United Capital
Asset Management

United Capital Balanced Fund

Mutual Funds Factsheet | May 2026

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FUND OBJECTIVE

The United Capital Balanced Fund aims to achieve long-term capital appreciation and income distribution through a portfolio of securities and instruments as specified in the Trust Deed. It targets investors seeking a blend of safety, regular income and modest capital appreciation, with a risk profile lower than a pure equity investment.

Assets are tactically allocated between fixed income and equities, with small individual positions to diversify unsystematic risk. The equity portion holds mid-cap and large-cap stocks with significant diversification across sectors of the Nigerian economy.

MARKET REVIEW, OUTLOOK AND STRATEGY

The Nigerian equity market posted strong but slower gains in May 2026. The NGX-ASI added N4.51tn in market cap versus N26.78tn in April, lifted by Industrial Goods (+8.60%) and Insurance (+6.45%), with Banking up 3.37% m/m and Consumer Goods adding 1.06%; Oil & Gas (-1.93%) was the only loser. Key movers: DANGCEM (+21.65%), AIRTELAFRI (+21.00%), ETI (+20.84%), OANDO (+10.87%) and FIRSTHOLDCO (+8.28%). The NGX-ASI rose 3.53% m/m to 250,385.47 points; YTD return stood at 60.90% and market cap closed at N160.51tn. Q1-2026 earnings were notable, with Access Bank reporting FY PBT of N1.01tn (Q1: N272.21bn), First HoldCo FY N220.28bn (Q1: N321.12bn) and Fidelity Bank FY N347.66bn.

In the money market, system liquidity opened May at N4.96tn and closed at N6.02tn, supported by N1.203tn in FAAC disbursements despite the CBN's sustained tightening. The monthly average OPR closed flat at 22.00%, while the O/N declined 0.11% to 22.19%. The bond market was bearish: monthly average yields on the 2032 and 2034 bonds rose 0.04% and 0.67% to 16.89% and 17.00%, corporate bond yields rose 0.21% m/m to 19.15% (from 18.94%), and FGN Sukuk yields climbed to 17.19% (from 17.01%).

June 2026 equities should remain cautiously positive but more selective. May inflation is the key watchpoint after headline rose for a second month to 15.69% in April; a further increase could weaken sentiment. Dividends and resilient banking earnings should support activity, while Middle East developments remain a key external driver. Fixed income is expected to retain a bearish tone, with yields elevated across the curve following May's broad-based sell-off in FGN, corporate and Sukuk bonds, reflecting tight monetary policy, persistent inflation and delayed US rate cuts constraining foreign portfolio inflows. Strategically, the Fund will maintain a tactically balanced allocation between equities and fixed income in line with the Trust Deed.

FUND FEATURES

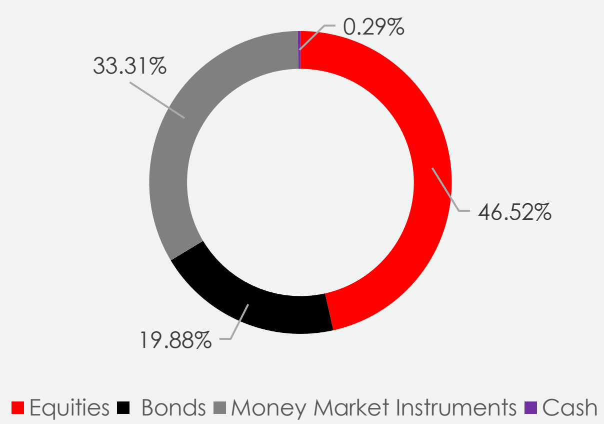
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2006
Fund Size (₦)	9bn
NAV Per Share (₦)	3.0517
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.81%
Benchmarks	91-Day T-bills/NGX 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	21.13%
31-60days	8.20%
61-90days	5.21%
91-180days	4.29%
180-365 days	32.85%
>1 year	28.32%

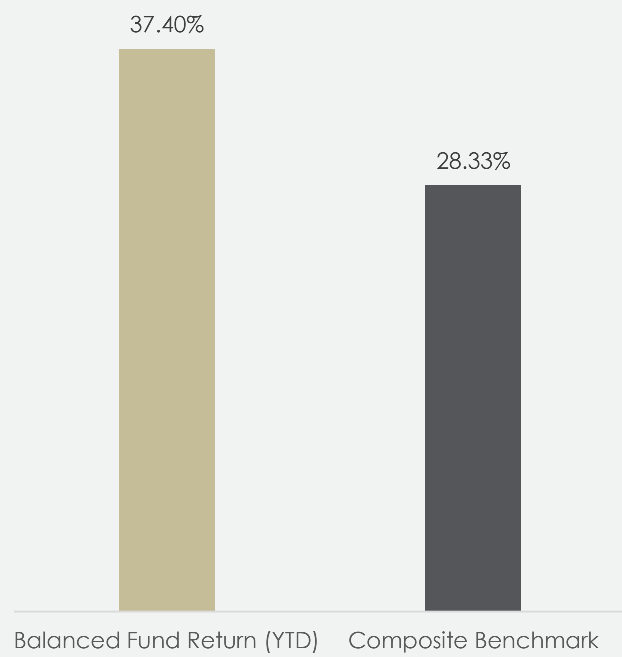
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Quoted Equities (40%-60%), Money Market and Fixed Income Instruments (40%-60%), Alternative investments (0%-10%)

Balanced Fund Return Vs Benchmark (YTD)



RETURN HISTORY

	2021	2022	2023	2024	2025	2026 YTD
UCAP Bal. Fund	6.19%	4.89%	42.23%	30.41%	32.38%	37.40%
Composite Benchmark	5.56%	12.82%	19.97%	26.62%	30.24%	28.33%

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

PERFORMANCE REVIEW

The United Capital Balanced Fund returned 37.40% YTD as at end-May 2026, versus a composite benchmark return of 28.33%.

Nigerian equities stayed strong in May 2026, though slower than April. The NGX-ASI gained 3.53% m/m to 250,385.47 points (YTD 60.90%), with market cap up N4.51tn to N160.51tn. Industrial Goods (+8.60%) and Insurance (+6.45%) led; Banking added 3.37%; Oil & Gas (-1.93%) was the only loser.

System liquidity rose from N4.96tn to N6.02tn on N1.203tn of FAAC inflows; OPR flat at 22.00%, O/N at 22.19%. Bonds traded bearish: 2032 and 2034 yields rose to 16.89% and 17.00%; corporate yields climbed to 19.15%.

June 2026 equities should stay cautiously positive but selective, with May inflation (April: 15.69%) a key driver and dividends supportive. Fixed income should retain a bearish tone. The Fund will keep a balanced equity/FI mix per the Trust Deed.

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 as well as safety

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