

# United Capital Balanced Fund

Mutual Funds Factsheet | November 2025

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## FUND OBJECTIVE

The objective of the United Capital Balanced Fund is to achieve long-term capital appreciation and income distribution through investment in a portfolio of securities and instruments as specified in the Trust Deed. The Fund is targeted at investors who seek a blend of safety and regular income. The Fund holds equities and fixed income assets in a blended proportion. The securities are held in relatively small proportions to diversify unsystematic risk in the portfolio.

The Fund aims to balance risk and return. The risk profile is structured to be lower than that of a pure equity investment. With assets tactically allocated between fixed income and equity investments, the Fund is structured for investors seeking a blend of safety, income and modest capital appreciation.

The equity portion of the Fund has exposures to mid-cap and large-cap stocks with significant diversification across sectors of the Nigerian economy. Investment decisions are driven by rigorous research in line with carefully designed Enterprise Risk Management framework.

## MARKET REVIEW, OUTLOOK AND STRATEGY

In November 2025, the Nigerian equity market recorded a weak performance. Investors lost approximately N6.56trillion compared with N7.25trillion gained in October as market capitalisation depreciated. The overall market loss in November was driven majorly by steep declines in the Industrial Goods and Insurance sectors. The financial sector also added to the drag, with the Banking Index posting a month-on-month decline amid sustained profit-taking in major bank stocks. Notably, the major stocks that dragged the local bourse lower include DANGCEM (-19.09% month-on-month - m/m), TRANSCORP (-16.00% m/m), BUACEMENT (-11.11% m/m), and MTNN (-9.63% m/m). As a result, the NGX-All Share Index (NGX-ASI) lost 6.88% m/m to close at 143,530.53 points. Consequently, year to date returns weakened significantly to 39.44% from 49.74% recorded in October. Market capitalisation also closed at N91.27 trillion from N97.83 trillion recorded in October.

At the primary market, CBN conducted two NTBs auctions during the month. The first auction had an offer size of N650.00bn worth of bills across the 91-day, 182-day, and 364-day tenors. Investors' demand was strong, with total subscriptions amounting to N1.177 trillion, representing a subscription rate of 1.8x. Bids were heavily skewed toward the longer-tenored 364-day bill, which attracted a total of N1.135tn in bids. Notably, the Apex Bank under-allotted, selling just N546.24bn worth of bills. Following the auction, the stop rates on the 91-day, 182-day and 364-day bills climbed by 0.30%, 0.25% and 0.27% settling at 15.30%, 15.50% and 16.04% respectively.

At the second auction, CBN offered a total of N300bn worth of bills across the 91-day, 182-day, and 364-day tenors. Investors' demand was strong, with total subscriptions amounting to N750billion, representing a subscription rate of 2.50x. Bids were heavily skewed toward the longer-tenored 364-day bill, which attracted a total of N674billion in bids. Notably, the Apex Bank over-allotted, selling N455.59bn worth of bills. The stop rates on the 91-day, 182-day and 364-day bills fell by 0.30%, 0.20% and 0.64%, settling at 15.30%, 15.50% and 16.14%, respectively. In

the secondary market, the monthly average yield on the 91-day fell by 0.04% to settle at 16.06%. While yields in the 182-day and 364-day bills climbed by 0.14% and 0.16% to settle at 16.93% and 19.01%, respectively.

In the secondary money market, the financial system opened in November 2025 with a surplus balance of N2.47 trillion. There were mop-up activities during the month (due to primary market sales by the Apex Bank), inflows from Federation Account Allocation Committee (FAAC), and Open Market Operations (OMO) helped support liquidity. Nonetheless, the financial system closed the month with a surplus balance of N1.96 trillion. Due to the drop in liquidity, the monthly average Open Repo Rate (OPR) and Overnight Rate (O/N) fell by 2.00% month-on-month (m/m) and 2.11% m/m to close at 22.50% and 22.75% from 24.500% and 24.86%, respectively.

In the secondary bond market, we observed mixed sentiments amongst investors due to the Monetary Policy Rate (MPR) held decision by the Monetary Policy Committee (MPC). Thus, the monthly average yields on the 2030 and 2035 bonds closed lower by 0.44% and 0.28% in November to 15.45% and 15.30% respectively, while 2032 bonds closed higher by 0.12% in November to close at 15.96%. Similarly, we observed bullish movements in corporate bonds, as average yields in Nov-2025 fell by 4.69% m/m to close at 13.83% (previously, 18.52% in Oct-2025). Likewise, the FGN Sukuk bonds market closed bullish as average yields on Sukuk bonds reduced by 0.52% m/m to close at 15.71% in Oct-2025 compared to the previous month's close of 16.23%.

**Looking ahead into December 2025, we expect investors to buy into the recent deep in the market as investors position for full year corporate earnings and dividend declarations. Consequently, the Nigerian equity market is expected to appreciate in the month of December 2025.**

**We expect the fixed income market to stay bullish, supported by strong demand and improved economic fundamentals. Robust liquidity in the financial system could sustain investor interest in sovereign bonds. Meanwhile, corporate bonds could face mild pressure as investors shift toward FGN Bonds to lock in at current rates in anticipation of further drop in rates.**

FUND FEATURES

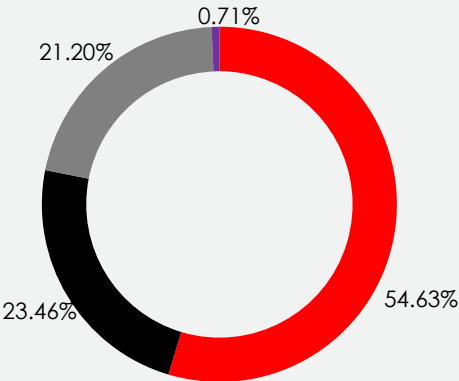
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2006
Fund Size (₦)	3.3bn
NAV Per Share (₦)	2.1886
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.9%
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	16.96%
31-60days	31.64%
61-90days	3.17%
91-180days	0.00%
180-365 days	3.36%
>1 year	44.87%

Current Portfolio Holdings

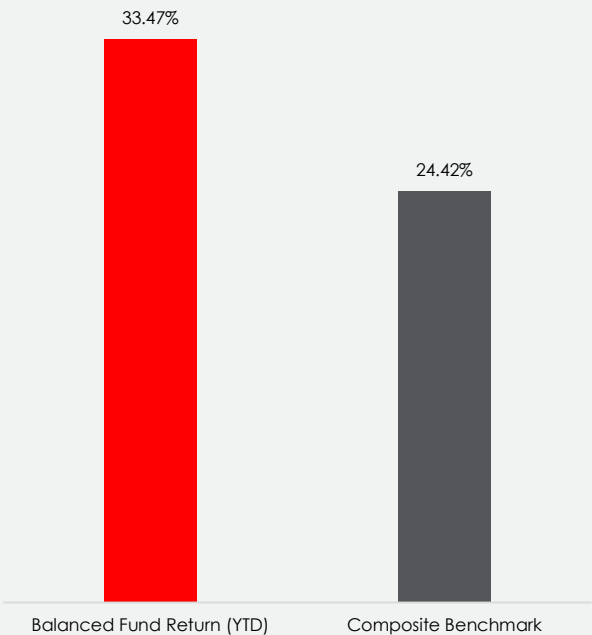


■ Equities ■ Bonds ■ Money Market Instruments ■ Cash

Governance Asset Allocation Ranges:

Quoted Equities (40-60%), Fixed Income (20% - 60%); Money Market Instruments (40% - 60%)

Balanced Fund Return Vs Benchmark (YTD)



RETURN HISTORY

	2020	2021	2022	2023	2024	2025 YTD
UCAP Bal. Fund	14.35%	6.19%	4.89%	42.23%	30.41%	33.47%
Composite Benchmark	25.16%	5.56%	12.82%	19.97%	26.62%	24.42%

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

PERFORMANCE REVIEW

The United Capital Balanced Fund returned -1.33% for the month of November 2025 translating to a YTD return of 33.47% compared to 24.42% posted by the composite benchmark during the same period.

The Nigerian equities market ended its seven-month consecutive gain in November as the benchmark index lost 6.88% translating to a YTD return of 39.44%. The decline was largely driven by selloffs due to uncertainty surrounding the implementation of the new Capital Gains Tax (CGT) regime. Sectoral performance was broadly negative with the Industrial Goods sector leading the laggard list (-13.81%) closely followed by the Insurance sector (-12.06%).

Looking ahead, we expect that the market will recover in December as investors take advantage of the low-price and position in fundamentally sound stocks as well as the year-end positioning ahead to the Santa rally. 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.

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.

### 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](http://www.investnow.ng)
2. Click on "Balanced Fund"
3. Click on "Open an account" and complete the online form
4. Fund your account online with a one-time payment or recurrent payments

