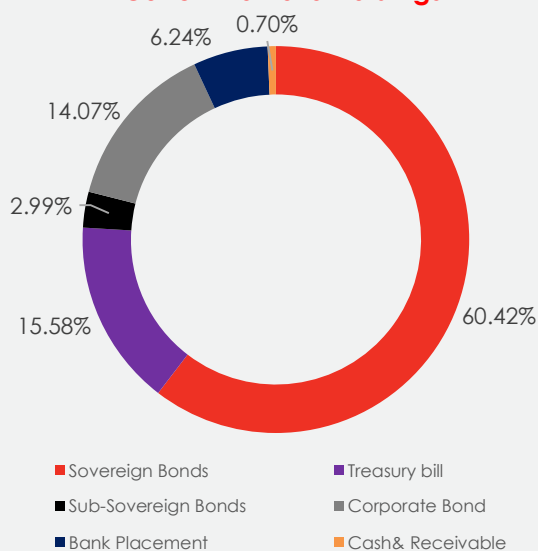
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2006
Fund Size (₦)	82.4bn
NAV Per Share (₦)	1.9899
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Minimum Holding Period	90 days
Management Fee	1.5%
Total Expense Ratio*	1.8%
Benchmark	3-Yr FGN Bond Yield
Risk Profile	Medium
Investment Style	Income Oriented

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

MATURITY PROFILE OF ASSETS

<1yr	26.59%
1-3yr	32.38%
3-5yr	20.99%
5-10yr	16.13%
>10yr	3.91%

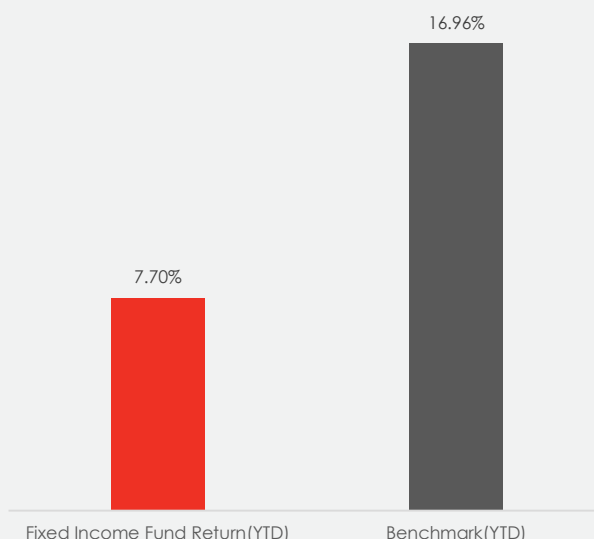
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Money Market (10%-30%); Fixed Income: 70%-90%

Fixed Income Fund Return vs Benchmark (Annualized)



RETURN HISTORY

	2021	2022	2023	2024	2025	2026 YTD
UC Fixed Income Fund	6.40%	6.33%	6.88%	6.50%	8.31%	7.70%
Benchmark	9.45%	12.83%	13.30%	20.11%	16.60%	16.96%

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

PERFORMANCE REVIEW

The United Capital Fixed Income Fund annualized YTD return as of March 2026 is 7.70% relative to 16.96% posted by the benchmark for the same period.

The fund was also able to reposition using proceeds from Coupons and asset maturities to lock in to long term assets.

The bond market was largely quiet with marginal movement in the yield curve. Slight uptick in several bond assets poised the fund for MTM gains.

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

Looking ahead to April 2026, we expect the impact of the steady drop in inflationary and interest rate figures to position the fund for a potential upside increasing the fund's profitability and returns

The portfolio remains invested in FGN Bonds, money market instruments and sub-sovereign bonds with decent yield. The fund is constantly monitoring the market to ensure optimal returns across all asset class while maintaining its current allocation to enhance the overall yield of the Fund.

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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 risk
- Macroeconomic instability
- Interest Rate Risk

HOW TO PARTICIPATE

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



Diversify your investments with our Mutual Funds today.

Balanced Fund Equity Fund Fixed Income Fund Money Market Fund

Nigerian Durbond Fund Sukuk Fund Wealth for Women Fund

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