

United Capital Wealth For Women Fund | Monthly Fact Sheet



December-21

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 the final month of 2021, the equity market recorded a negative monthly return, largely driven by selloffs in large-cap industrials BUACEMENT (-10.0% m/m) and DANGCEM (-8.6% m/m), which pushed the main index, NGXASI, southward by 1.2% m/m. Nonetheless, the Nigerian stock market ended the year in positive territory, as the NGXASI closed at 42,716.4 index points with the FY-2021 return printing at 6.1% and the bourse's market capitalisation settling at N22.3tn.

At the NT-Bills market, the CBN conducted two OMO auctions and three NT-bills auctions. At the NT-bills auctions, the CBN sold the sum of N112.4bn across the 91-day, 182-day and 364-day bills, exactly the amount on offer during the auctions. Across the auctions, stop rates on the 91-day and 182-day bills remained unchanged at 2.5% and 3.5% respectively. On the other hand, the 364-day bill dipped 55bps, 34bps and 10bps at the two auctions, closing the month at 5.9%. In the secondary market, bullish sentiments dominated the market as average NT-bills yield fell by 37bps m/m to close at 4.4% (previously 4.8%).

In the bonds market, the DMO sold a total of N98.8bn, compared with the N100.0bn on offer across the two bond offerings (2026s & 2037s). Investor demand was skewed towards the 2037s which recorded a bid-to-cover ratio of 2.0x, while the 2026s was undersubscribed at 0.5x. Overall, the auction received a total bid of N132.6bn implying a bid-cover ratio of 1.3x. The marginal rate on the 2026s was unchanged from the previous auction at 11.65%, while the marginal rate on the 2037s rose by 15bps to close at 13.10% (previously 12.95%). In the secondary market, market proceedings were broadly bearish as investors continued to maintain a stand-offish approach towards the bonds market. For the month, average yield rose 14bps m/m to 11.6% from 11.4% in the previous month.

In the coming month, we expect mild sell pressures in the equities market as investors look to take profits off the table, but we expect the Jan-2021 buying interest will resume in no distant time as investors begin to position for FY-2021 dividend announcements. For the NT-bills market, we expect to see increased activities and bullish sentiment dominate the money market as investors remain averse to the bonds market. In the bonds market, we expect mild bearish sentiment to prevail as investors continue to sit on the sidelines due to expectations of higher yields in later months in 2022.

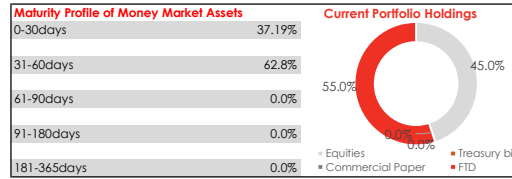
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The United Capital Wealth For Women Fund is regulated by the Securities & Exchange Commission

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Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2017
Fund Size (M)	581.9m
NAV Per Share (M)	1.09
Minimum Entry (M)	10,000
Additional Investment (M)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.6%
Benchmarks	91-Day T-bills/NGX ASI
Risk Profile	Moderate
Investment Style	Market Oriented



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

Governance Asset Allocation Ranges:

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

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

How to Participate

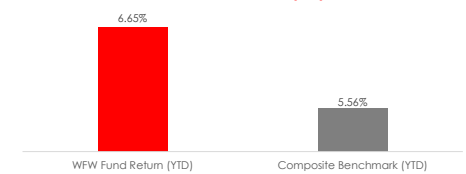
1. Log in to our online platform www.investnow.ng
2. Click on "Wealth for Women Fund"
3. Click on "Open and account" and complete the online form
4. Fund your account online with a one-time payment or recurrent payments.

PERFORMANCE REVIEW

The United Capital Wealth For Women Fund returned 0.19% for the month of December 2021, and 6.60% for Full year 2021, compared to the full year return of 5.56% posted by the composite benchmark (91-day T-bills and the ASI).

The mixed trend in the equities market impacted positively on the Fund. However, the Fund's holding in money market instruments helped improve returns in light of the declining interest rate. We remain conservative in line with the investment policy objectives, as our selection of fundamentally strong stocks and high yielding money market instruments should enhance the performance of the Fund going forward.

WFW Fund Return Vs Benchmark (YTD)



Investment Risks

- Market risk of equity exposure
- Macroeconomic instability

Return History

	2018	2019	2020	2021
United Capital Wealth for Women Fund	5.09%	7.79%	3.12%	6.60%
Benchmark Return	8.10%	1.12%	25.16%	5.56%

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