

Investment Objective

To generate long-term total return through investment in the securities of companies in the health care industry.

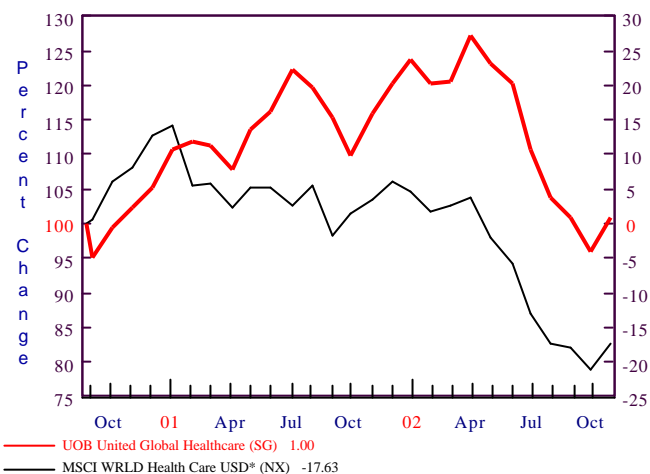
Investment Scenario & Strategy (4th Quarter, 2002)

- Health Care stocks, as measured by the MSCI Health Care Index, declined during the quarter, albeit not as severely as the general market. Performance was generally weak across the various sub-sectors, with medical product and hospital stocks outperforming on a relative basis.
- The United Global Health Care Fund's second quarter return was negative at -13.4%, lagging the benchmark's return of -9.2% and marking the biggest shortfall in relative performance since inception. Longer-term comparisons however remain favorable, with the portfolio outperforming the benchmark by 13.1% since inception, on an annualised basis.
- The top contributors to performance this quarter on an absolute basis were *Pharmacia Corp*, *IDEC Pharmaceuticals*, *Edwards Lifesciences*, *Coventry Health Care*, and *NPS Pharmaceuticals*. On the other hand, our positioning into stocks that were considered to be already "ultra cheap" entering the third quarter proved premature, as holdings like *Gambro*, *Altana*, *Myriad Genetics* and *Ribapharm* continued to decline.
- During the quarter we took advantage of price weakness and added to our position in *Eli Lilly* and initiated a new position in *Pfizer* in the large-cap pharmaceutical arena. Within biotechnology, we established a new position in *Forest Labs* and *Genetech* and added to our position in *Scios*. We trimmed our position in the health services sectors, which had outperformed. Our largest holdings at quarter-end were *Schering-Plough*, *Pharmacia*, *Novartis*, *Edwards Lifesciences*, and *IDEC Pharmaceuticals*.
- The health care sector has proven this year that it is not immune to the fear and consternation affecting the stock market. Despite this, we believe that there remain opportunities for superior returns within health care over the long term. We continue to position the portfolio more aggressively to benefit from a recovery in the market when it comes.

Top 10 Holdings (as at 31 Oct 2002)

SCHERING-PLOUGH
 PHARMACIA CORP
 EDWARDS LIFESC
 GAMBRO AB-A
 IDEC PHARMACEU
 AVENTIS
 ARROW INT'L INC
 AMERSHAM PLC
 FUJISAWA PHARM
 PALL CORP

18th August 00 To 31st October 02, Offer-Bid, Net, Based In Singapore Dollar, Calculation Indexed



Performance	Fund	Benchmark
1 month	0.00%	4.83%
3 months	-7.76%	0.08%
6 months	-22.61%	-15.37%
1 Year	-17.55%	-19.28%
Since Inception	0.45%	-7.46%

Source: S&P Micropal; Performance are in S\$, Offer-Bid as at 31 Oct
 Performance figures for 1 month till 1 yr show the % change
 Performance figures for those exceeding 1 yr show the average annual compounded return
 Jul 02 Benchmark: MSCI WrlD Healthcare Grs USD

Asset Allocation – By Country (as at 31 Oct 2002)

United States	70.11%	Sweden	2.35%
Japan	5.54%	Others	3.18
United Kingdom	5.64%	Cash	6.60%
Germany	2.77%		
Switzerland	3.81%		

Asset Allocation – By Sector (as at 31 Oct 2002)

Major Pharmaceuticals	26.70%
Biotechnology	36.00%
Medical Products	24.60%
Health Services	12.70%

Fund Details

Launch Date	July 2000 (Cash & CPF-OA)
Bid/Offer Price	S\$1.0100/S\$1.0650 (as at 31 Oct 2002)
Initial Investment	S\$1,000
Sub Investment	S\$500
Management Fee	1.75% p.a.
Subscription Fee	5%
Minimum RSP	S\$100/month, S\$500/quarter
Trustee	Dexia Trustees (S) Ltd