

United Capital Wealth For Women Fund

Mutual Funds Factsheet | October 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

In October, the bulls returned to the Nigerian Exchange Limited (NGX) following the expected commencement of the Q3-2023 earnings season. Due to this, positive sentiments amongst investors towards fundamentally sound stocks dominated the market. Notably, buy interests in large-cap stocks such as AIRTELAF (+19.4% m/m) and BUACEMEN (+25.2% m/m) spurred the rally. As a result, the benchmark NGX-All Share Index (NGX-ASI) climbed by 4.3% m/m to close at 69,236.2 points. Consequently, YTD return strengthened to 35.1%, from September's 29.5% print, with market capitalization settling at N38.0tn.

At the primary market, the Central Bank of Nigeria (CBN or Apex Bank) conducted two (2) NT-bills auctions in October. The CBN offered a total of N144.7bn worth of bills across the 91-day, 182-day and 364-day bills. The auction was met with strong investor demand owing to the buoyant liquidity in the system, with total subscriptions printing at N959.3tn, implying a bid-to-cover ratio of 6.6x. Notably, the Apex Bank allotted just the amount offered at the 1st auction, and over-allotted (N370.3bn vs N108.1bn on offer) the second auction by an allotment rate of 3.4x. Given the inclination of the CBN to allow investors' demand for higher rates materialize at the

second auction, we witnessed stop rates across the 91-day, 182-day and 364-day bills surge.

In the primary market, the Debt Management Office (DMO) conducted the Oct-2023 FGN bond Primary Market Auction (PMA) with a total offer size of N360.0bn across the 2029s, 2033s, 2038s and 2053s papers. The auction was oversubscribed due to the financial system's liquidity (at the time of the auction). Total investor demand was N283.1bn, or 1.06x the amount offered. Investors' interest was skewed towards the 2053s, which accounted for 65.5% of subscriptions. The DMO oversold the auction, and non-competitive allocations made up 10.7% (N40.0bn) of the overall allotments (N374.8bn). Marginal rates on the 2029s (+40bps), 2033s (+30bps), 2038s (+25bps) and 2053s (+35bps) papers climbed to settle at 14.9%, 15.75%, 15.80% and 16.6% respectively.

This month, we expect mixed sentiments in the equities market in Nov-2023. First, we believe the bulls' dominance will linger as the positive sentiments towards the market will continue to drive the rally. Hence, we recommend cherry-picking activities around fundamentally sound stocks with solid performance. However, downside risks are imminent as there may be profit-taking activities off strong-performing stocks amongst investors. In the fixed-income market, we expect that CBN's new disposition will allow the money market and FTD rates trend higher. System liquidity is likely to play a background role in terms of influence in the direction of rates at the short end of the curve. We expect to see bearish sentiments persist in the secondary market. The recent removal of the ceiling (two billion) at the Standing Deposit window will continue to put upward pressure on rates pending any adjustment to the asymmetric corridor (+100/-300). At the next auction we expect to see further climb in marginal rates.

FUND FEATURES

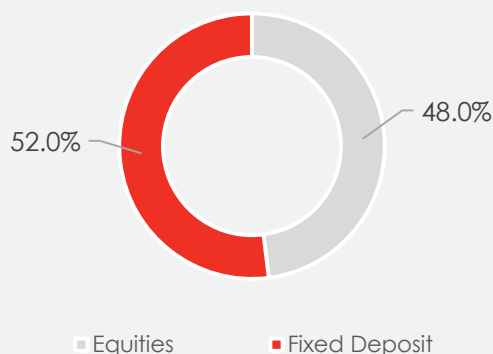
Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2017
Fund Size (₦)	825.1m
NAV Per Share (₦)	1.34
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.8%
Benchmarks	91-Day T-bills/NGX ASI
Risk Profile	Moderate
Investment Style	Market Oriented

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

MATURITY PROFILE OF ASSETS

<1yr	59.3%
1-3yr	40.7%
3-5yr	0.0%
5-10yr	0.0%
>10yr	0.0%

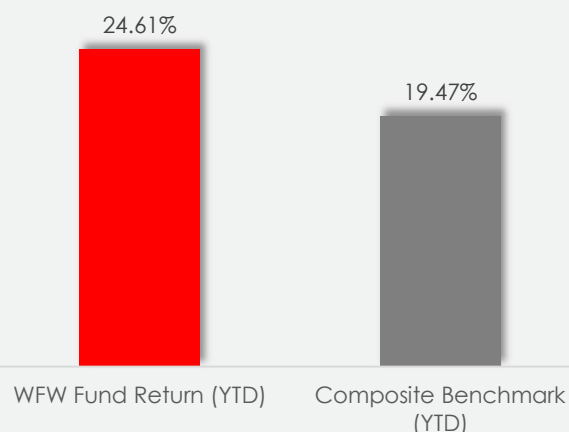
Current Portfolio Holdings



Governance Asset Allocation Ranges:

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

WFW Fund Return Vs Benchmark (YTD)



RETURN HISTORY

	2019	2020	2021	2022	YTD
United Capital Wealth for Women Fund	7.79%	3.12%	6.60%	12.33%	24.61%
Benchmark Return	1.12%	25.16%	5.56%	2.10%	19.47%

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

PERFORMANCE REVIEW

The United Capital Wealth For Women Fund returned 24.61% on a year to date ("YTD") basis as at the end of October, compared to the composite benchmark (91-day T-bills and the ASI) return of 19.47% for the same period.

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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
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 Durable Fund Sukuk Fund Wealth for Women Fund