

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, activities in the secondary money markets picked up bearish momentum with rates trending higher, although this was not particularly reflected in the primary markets. The month of June was plagued with limited liquidity. System liquidity sunk, dipping as low as N400bn into deficit within the month. This pushed interbank rates to their ceiling for most of the month, and the average Open Policy Rates (OPR) and Overnight Rates climbed 1.6ppt and 1.6ppt to print at 11.0% and 11.3%, respectively.

The CBN conducted one OMO auction and three NT-bills auctions at the primary market. For the OMO auctions, the CBN sold the sum of N40.0bn worth of OMO bills with stop rates remaining 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 N415.1bn across the 91-day, 182-day, and 364-day bills, 1.1x higher than the amount offered for sale by the CBN. Surprisingly, despite the illiquidity in the system, investors' interest in the papers remained strong. Stop rates on the 91-day, 182-day, and 364-day bills closed the month at 2.4%, 3.79%, and 6.07%, respectively.

In the secondary markets, bearish sentiments dominated the markets, with average yields settling at 3.58%, from a 1.8ppt uptick from the end of May. We expect to see activities in the NT-bills market take a bullish turn. In July, N400.8bn worth of NT bills will be maturing, while N50.0bn worth of OMO bills will also be maturing in July 2022.

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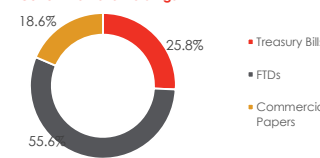
The United Capital Money Market Fund is regulated by the Securities & Exchange Commission

Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2006
Fund Size (₦)	19.8bn
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

Maturity Profile of Assets

0-30days	34.5%
31-60days	28.8%
61-90days	4.8%
91-180days	26.9%
180-365 days	5.0%

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

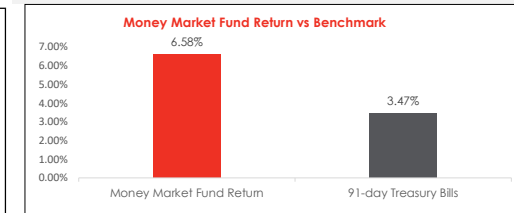
How to Participate

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.

PERFORMANCE REVIEW

The United Capital Money Market Fund yielded an average return of 6.58% for the month of June 2022, higher than the benchmark rate of 3.47%. The performance of the Fund was driven by higher interest rate reflected by increase in yields in money market instruments.

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.



Investment Risks

- Market risk relating to policy somersault
- Macroeconomic instability
- Interest Rate Risk

Return History

	2015	2016	2017	2018	2019	2020	2021	Jun-22
Money Market Fund Returns	11.3%	13.1%	14.2%	12.9%	12.87%	5.42%	6.91%	6.58%
Benchmark Returns	2.4%	13.7%	11.0%	12.6%	11.16%	1.52%	3.34%	3.47%

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