

United Capital Global Fixed Income Fund

Mutual Funds Factsheet | May 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 county 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

Global Fixed Income markets had a volatile May, with sovereign yields generally rising amid renewed fiscal concerns and shifting supply-demand dynamics. In the US, Treasury yields climbed as investors digested progress on the "Big, Beautiful Bill," which is set to add over \$3.00tn in debt stock through to 2034. These developments, along with stronger inflation expectations and signs of reduced foreign demand for longer-duration papers, pushed 10-year and 30-year bond yields higher. The 20-year bond auction mid-month tailed, adding to concerns around investors' appetite for duration instruments. By contrast, shorter-tenor auctions later in the month were well bid, particularly by foreign investors. Japanese yields briefly spiked after a weak 20-year auction but retraced following signs of reduced issuance ahead.

Monetary Policy divergence continued to shape market expectations. In the US, Fed Chair Jerome Powell's remarks focused more on the long-term policy framework than immediate action, though he emphasized the importance of anchored inflation expectations. In Europe, Bank of England officials remained cautious despite signaling a path toward rate cuts, citing sticky wage and service inflation. Meanwhile, Japan's Central Bank stayed patient despite stronger inflation prints and rising JGB yields, with Governor Ueda reiterating that policy would remain accommodative until the 2.00% inflation target is sustainably met.

Looking ahead, markets will be focused on the passage of US fiscal legislation through the Senate, upcoming inflation data, and June's Central Bank meetings. With term premiums rising and the Fed on hold, long-end volatility may persist. The balance of supply, fiscal risk, and geopolitical uncertainty, particularly around tariffs, will remain key drivers of bond market direction into the summer months.

FUND FEATURES

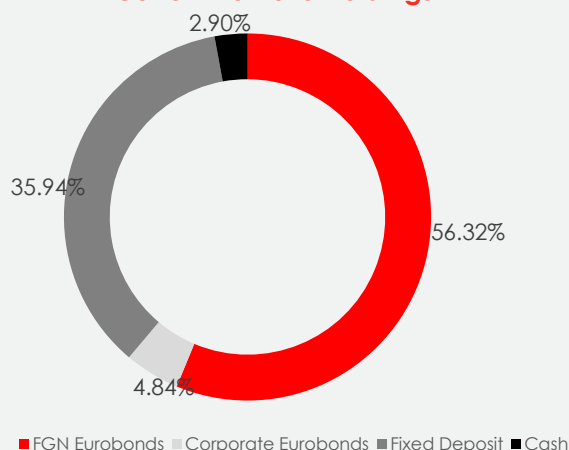
Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	USD/2023
Fund Size (\$)	124Mn
NAV Per Share (\$)	1.2070
Minimum Investment(\$)	50,000
Additional Investment (\$)	1,000
Structure	Open Ended
Minimum Holding Period	180 days
Management Fee	2.00%
Total Expense Ratio*	2.3%
Benchmark	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	44.5%
1-3yr	2.04%
3-5yr	14.84%
5-10yr	23.50%
>10yr	15.12%

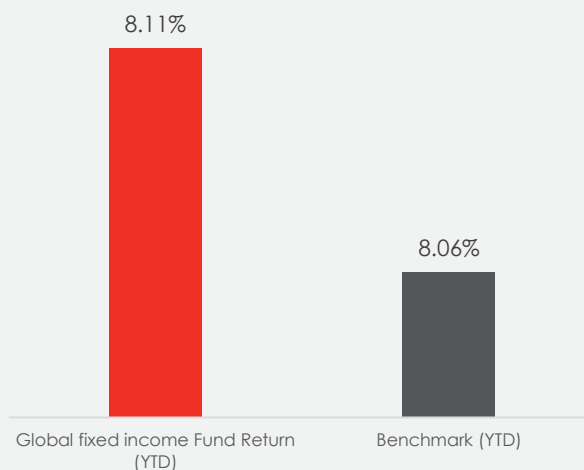
Current Portfolio Holdings



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%	8.11%
Benchmark	8.43%	8.62%	8.06%

*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 8.11%, compared to the benchmark return of 8.06%.

The global fixed income market was relatively stable in the month of May, when compared with previous months. In the US, Treasury yields climbed as investors digested progress on the "Big, Beautiful Bill," which is set to add over \$3.00tn in debt stock through to 2034. The European Central Bank is expected to slash interest rate further, showing its commitment to supporting economic growth amid challenges. Meanwhile, the US Fed continue to trend cautiously regarding rate cut, citing uncertainties surrounding current administration. The SSA Eurobonds witnessed substantial buy-interest, with prices rising significantly at the end of the month. Consequently, the Nigerian Eurobond average yield declined from the 10.57% to close the month at 9.56%.

Looking ahead, we expect the direction of geopolitical policies to drive market movement, affecting both developed and emerging markets. We expect to continue seeing buy interest in SSA Eurobonds, although at a lower rate.

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