

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 month of May kicked off on a good note as impressive Q1-2021 earnings announcement supported demand for stocks. However, sentiment for equities turned negative in the later part of the month as investors took to profit taking in the absence of clear trigger and sustained reversal in the yield environment. As such, the NSEASI fell 3.5% month on month (m/m) and year to date (YTD) loss worsened to -4.6%.

Across sectors, performance was bearish as three of the six indices under our coverage closed in the green. Leading the gainers, the oil & gas index (up 14.2% m/m), insurance (up 1.4% m/m) and Agric. index (up 0.5% m/m) closed northwards at the end of May. On the other hand, the Industrial Goods (down 3.5%), Banking index (down 1.2% m/m) and Consumer goods index (down 0.6% m/m) closed in the red in the past month.

Looking ahead, we expect a short term rebound in the equities market as sell pressures dissipate, giving room for the bulls to regain temporary control of the market in a tight trading week. In addition, the ASI is technically oversold and is due for a temporary rebound. We also expect investor sell-offs and profit-taking in insurance stocks which rallied in the previous week.

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

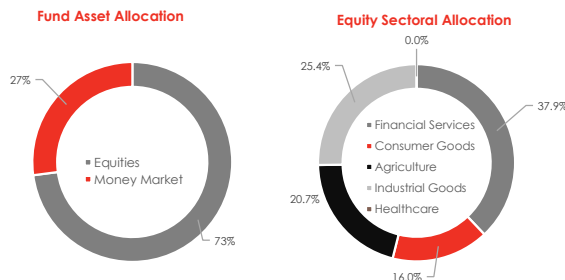
Past performance is not a reliable indicator of future performance and individual investors' returns may differ depending on individual investment period. Performance is net of fees and charges. This information has been prepared for the purpose of providing general information, without taking into account 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.

Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2006
Fund Size (₦)	1.7bn
NAV Per Share (₦)	0.8839
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%



Why Choose the Fund?

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

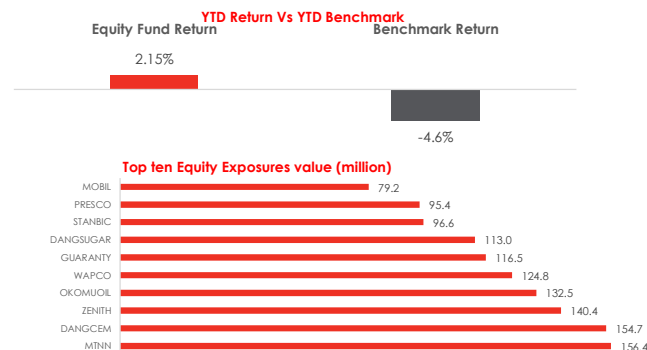
How to Participate

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.

PERFORMANCE REVIEW

The United Capital Equity Fund returned -1.26% for the month of May 2021, compared to the benchmark All Share Index (ASI) which returned -3.54% for the month. However, the Year to date ("YTD") return on the Fund stood at 2.15% compared to the benchmark return of -4.6%.

we expect intermittent profit-taking activities to continue due to lingering concerns about the movement of yields in the fixed income market. Consequently, we see more of a "choppy theme" as cautious trading dominates the market. Nonetheless, the Fund would continue to focus on taking positions in only fundamentally justified stocks as the weak macro story remains a significant headwind for corporate earnings. 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.



Investment Risk

- Prone to equities market volatility

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%	2.15%
Benchmark (ASI)	-17.4%	-1.9%	42.3%	-17.8%	-14.60%	50.03%	-4.60%

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