

# United Capital Wealth For Women Fund

## Mutual Funds Factsheet | December 2023

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### FUND OBJECTIVE

The objective of the United Capital Wealth for Women Fund is to promote the financial inclusion of the female gender by increasing their access to financial investment products and addressing the current imbalance of most investment products being skewed towards the male gender.

The Fund Manager seeks to maintain a balance between realized income and capital growth to ensure regular distribution payments and continuous appreciation in asset values while ensuring optimal safety of assets and adequate liquidity to meet the Fund's obligations as they fall due. The Fund invests in money markets and equities. The equity portfolio is tilted towards companies with significant female representation on their boards and management teams.

### MARKET REVIEW, OUTLOOK AND STRATEGY

The bulls continued dominating the Nigerian Exchange Limited (NGX) floor in December. Bargain hunt in across stocks in the financial services sector led the rally, with tier-1 banks recording new highs. On a broader note, large-cap stocks like MTNN (+10.9% m/m), and AIRTELAFRI (+4.8% m/m) significantly contributed to the bourse's performance in the month under review. That said, the benchmark NGX-All Share Index (NGX-ASI) climbed by 4.78% m/m to close at 74,773.9 points. Consequently, full year 2023 return closed at 45.9%, with market capitalization settling at N40.7tn.

Looking ahead, we expect sustained sentiments in the equities market in January 2024. First, we believe the bulls' dominance will linger as the positive sentiments towards the market continue to drive the rally. Hence, we recommend cherry-picking activities around fundamentally sound stocks with solid performance in anticipation of dividend declaration and a further rally in the new year.

At the primary market, the Central Bank of Nigeria (CBN) conducted three NT-bills auctions in December. The CBN offered a total of N185.0bn worth of bills across the 91-day, 182-day and 364-day bills. The auction was met with strong investors' demand, with total subscriptions printing at N4.4tn. Notably, the Apex Bank over-allotted at the auctions, selling a total of N1.2tn, implying a bid-to-cover ratio of 23.8x. As a result, the stop rates across the 91-day, 182-day and 364-day bills trended lower, declining by 100bps, 200bps and 451bps to close

the month at 7.00%, 10.00% and 12.24%, respectively (previously, 8.00%, 12.00% and 16.75%) with over a total of N310.1bn maturing bills across the 91-day, 182-day and 364-day bills. At the auction, investors' demand was strong, with the bulk of bids skewed towards the longer-tenured instrument. As a result, the total subscription printed at N875.8bn. Notably, the CBN over-allotted at the auction, as total bills sold printed at N491.8bn, implying a bid-to-cover ratio of 1.2x. In line with our expectation, the stop rates across all the maturing bills, 91-day, 182-day and 364-day bills climbed by 100bps, 200bps and 375bps to settle at 7.00%, 11.00% and 16.75%, respectively.

Looking ahead, we expect that the CBN's disposition to monetary tightening will allow money market and FTD rates to stay elevated around current levels, with a high likelihood of trending higher at restrictive levels. System illiquidity will play a background role in the direction of rates at the short end of curve. Funding rates may not be responsive to liquidity fundamentals as previously seen in Q3-2023.

**In January 2024, we expect the Bulls to prevail, as bargain hunting continues as the order of the day. Given the global developments across major central banks in advanced economies, high base expectations for inflation, and improved economic growth prospects, we expect the local bourse to record a positive performance in January. Investors may continue to cherry-pick stocks with strong fundamentals, (value or growth). However, value stocks may be choice for dividend scouting investors, ahead of FY-2023 earnings season. At different intervals, we expect mild sell-offs, albeit insignificant.**

**FUND FEATURES**

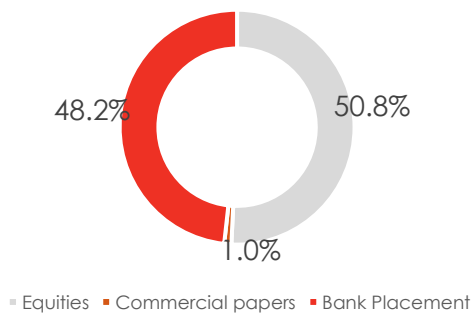
<b>Fund Manager</b>	United Capital Asset Management Ltd
<b>Base Currency/Start Year</b>	Naira/2017
<b>Fund Size (₦)</b>	885m
<b>NAV Per Share (₦)</b>	1.42
<b>Minimum Entry (₦)</b>	10,000
<b>Additional Investment (₦)</b>	5,000
<b>Structure</b>	Open Ended
<b>Entry/Exit Charges</b>	Nil
<b>Management Fee</b>	1.5%
<b>Total Expense Ratio*</b>	1.8%
<b>Benchmarks</b>	91-Day T-bills/NGX ASI
<b>Risk Profile</b>	Moderate
<b>Investment Style</b>	Market Oriented

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

**MATURITY PROFILE OF ASSETS**

<1yr	54.20%
1-3yr	45.80%
3-5yr	0.0%
5-10yr	0.0%
>10yr	0.0%

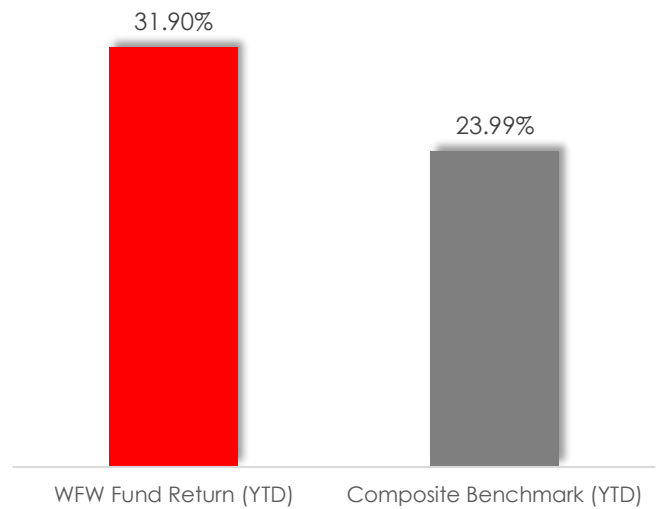
**Current Portfolio Holdings**



**Governance Asset Allocation Ranges:**

Equities (10%-80%), Money Market (20% -90%)

**WFW Fund Return Vs Benchmark (YTD)**



**RETURN HISTORY**

	2019	2020	2021	2022	2023
United Capital Wealth for Women Fund	7.79%	3.12%	6.60%	12.33%	31.90%
Benchmark Return	1.12%	25.16%	5.56%	2.10%	23.99%

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

**PERFORMANCE REVIEW**

The United Capital Wealth For Women Fund returned 31.90% for full year 2023, compared to the composite benchmark (91-day T-bills and the ASI) return of 23.99% for the same period.

In December, The bulls continued dominating the Nigerian Exchange Limited (NGX) floor. Positive sentiments amongst investors towards fundamentally sound stocks dominated the market.

We remain conservative in line with the investment policy objectives, as our selection of fundamentally strong stocks and high yielding money market instruments should further enhance the returns of the Fund going forward.

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 "Wealth for Women 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.



**Diversify your investments with our Mutual Funds today.**

Balanced Fund   Equity Fund   Fixed Income Fund   Money Market Fund

Nigerian Eurobond Fund   Sukuk Fund   Wealth for Women Fund