

United Capital Wealth For Women Fund | Monthly Fact Sheet



January-22

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 January, the equity market rallied, expanding by 9.2%, on the back of gains in AIRTELAF (+33.1% m/m) following increased demand by index fund managers (after the stock's addition to the FTSE 100 in the UK), SEPLAT (+21.7% m/m) following higher oil prices and Ecobank (+43.7% m/m). Increased demand in the final days of the month buoyed by unaudited FY-2021 earnings releases from some blue-chip companies also bolstered sentiments.

At the T-Bills market, the CBN conducted three OMO auctions and two NT-bills auctions. For the OMO auctions, the CBN sold a total of ₦80.0bn in OMO bills at the auctions 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 a total of ₦281.3bn across the 91-day, 182-day and 364-day tenors, 36.0% higher than the amount offered. Clearly, the sizable amount of liquidity within the financial system in January contributed to strong interest from investors resulting in significant oversubscription at the auctions. Stop rates on the 91-day, 182-day and 364-day bills closed the month at 2.5%, 3.3% and 5.4% respectively.

At the bonds market, the DMO sold ₦170.6bn worth of bonds, overselling its initially planned ₦150bn offer across two bond offerings (reissued 2026s and newly issued 2049s). Investor appetite for bonds was strong as the paper was oversubscribed with bid-cover ratio printing at 2.2x. Marginal rates at the auction closed 15bps lower to 11.5% for the 2026s, while the 2049 (new issue) closed at 13.0%. The decline in the stop rates reflects strong investor appetite for bonds in January following the need to reinvest huge bond maturities and coupon payments (totaling ₦822.6bn).

In the coming month, we expect the equities market to maintain its bullish momentum as investors continue to take positions in anticipation of the forthcoming end-of-year releases. For the NT-bills market, we see the possibility of sustained bullish sentiments on NT-bills in February due to heavy NT-bills maturities, keeping liquidity levels at the short end of the curve elevated.

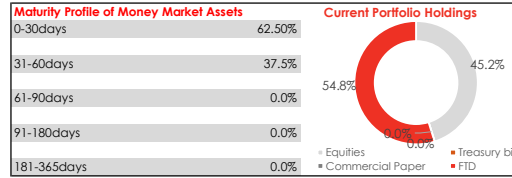
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The United Capital Wealth For Women Fund is regulated by the Securities & Exchange Commission

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Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2017
Fund Size (₦)	588.9m
NAV Per Share (₦)	1.12
Minimum Entry (₦)	10,000
Additional Investment (₦)	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



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

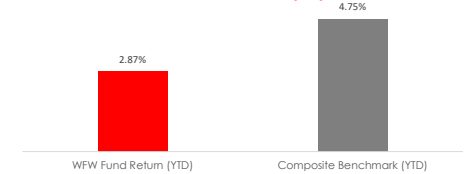
1. Log in to our online platform www.investnow.ng
2. Click on "Wealth for Women Fund"
3. Click on "Open and account" and complete the online form
4. Fund your account online with a one-time payment or recurrent payments.

PERFORMANCE REVIEW

The United Capital Wealth For Women Fund returned 2.87% on a year to date ("YTD") basis as at the end of January, compared to the composite benchmark (91-day T-bills and the ASI) return of 4.75% for the same period.

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 rates. 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	YTD
United Capital Wealth for Women Fund	5.09%	7.79%	3.12%	6.60%	2.87%
Benchmark Return	8.10%	1.12%	25.16%	5.56%	4.75%

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