

FUND OBJECTIVE

The objective of the United Capital Balanced Fund is to achieve long-term capital appreciation and income distribution through investment in a portfolio of securities and instruments as specified in the Trust Deed. The Fund is targeted at investors who seek a blend of safety and regular income. The Fund holds equities and fixed income assets in a blended proportion. The securities are held in relatively small proportions to diversify unsystematic risk in the portfolio.

The Fund aims to balance risk and return. The risk profile is structured to be lower than that of a pure equity investment. With assets tactically allocated between fixed income and equity investments, the Fund is structured for investors seeking a blend of safety, income and modest capital appreciation.

The equity portion of the Fund has exposures to mid-cap and large-cap stocks with significant diversification across sectors of the Nigerian economy. Investment decisions are driven by rigorous research in line with carefully designed Enterprise Risk Management framework.

MARKET REVIEW, OUTLOOK AND STRATEGY

In April, trading sentiments remained upbeat at the equities market, following a relatively bullish earnings season. Consequently, the NGX All Share Index rose by 5.7% m/m in April.

At the primary market, stop rates was unchanged at 1.74% and 3.0% at the short and mid-end of the curve for NT-bills. However, stop rates for the 364-day paper closed at 4.79%, up from 4.45% at the end of March. Notably, the CBN oversold by N26.8bn across the two auctions.

In April, the Debt Management Office (DMO) conducted a bond auction to sell N225.0bn worth of bonds across the three-, ten- and twenty-year tenors. The auction was met with relatively strong investor interest as total bids printed at N409.4bn, indicating a bid-to-cover ratio of 1.8x. The DMO elected to undersell at the auction, selling a total of N219.9bn across all three tenors. Notably, the 2025s and 2032s are new bond series issued by the DMO. Thus, setting sight on the 2042s, the marginal rate on this offering climbed 20bps in line with our expectation and printed at 12.9% while the 2025s and 2032s settled at an initial marginal rate of 10.0% and 12.5% respectively.

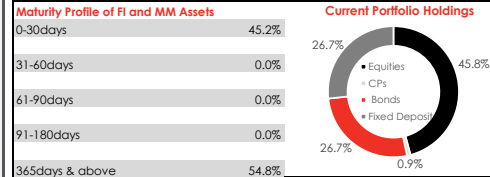
We expect activities at the equity market to slow down in the coming month, with a tilt towards the bears following a relatively strong earnings season. Thus, we anticipate mild profit-taking in the coming month. In the fixed income space, we expect to see a persistence of bearish sentiments in the sovereign securities market. Therefore, we anticipate a further ascent in rates at May's auctions.

Contact Us:

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

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

Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2006
Fund Size (N)	1002.9m
NAV Per Share (N)	1.4385
Minimum Entry (N)	10,000
Additional Investment (N)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.6%
Benchmarks	91-Day T-bills/NSE ASI
Risk Profile	Moderate
Investment Style	Market Oriented



* Inclusive of management fee; Returns are net of all fees
 FI= Fixed Income, MM=Money Market

Governance Asset Allocation Ranges:

Money Market (40-60%); Fixed Income (Minimum 20%); Equities (40%-60%)

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

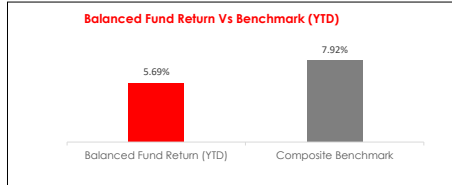
How to participate

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

In April, the United Capital Balanced Fund appreciated by 1.56%. Thus, year to date ("YTD") return stood at 5.69% as at the end of April, while the composite benchmark posted a return of 7.92% for the same period.

A rally at the equities market boosted Fund performance while the Fund maintained exposure to higher yielding fixed income securities. We remain conservative in line with the investment policy objectives, as our selection of fundamentally strong stocks and high yielding fixed income instruments should further enhance the returns of the Fund going forward.



Investment Risks

- Market risk of equity exposure
- Macroeconomic instability

Return History

	2015	2016	2017	2018	2019	2020	2021	YTD
United Capital Bal. Fund	8.0%	5.0%	22.4%	1.2%	3.77%	14.35%	6.19%	5.69%
Composite Benchmark	-1.7%	5.1%	22.7%	1.7%	-1.73%	25.16%	5.56%	7.92%

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

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.