

United Capital Wealth For Women Fund | Monthly Fact Sheet



August-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 August, the Nigerian Stock Exchange (NGX) was dominated by the bears as the rising yield environment amidst tight system liquidity shifted investor focus from the equity market to the fixed income instruments. Notably, sell pressures in large-cap stocks such as BUACEMEN (-25.0% m/m), DANGCEM (-7.5% m/m), SEPLAT (-9.1% m/m) and MTNN (-0.5% m/m) drove the local bourse southwards. As a result, the benchmark NGX-All Share Index (NGX-ASI) declined by 1.1% m/m to close at 49,836.5 points. Consequently, YTD return weakened to 16.7%, from July's 17.9% print, with market capitalisation settling at N26.9tn.

The CBN conducted two primary market NTB auctions to roll over maturing bills to N446.2bn, spread across the 91-day, 182-day, and 364-day bills. The auction witnessed mild investor appetite, with total bids from both auctions printing at N498.7bn, implying a bid-to-cover ratio of 1.1x, largely tilted toward the 91-day and 364-day papers. The CBN opted to sell the exact amount on offer in both auctions. However, owing to the higher interest rate environment, investors remained bull-headed in their demand for more value for their funds. As a result, stop rates across the 91-day, 182-day, and 364-day bills climbed higher by 1.2ppts, 90bps, and 1.5ppts to settle at 4.0%, 5.0% and 8.5%, respectively. The secondary bonds market was met with bullish sentiments from investors, tricking down from the unmet bids at PMA amid rising yields in the NT-bills market. Overall, average yields in the secondary market declined by 17bps m/m to close the month at 7.6% vs July's close of 7.7%.

The CBN conducted an OMO auction in August to sell N50.0bn worth of OMO bills in the primary market across the 90-day, 194-day, and 362-day tenors. The auction was met with bearish sentiments from investors amidst the financial system's illiquidity at the time. The CBN recorded "No-sale" in the auction as investors relentlessly demanded higher rates for their funds. The average yield in the secondary market for OMO bills climbed 1.5ppts m/m to settle at 11.1% vs the previous print of 9.6%.

In September, we expect the local bourse to see continued sell-offs as investors divest to less risky high yield-bearing assets in the coulisse of high-interest rates and a hawkish CBN. In addition, for the fixed income markets, we expect the inflow of liquidity following the influx of about N400bn worth of NTBs to hit the market, although we expect maturing bills to be rolled over. In the bonds market, we expect a stand-offish investor stance to continue prompting mild bearish sentiments.

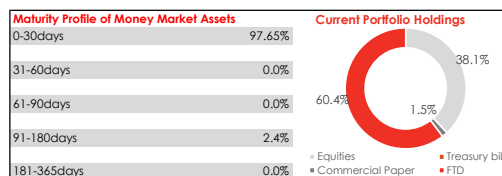
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The United Capital Wealth For Women Fund is regulated by the Securities & Exchange Commission

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Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2017
Fund Size (M)	623.3m
NAV Per Share (M)	1.12
Minimum Entry (M)	10,000
Additional Investment (M)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.8%
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

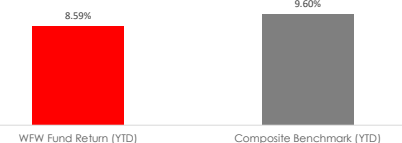
1. Log in to our online platform www.investnow.ng
2. Click on "Wealth for Women Fund"
3. Click on "Open and account" and complete the online form
4. Fund your account online with a one-time payment or recurrent payments.

PERFORMANCE REVIEW

The United Capital Wealth For Women Fund returned 8.59% on a year to date ("YTD") basis, compared to the composite benchmark (91-day T-bills and the ASI) return of 9.60% for the same period.

The equities market witnessed sell offs during the month which impacted on the fund performance while active trading in short term fixed income instruments helped moderate losses. We remain conservative in line with the investment policy objectives, as our selection of fundamentally strong stocks and high yielding money market instruments should further enhance the returns 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%	8.59%
Benchmark Return	8.10%	1.12%	25.16%	5.56%	9.60%

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