

United Capital Wealth For Women Fund | Monthly Fact Sheet



August-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

The Nigerian Exchange (NGX, or bourse) started the month of August on a weak note, as investors were overwhelmed by mixed sentiments. Nonetheless, the uncertainties surrounding the macroeconomic environment continued to dampen investors' interest across board, on a broader scope. However, bordering around fundamentally sound stocks with solid corporate actions and fundamentals, the benchmark NGX-All Share Index (NGX-ASI) closed the month under review higher, up by 3.4% m/m to close at 66,548.99points. Consequently, YTD return settled at 29.85%, with market capitalisation gaining N1.4tn to settle at N36.4tn. Notably, sustained buy-interests in BUAFOODS (+32.6% m/m), MTNN (+6.9% m/m), and DANGSUGA (+103.7% m/m) significantly drove the bourse's month-on-month positive close.

The Central Bank of Nigeria (CBN) conducted two NT-Bills primary market auctions in August. The CBN conducted its first NT-bills auction for the month of August, rolling over maturing bills to the tune of N153.99bn. Investors' demand was mostly skewed toward the 364-day bill which was oversubscribed by 5.5x. Stop-rates on the 91-day, 182-day, and 364-day bills declined by 100bps, 210bps, and 235bps, to print at 5.0%, 5.9%, and 9.8% respectively. At the second auction of the month, the CBN offered a total of N303.2bn maturing bills across all tenors. Investors' demand was strong, with a bid-to-cover of 5.1x, as total subscriptions were N1.5tn. Stop rates settled higher as investors were more aggressive with bids. The 91-day paper closed at 5.19 (+0.19 ppt), while the 181-day and 364-day NT-bills closed at 8.0% (+2.10 ppt) and 13.97% (+4.17 ppt) respectively.

The CBN also conducted an OMO auction at the primary market, to mop-up liquidity to the tune of N150.0bn. The OMO bills on offer were the 96-day, 187-day, and 362-day bills. Investors' demand came in strong, with total subscriptions printing at N307.9bn, implying a bid-to-cover ratio of 2.1x. Stop rates across the bills offered printed at 10.0%, 12.98% and 14.49%.

In the primary market, the Debt Management Office (DMO) conducted the Aug-2023 FGN Bond auction with a total offer size of N360.0bn across the 2029s, 2033s, 2038s and 2053s papers. At the auction, investors' demand was weak as the total subscription printed at N312.6bn, implying a bid-to-cover ratio of 0.9x. Notably, the DMO undersold the auction, allotting a total of N227.8bn. The marginal rates on the 2029s, 2033s, 2038s and 2053s papers climbed by 135bps, 140bps, 110bps and 155bps to settle at 13.85%, 15.00%, 15.20% and 15.85%, respectively.

Looking into the coming month (September), we retain our positive outlook for Nigerian equities, supported by a relatively depressed outlook for the yield environment. We expect increased bargain hunting across Tier-1 banks, as they are scheduled to release their H1-2023 financials in September. In the fixed-income market, we expect system liquidity to remain the key driver of rates in the market. Liquidity will be supported by larger FAAC payments resulting from savings from petrol subsidy payments and N10.0bn worth of OMO maturities. In line with the new administration's effort to sustain a low-interest rate regime, we envisage minimal mop up activities by the CBN through CRR debits and Open Market Operations.

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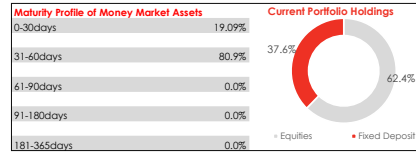
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The United Capital Wealth For Women Fund is regulated by the Securities & Exchange Commission

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/2017
Fund Size (M)	812.4m
NAV Per Share (N)	1.34
Minimum Entry (N)	10,000
Additional Investment (M)	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%)
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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.

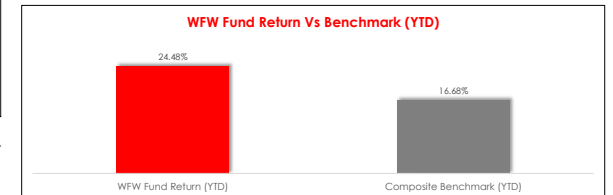
PERFORMANCE REVIEW

The United Capital Wealth For Women Fund returned 24.48% on a year to date (YTD) basis as at the end of August, compared to the composite benchmark (91-day T-bills and the ASI) return of 16.68% 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.



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%	24.48%
Benchmark Return	1.12%	25.16%	5.56%	2.10%	16.68%

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