

# United Capital Global Fixed Income Fund | Monthly Fact Sheet



July-23

## FUND OBJECTIVE

The United Capital Global Fixed Income Fund is an actively managed open-ended specialized fund whose main objective is to achieve consistent income streams through investment in select dollar-denominated global fixed income securities issued by non-Nigerian issuers, sovereign as well as top-tier corporate Eurobonds. The fund is targeted at investors looking to diversify their portfolios from county specific investment risks.

The Fund will also provide portfolio managers access to diversify their portfolio and income streams whilst providing long-term capital appreciation. The minimum investment is \$50,000 and multiples of \$1000 thereafter.

## MARKET REVIEW, OUTLOOK AND STRATEGY

The global fixed-income market was bullish as investors recorded m/m gains in their total returns in July. The Bloomberg GlobalAgg Index, a multi-currency benchmark which tracks global investment grade debt from many local currency markets, including treasury, government-related, corporate, and securitised fixed-rate bonds, recorded a monthly gain of 69bps in July. This is primarily due to currency appreciations of constituent members' currencies.

Similarly, the Bloomberg Euro Aggregate Index gained 17bps m/m in terms of total returns largely due to price appreciations on papers. Conversely, in the Asian market, the Bloomberg Asian-Pac Global Aggregate Index recorded a 53bps m/m decrease in total returns due to selloffs of securities in the region.

In July, the Nigerian Eurobonds market closed on a bullish note as investors sought to reinvest Eurobond principal and coupon payments totalling \$500.0mn and \$94.4mn, respectively, that occurred during the month. Consequently, the average yield on Nigerian Eurobonds declined by 71bps m/m to print at 10.00%.

**Uncertainty remains around the global fixed-income market as global Central Banks combat inflation. However, with the banks aiming for a soft landing, easing inflation and dovish tones by committee members on future interest rate decisions, we expect to see bullish sentiments continue in August.**

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Fund Manager	United Capital Asset Management Ltd
Base Currency/Start Year	USD/2023
Fund Size (\$)	12.8Mn
NAV Per Share (\$)	1.0498
Minimum Investment(\$)	50,000
Additional Investment (\$)	500
Structure	Open Ended
Minimum Holding Period	180 days
Management Fee	2.0%
Total Expense Ratio*	2.3%
Benchmark	3-yr FGN sovereign Eurobond
Risk Profile	Medium
Investment Style	Income Oriented

## PERFORMANCE REVIEW

The United Capital Global fixed income Fund returned 0.70% for the month of July. However, the year to date return of the fund is 8.74%, lower than the benchmark annualised return of 9.25% within the same period.

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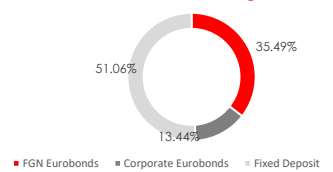
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We will continue to maintain the required allocation ranges in line with the Trust Deed, and tactically pick higher yielding maturities in the sovereign bond space to enhance the performance of the fund.

## Maturity Profile of Assets

<1 yr	20.5%
1-3yr	18.0%
3-5yr	1.7%
5-10yr	59.8%
>10yr	0.0%

## Current Portfolio Holdings



\* Inclusive of management fee: Returns are net of all fees

## Governance Asset Allocation Ranges:

Nigerian Eurobonds- FGN Sovereign and Corporates (50%-70%); Money Market Instruments (30% - 50%)  
Global Fixed Income securities(0%-20%),Alternative Investment Assets denominated in USD (0%-20%)

## Why choose the Fund?

- Delivers significantly higher returns than regular domiciliary bank deposits
- A good hedge against depreciation of the Naira
- Seamless Entry and Exit
- Professional management with robust risk framework
- Long term capital preservation and growth

## How to participate

1. Log in to our online platform [www.investnow.ng](http://www.investnow.ng)
2. Click on "Global fixed income Fund"
3. Click on "Open an account" and complete the online form
4. Fund the Custody Account detailed here [→](#)

## UNITED CAPITAL GLOBAL FIXED INCOME FUND

Account Name: EAC Trustees/ United Capital Global Fixed Income Fund

Account No: 0045814566

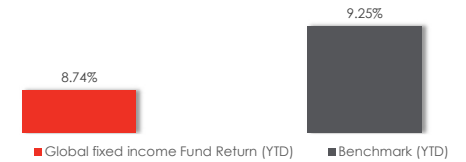
Currency: USD

Bank: STANBIC IBTC

Correspondence : Citibank N.A 111 Wall Street, New York N/A

Swift Code : CITIUS33XXX ABA 021000089

## Global Fixed Income Fund Return Vs Benchmark (Annualized)



## Investment Risk

- Credit Risks
- Macroeconomic instability
- Interest Rate Risk

## Return history

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
United Capital Global Fixed Income Fund	7.12%	5.85%	6.17%	8.43%	8.32%	8.77%	8.74%
Benchmark	9.67%	11.73%	13.07%	12.00%	11.54%	9.83%	9.25%

\*Represents the Fund's Annualized Return vs the Benchmark's Annualized Return

The United Capital Nigerian Eurobond Fund is regulated by the Securities and 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.