

United Capital Money Market Fund | Monthly Fact Sheet



September-21

FUND OBJECTIVE

The United Capital Money Market Fund allows investors to invest in high quality money market instruments like Treasury bills and certificates, Commercial papers and Bankers' acceptance. The Fund is an income Fund. It provides liquidity, capital preservation, as well as moderate and stable return. The Fund is appropriate for corporate and individual investors who desire less volatility in returns using their surplus funds for short periods of time. The main objective of the Fund is to achieve consistent income streams through investment in a portfolio of money market securities and investments specified in the Trust Deed. The money market fund preserves capital, offers quarterly interest payment as well as safety and liquidity.

MARKET REVIEW, OUTLOOK AND STRATEGY

Last month, the Central Bank of Nigeria (CBN) held three NTB auctions, at the first two auctions the CBN held rates constant before eventually spiking rates upwards by 30bps for the 364-day paper at the third auction. Overall, in September, the CBN sold the sum of N405.9bn across all three tenors in September-2021. At the primary OMO market, the CBN conducted two OMO auctions selling, the sum of N70.0bn worth of OMO bills across the two auctions with stop rates remaining unchanged at 7.0%, 8.5% and 10.1% across the short, mid, and long end of the curve.

In the secondary market, market activity remained relatively flat, as the initially rate hold by the CBN left investors sitting on the sidelines and waiting for rate direction. Overall the average yield on NTBs dropped marginally by 1bps to close at 4.8% (previously 4.9%). In the OMO bills market, the average yield rose by 8bps to 6.25% (previously 6.18%). Lastly, In the month of September, system liquidity remained relatively tight, printing at an average of 12.1% and 12.8% for the month of September.

Looking ahead, we expect bearish sentiments to dominate activities this month as sovereign debt managers continue to aggressively push rates higher at PMAs, which will inadvertently see sell-offs in the secondary market.

Contact Us:

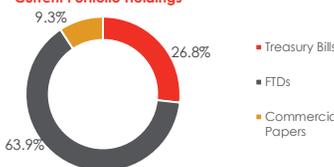
Emmanuel Akehomen | +234-703-180-3064
 emmanuel.akehomen@unitedcapitalplcgroup.com
 Asset Management | +234-1-631-7876
 mutualfunds@unitedcapitalplcgroup.com

Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2006
Fund Size (₦)	17.3bn
NAV Per Share (₦)	1.0
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Minimum Holding Period	30 days
Benchmark	91-day T-Bills
Management Fee	1.0%
Total Expense Ratio*	1.1%
Risk Profile	Low
Income Distribution	Quarterly

Maturity Profile of Assets

0-30days	31.2%
31-60days	32.3%
61-90days	4.6%
91-180days	21.1%
180-365 days	10.8%

Current Portfolio Holdings



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

Governance Asset Allocation Range

Money Market (100%)

Why Choose the Fund?

- Short-term capital preservation
- Seamless entry and exit
- Low entry threshold
- Professional management with robust risk framework

How to Participate

1. Log in to our online platform www.investnow.ng
2. Click on "Money Market 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.

Return History

	2015	2016	2017	2018	2019	2020	Sep-21
Money Market Fund Returns	11.3%	13.1%	14.2%	12.9%	12.67%	5.42%	9.32%
Benchmark Returns	2.4%	13.7%	11.0%	12.6%	11.16%	1.52%	3.97%

*Represents the Fund's Effective yield vs the Benchmark Return

PERFORMANCE REVIEW

The United Capital Money Market Fund yielded an average return of 9.32% for the month of September 2021, higher than the benchmark rate of 3.97%. The performance of the Fund was driven by lower interest rate reflected by decrease in yields in money market instruments.

The Fund will continue to invest in high quality money market instruments that generate competitive returns for the benefit of the subscribers. The Fund is well positioned to deliver above-average returns despite the declining yield environment.

Money Market Fund Return vs Benchmark



The United Capital Money Market Fund is regulated by the Securities & Exchange Commission

† 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.