

# United Capital Fixed Income Fund

Mutual Funds Factsheet | November 2025

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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 (DMO) conducted the November 2025 bond auction with a total offer size of N460bn, split between the reopened 2030 ("5-year") and 2032 ("7-year") bond papers. Investors' demand was strong, with total subscriptions reaching N657.26bn, representing a subscription rate of 1.4x. Notably, the DMO over-allotted, selling a total of N583.52bn worth of bills.

The marginal rate on the 2030 bond paper climbed by 0.07%, from 15.83% to settle at 15.90% and the 2032 bond paper fell by 0.20%, from 16.00% to 15.20%.

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%.

At the money market, the CBN conducted two (2) auctions with mixed results across both auctions. There was a total offer of N650bn offered at the first auction and N300bn at the second auction cutting across the 91-day, 182-day and 364-day bill.

The bids were majorly skewed towards the longer-tenured instrument, "364-day bill", at both auctions. The stop rate on 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 first auction. At the second auction, we saw a drop in the stop rates on the 91-day, 182-day and 364-day bills falling by 0.30%, 0.20% and 0.64%, to settle at 15.30%, 15.50% and 16.14%, respectively

**Looking into December, the bond market is expected 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

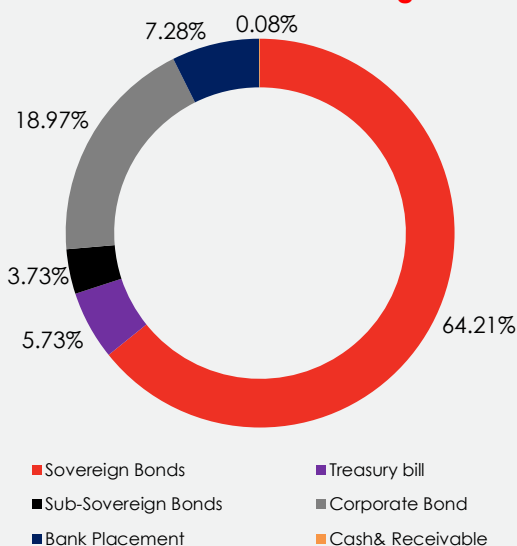
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2006
Fund Size (₦)	85.3bn
NAV Per Share (₦)	1.9655
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Minimum Holding Period	90 days
Management Fee	1.5%
Total Expense 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	26.17%
1-3yr	33.57%
3-5yr	17.67%
5-10yr	18.76%
>10yr	3.83%

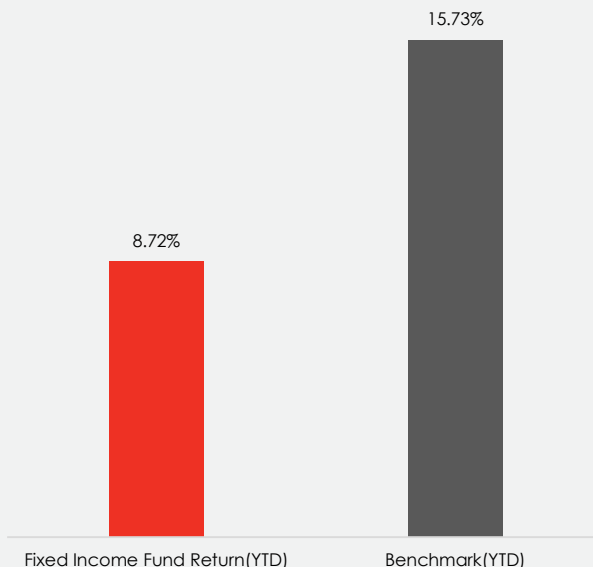
## Current Portfolio Holdings



## Governance Asset Allocation Ranges:

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

## Fixed Income Fund Return vs Benchmark (Annualized)



## RETURN HISTORY

	2020	2021	2022	2023	2024	2025 YTD
UC Fixed Income Fund	9.35%	6.40%	6.33%	6.88%	6.50%	8.72%
Benchmark	3.54%	9.45%	12.83%	13.30%	20.11%	15.73%

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

## PERFORMANCE REVIEW

The United Capital Fixed Income Fund annualized YTD return as at November 2025 is 8.72% relative to 15.73% posted by the benchmark for the same period.

The fixed income market continue to record slight drop in yields as investors scrambled to get the best pricing for their assets. There was a drive to accumulate mid dated assets to ensure optimal performance as we approach year end. The fund has largely been able to position to take advantage of this preserving its return and reducing reinvestment risk.

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

Looking ahead to December 2025, , we expect bullish sentiments to persist as investors continue to look for long-term positioning in the fixed income space to help preserve and improve the overall return which should encourage further inflows and better improve the funds AUM.

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.

### 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](http://www.investnow.ng)
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