

**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, in line with our expectations, activities in the money market remained bullish as rates continued to trend lower. The financial system became reflat with excess liquidity following inflows from OMO maturities, bond coupon payments, and FAAC credits. Uncertainty around the frequency and volume around CRR debits also left the market liquid in February.

The CBN conducted four (4) OMO auctions and two (2) NT-bills auctions during the month. At the OMO auctions, the CBN sold the sum of ₦270.0bn in OMO bills across the three maturities, with stop rates unchanged at 7.0%, 8.5% and 10.1% across the short, mid, and long end of the curve. At the NT-bills auctions, the CBN sold the sum of ₦472.9bn at both auctions. At the second and final auction of the month, strong buying interest drove stop-rate on the 91-day and 364-day lower by 24bps and 85bps respectively and settled at 2.24% and 4.35%. The stop-rate on the 182-day bill was unchanged at 3.30%. At both auctions, the CBN oversold by a cumulative amount of ₦259.6bn, above its offer of ₦213.2bn and keeping in line with the apex bank's overselling strategy as a means of funding the fiscal deficit.

Bullish sentiments dominated the secondary market as average NT-bills yield closed lower by 77bps m/m to end the month at 3.6% (previously 4.3%). Similarly, in the OMO bills market, the average yield fell by 61bps m/m to 4.6% (previously 5.2%).

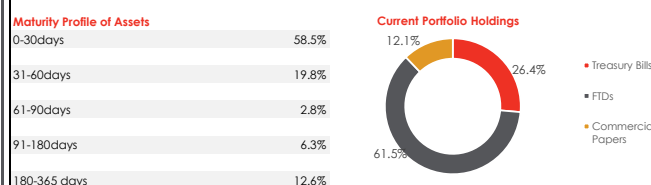
Looking ahead, we expect the NT-bills market to maintain a bullish posture, largely factoring in an expected inflow of about ₦1.1bn from maturities and coupon payments in March. We expect demand-led activities to drive money market rates lower.

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

Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2006
Fund Size (₦)	21.6bn
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



\*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](http://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**

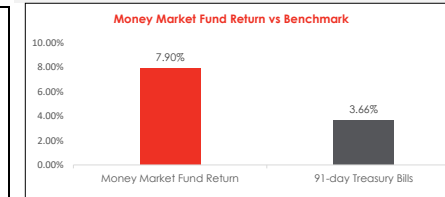
	2015	2016	2017	2018	2019	2020	2021	Feb-22
Money Market Fund Returns	11.3%	13.1%	14.2%	12.9%	12.87%	5.42%	6.91%	7.90%
Benchmark Returns	2.4%	13.7%	11.0%	12.6%	11.16%	1.52%	3.34%	3.66%

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

**PERFORMANCE REVIEW**

The United Capital Money Market Fund yielded an average return of 7.90% for the month of February 2022, higher than the benchmark rate of 3.66%. The performance of the Fund was driven by lower interest rate climate as reflected by a decrease in yields on 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.



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.