

United Capital Wealth For Women Fund | Monthly Fact Sheet



March-23

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 March, the bears resumed activities in the Nigerian Exchange Limited (NGX) as we saw profit-taking activities off high-performing stocks due to the extended rallies in the market. Notably, sell-offs in large-cap stock AIRTELAF (-8.7% m/m) primarily dragged the local bourse downwards. In addition, price depreciations in SEPLAT (-13.2% m/m), BUACEMEN (-1.6% m/m), and STANBIC (-9.8% m/m) contributed to the bear market. As a result, the benchmark NGX-All Share Index (NGX-ASI) declined by 1.7% m/m to close at 54,858.0 points. Consequently, YTD return weakened to 7.0%, from February's 8.9% print, with market capitalisation settling at N29.7tn.

The Debt Management Office (DMO) conducted the FGN bond auction for March 2023, offering N360.0bn across the 2028s, 2032s, 2037s, and 2049s. Investors' demand came in strong, with total subscriptions printing at N808.6bn, representing a bid-to-cover ratio of 2.2x. The DMO oversold the auction, allotting N563.4bn worth of papers. The marginal rate across the 2032s, 2037s and 2049s declined by 15bps, 70bps and 25bps to 14.75%, 15.20% and 15.75% respectively. On the other hand, the marginal rate on the 2028s paper remained unchanged to settle at 14.00%.

The DMO also released the Bond Issuance Calendar for Q2-2023, which showed the 2028s & 2032s would continue being offered at auctions while the 2037s & 2049s would be replaced with 2042s & the 2050s, respectively, at subsequent auctions.

Looking forward, we maintain a positive outlook for the domestic equities market in Apr-2023, as investors' risk-on sentiment is projected to prevail. We expect the illiquidity in the system to persist, hinged on the absence of any inflows in the first half of the month. As a result, we believe that the money market and FD rates will climb marginally above current levels. However, there will be a rate reversal in the last two weeks of April on the back of the significant inflows from N236.0bn coupon payments and N736.0bn worth of FGN bond maturity expected to hit the financial system. Thus, we expect the money market and funding rates to begin descent in the second half of the month, due to the excess system liquidity. In April, we expect significant bond maturities of over N700.0bn, to hit the financial system, toward the last two weeks of the month. This will taper yields (rates) from the mid-long end of the curve.

Contact Us:

Emmanuel Akehomen | +234-703-180-3064

emmanuel.akehomen@unitedcapitalgroup.com

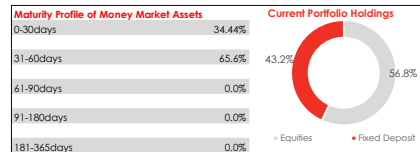
Asset Management | +234-1-631-7876

muhammad@unitedcapitalgroup.com

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)	704.5m
NAV Per Share (N)	1.27
Minimum Entry (N)	10,000
Additional Investment (N)	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 9.16% on a year to date (YTD) basis as at the end of March, compared to the composite benchmark (91-day T-bills and the ASI) return of 3.48% for the same period.

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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

	2019	2020	2021	2022	YTD
United Capital Wealth for Women Fund	7.79%	3.12%	6.60%	12.33%	9.16%
Benchmark Return	1.12%	25.16%	5.56%	2.10%	3.48%

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