

United Capital Money Market Fund | Monthly Fact Sheet



April-22

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, stop rates began to trend higher on account of tightened system liquidity. Tightened system liquidity was the significant factor in the uptick in rates seen in April.

In April, the CBN conducted two (2) NTB primary market auctions. The apex bank sold N289.0bn worth of NTBs across these two auctions and stop rates was unchanged at 1.74% and 3.0% at the short and mid-end of the curve. 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.

Following the uptick in stop rates at the primary market, bearish sentiments dominated the secondary market as average NT-bill yields closed higher at 3.7% (previously 3.2%). Similarly, in the OMO bill segment, average yields fell by 100bps m/m to 3.6% (previously 4.6%).

Looking ahead, we expect to continue to see a northward movement in the NT-Bills market on the back of limited maturities, potentially shifting pricing power to domestic money managers.

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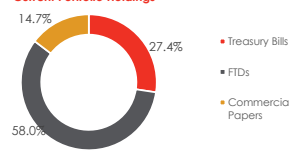
The United Capital Money Market Fund is regulated by the Securities & Exchange Commission

Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2006
Fund Size (N)	21.2bn
NAV Per Share (N)	1.0
Minimum Entry (N)	10,000
Additional Investment (N)	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	39.2%
31-60days	24.0%
61-90days	1.6%
91-180days	16.5%
180-365 days	18.7%

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	2021	Apr-22
Money Market Fund Returns	11.3%	13.1%	14.2%	12.9%	12.87%	5.42%	9.08%	5.52%
Benchmark Returns	2.4%	13.7%	11.0%	12.6%	11.16%	1.52%	3.19%	2.44%

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

PERFORMANCE REVIEW

In April 2022, the United Capital Money Market Fund yielded an average return of 5.52%, higher than the benchmark rate of 2.44%. The low interest rate regime continues to impact money market yields and Fund performance.

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

Money Market Fund Return vs Benchmark



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.