

United Capital Sukuk Fund

Mutual Funds Factsheet | September 2025

Contact Us:

Philip Ndunaka | +234-703-192-1664 | philip.ndunaka@unitedcapital.com

Asset Management | +234-1-631-7876 | asset.management@unitedcapital.com

FUND OBJECTIVE

The objective of the fund is to provide investors with a low-risk investment with stable and competitive returns through investments in short, medium and long-term Sharia-Compliant securities and investment products, whilst ensuring the preservation of capital and maintaining a reasonable degree of liquidity.

The Fund aims to provide its Unitholders with halal profits on the growth of their capital over the long-term in accordance with the principles of Islamic finance.

MARKET REVIEW, OUTLOOK AND STRATEGY

The Debt Management Office (DMO) conducted the September 2025 bond auction with a total offer size of N200.00bn, split between the reopened 2030 ("5-year") and 2032 ("7-year") bond papers. Investors' demand was strong, with total subscriptions reaching N1.260 trillion, representing a subscription rate of 6.3x.

Notably, the DMO over-allotted, selling a total of N576.62billion worth of bills. The marginal rate on the 2030 bond paper fell by 0.89%, from 18.00% to settle at 16.00% and the 2032 bond paper fell by 0.90%, from 17.95% to 16.20%.

In the secondary bond market, we observed bullish sentiments amongst investors due to the Monetary Policy Rate (MPR) cut decision by the Monetary Policy Committee (MPC). Thus, the monthly average yields on the 2030, 2032, and 2035 bonds closed lower by 0.60%, 0.72% and 0.30% in September to settle at 16.47%, 16.20% and 16.14% respectively.

Conversely, we observed sell-offs in corporate bonds, as average yields in Sep-2025 climbed by 0.95% m/m to close at 18.96% (previously, 19.98% in Aug-2025). Likewise, the FGN Sukuk bonds market closed bearish as average yields on Sukuk bonds increased by 0.94% m/m to close at 16.70% in Sep-2025 compared to the previous month's close of 17.81%.

Looking into October, 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 and Sukuk bonds could face mild pressure as investors shift toward FGN Bond to lock in at current rates in anticipation of further drop-in rates.

FUND FEATURES

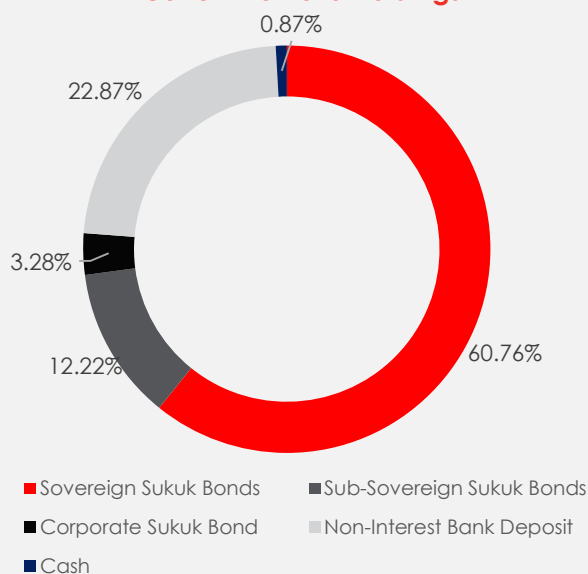
Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2020
Fund Size (₦)	4bn
NAV Per Share (₦)	1.1890
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Minimum Holding Period	90 days
Management Fee	1.5%
Total Expense Ratio*	1.8%
Benchmark	3-Yr FGN Sovereign Sukuk Yield
Risk Profile	Medium
Investment Style	Income Oriented

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

MATURITY PROFILE OF ASSETS

<1yr	36.40
1-3yr	16.9%
3-5yr	12.3%
5-10yr	34.4%
>10yr	0.00%

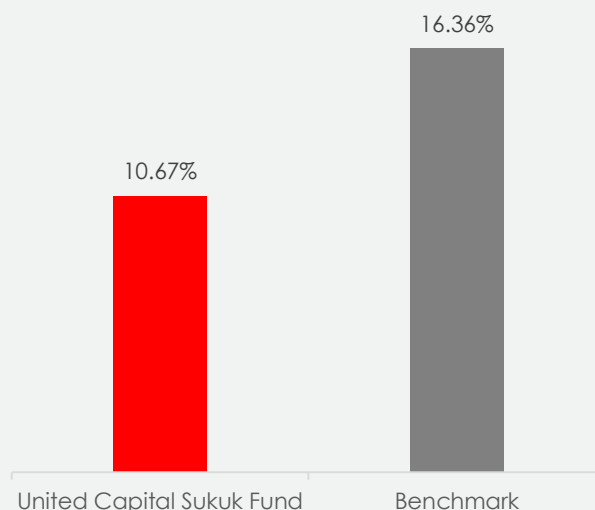
Current Portfolio Holdings



Governance Asset Allocation Ranges:

Non-Interest Bank Deposit (20%-40%); Sukuk Bond: (60%-80%)

Sukuk Fund Return Vs Benchmark (YTD)



RETURN HISTORY

	2021	2022	2023	2024	YTD 2025
United Capital Sukuk Fund	7.32%	7.23%	11.36%	10.02%	10.67%
Benchmark	9.88%	12.92%	13.20%	19.81%	16.36%

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

PERFORMANCE REVIEW

The United Capital Sukuk Fund annualized YTD return for the month of September 2025 is 10.67% relative to the return of 16.36% posted by the benchmark for the same period.

The return can be attributed mainly to rental income and profit on the fund's bond holdings as well as non-interest bank deposits held during the period. There were also several maturities which were reinvested at higher profit rates and helped shore up the return of the fund.

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The Fund maintains sufficient exposure to Sukuk bonds, Non-Interest bank Deposits, Mudarabah, Murabaha and other Shariah-compliant contracts with significantly higher yields. We will maintain current allocation to enhance returns for 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 Risks
- Macroeconomic instability
- Interest Rate Risk

HOW TO PARTICIPATE

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



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