

June-23

FUND OBJECTIVE

The United Capital Equity Fund invests in quoted equities that are traded on the Floor of the Nigerian Exchange ("NGX"). 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 domestic equity market was broadly bullish in June-2023. This was due to the depressed fixed-income environment, which drove bargain-hunting activity in the equities market. Notably, buy-interest in AIRTELAFRI (14.6% m/m) and MINN (8.9% m/m) led the rally. Therefore, the benchmark NGX-All Share Index (NGX-ASI) increased by 9.3% m/m to close at 60,968.27 points. Consequently, YTD return strengthened to 18.96%, with market capitalisation rising to N33.2tn from May's print of N28.5tn.

Across sectors, overall m/m performance was mainly bullish as all five (5) sectors under our coverage closed in the green. The Insurance index (+32.6% m/m) led the gainers, following buy-interests in WAPIC (+80.4% m/m), MANSARD (+30.8% m/m), NEM (+34.7% m/m) and CORNEST (+51.1% m/m). Trailing was the Oil & Gas index (+30.2% m/m), buoyed by gains in TOTAL (+28.7% m/m) and SEPLAT (+16.7% m/m). This was followed by the Banking index (+23.3% m/m) and Consumer goods index (+5.5% m/m) due to bargain-hunting activities in ZENITHBA (+18.1% m/m), ACCESSCO (+35.0% m/m), and UBA (+23.7% m/m). Lastly, the Industrial goods index gained 0.1% m/m on account of price appreciations in WAPCO (+13.5% m/m) and BUACEMEN (+0.3% m/m).

Looking ahead, we retain our positive outlook for Nigerian equities, supported by depressed yields in the money market space and buoyant system liquidity. We expect increased bargain-hunting activities to continue across stocks with strong fundamentals. We also expect investors to begin to take positions in undervalued stocks with consistent dividend performance ahead of the upcoming Q2-2023 earnings season.

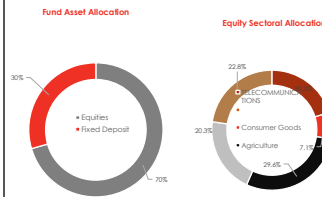
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The United Capital Equity Fund is regulated by the Securities & Exchange Commission

Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	Naira/2006
Fund Size (N)	2.45n
NAV Per Share (N)	1.1804
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%
Benchmark	NGX ASI
Investment Style	Aggressive

*Exclusive of management fee, before payment 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.

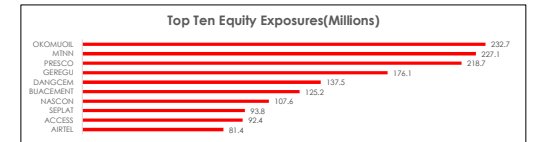
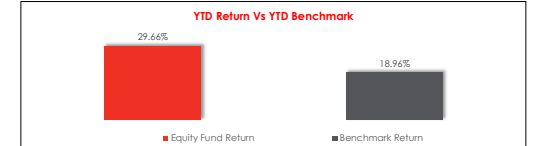
PERFORMANCE REVIEW

The United Capital Equity Fund returned 15.84% for the month of June 2023, compared to the benchmark All Share Index (ASI) which returned 9.12% for the month. Similarly, the year to date ("YTD") return on the Fund stood at 29.66% compared to the benchmark return of 18.96%.

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In the course of the month, the Fund issued an annual dividend payment of N0.0549 per unit to unit-holders, representing the dividend distribution for the full financial year of 2022.

The fund would continue to take positions in stocks with low prices, solid valuations, and dividend performance in a bid to take advantage of potential market rally. We will maintain our allocation in line with the investment policy objectives and the Trust Deed.



Investment Risk

- Prone to equities market volatility

Return History

	2016	2017	2018	2019	2020	2021	2022	YTD
United Capital Equity Fund	-1.0%	36.1%	-5.4%	-1.6%	22.9%	16.4%	7.6%	29.7%
Benchmark (ASI)	-1.9%	42.3%	-17.8%	14.6%	50.0%	6.1%	20.0%	18.96%

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