

March-21

FUND OBJECTIVE

The United Capital Equity Fund invests in quoted equities that are traded on the Floor of the Nigerian Stock Exchange ("NSE"). The objective of the Fund is to achieve high returns over a medium to long-term period. The Fund is suited for investors who have a long-term outlook and have funds that can be set aside for investments extending for a period of more than one year. The Fund is impacted by fluctuations in stock prices.

The Fund seeks to achieve long-term capital appreciation and income distribution through investment in fundamentally strong companies. As such, the Fund targets investors who seek significant capital appreciation in the long-term and can tolerate the volatility in the stock market.

MARKET REVIEW, OUTLOOK AND STRATEGY

The Nigerian stock market traded sideways in March but ended the month in the red due to persistent interest rate concerns. The benchmark index, NSE All-Share Index, returned -1.9% on a m/m basis, closing the month of March at an index level of 39,045.1pts. The YTD return and market capitalization ended the month at -3.04% and 20.4tn, respectively.

The market saw a flurry of corporates disclosures as major blue-chip stocks released audited earnings reports. Notably among these include UBA (Gross earnings rose 10.8% y/y to N620.4bn) which cut its dividend payment to N0.35/share resulting into significant selloffs by investors. Also, GUARANTY (Gross earnings, grew 4.6% y/y to N455.2bn) announced a final dividend of N2.70/share. DANGCEM also declared a final dividend of N16.00/share to which investors reacted negatively and the stock fell 3.4% by the close of trading. Finally, in a rather surprising move, STANBIC announced a dividend per share of N3.6/share, together with a 1 for 6 scrip bonus, this brings total yield to 23.6%. As such, the bank outperformed market expectation, sending the market price above N52.0/share.

This month, we expect the equity market to remain soft as fixed-income yields climb further and FY-2020 earnings and corporate announcements fizzles out. However, we expect appetite for counters with stellar Q1-2021 earnings to support market performance.

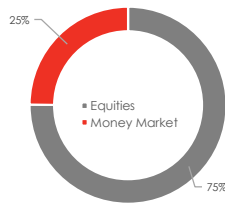
Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2006
Fund Size (₦)	1.7bn
NAV Per Share (₦)	0.8893
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.6%
Benchmark	NSE ASI
Investment Style	Aggressive

* Inclusive of management fee; Returns are net of all fees

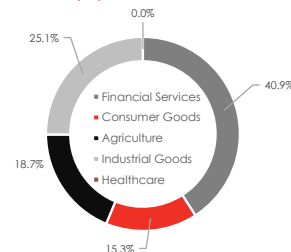
Governance Asset Allocation Ranges:

Money Market(10%-30%); Equities: 70%-90%

Fund Asset Allocation



Equity Sectoral Allocation



PERFORMANCE REVIEW

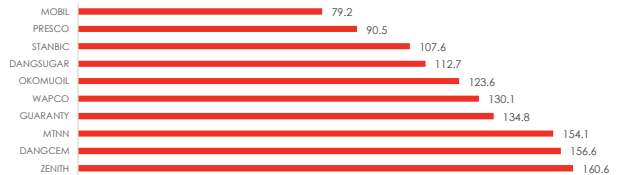
The United Capital Equity Fund returned -0.95% for the month of March 2021, compared to the benchmark All Share Index (ASI) which returned -1.90% for the month. However, the Year to date ("YTD") return on the Fund stood at 2.77% compared to the benchmark return of -3.04%.

Considering that the FY 2020 earnings season has run its course, we now expect investors sentiment to be influenced by developments in the macroeconomic landscape and corporate actions. However, we expect intermittent profit-taking activities to continue due to lingering concerns about yield elevation in the FI market. Nonetheless, the Fund would continue to focus on taking positions in only fundamentally justified stocks. We will maintain our allocation in line with the investment policy objectives and the Trust Deed. We expect the Fund to continue to outperform its benchmark given our selection of fundamentally strong stocks with attractive dividend yields.

YTD Return Vs YTD Benchmark



Top ten Equity Exposures value (million)



Investment Risk

- Prone to equities market volatility

Why Choose the Fund?

- Diversification across sectors
- Seamless entry and exit
- Low entry threshold
- Professional management with robust risk framework
- Long term capital growth

How to Participate

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

Return History

	2015	2016	2017	2018	2019	2020	YTD
United Capital Equity Fund	-6.0%	-1.0%	36.1%	-5.4%	-1.59%	22.91%	2.77%
Benchmark (ASI)	-17.4%	-1.9%	42.3%	-17.8%	-14.60%	50.03%	-3.04%

Contact Us:

Emmanuel Akehomen | +234-703-180-3064

emmanuel.akehomen@unitedcapitalplcgroup.com

Asset Management | +234-1-631-7876

mutualfunds@unitedcapitalplcgroup.com

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

Past performance is not a reliable indicator of future performance. 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.