

United Global Recovery Funds

- United Asia Recovery Fund
- United High Grade Corporate Bond Fund
- United Singapore Recovery Fund
- United China-India Dynamic Growth Fund

Semi Annual Report

for the half year/ period ended
30th June 2010

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

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United Asia Recovery Fund

(Constituted under a Trust Deed in the Republic of Singapore)

A) Fund Performance

Fund Performance/ Benchmark Returns	3 mth % Growth	6 mth % Growth	1 yr % Growth	3 yr Ann Comp Ret	5 yr Ann Comp Ret	10 yr Ann Comp Ret	Since Inception 31 August 2009 % Growth
United Asia Recovery Fund	-6.14	-6.90	N/A	N/A	N/A	N/A	3.73
Benchmark	-5.39	-5.01	N/A	N/A	N/A	N/A	6.96

Source: Lipper, a Thomson Reuters Company

Note: The performance returns of the Fund are in Singapore dollars based on a NAV-to-NAV basis with net dividends reinvested.
The benchmark of the Fund: MSCI AC Far East ex Japan.

For the six months ended 30 June 2010, the unit price of the Fund decreased 6.9% on a net-asset-value basis, compared with a 5.0% fall in the benchmark MSCI AC Far East ex Japan index.

As at end June 2010, the Fund was fully invested in a fixed basket of 16 selected companies: **Capitaland, Singapore Airlines, Astra International, PTT, Hon Hai Precision, TSMC, Cheung Kong, HSBC, Beijing Enterprises, China Construction Bank, China Dongxiang, China Mobile, CNOOC, Dongfeng Motor, LG Electronics** and **POSCO**.

During the period under review, this investment basket performed in line with the index. Notable outperformers included **Singapore Airlines** and **Astra International**. Singapore Airlines' share price performed well following a strong recovery in both its passenger (improved premium class travel) and cargo (greater demand for air freight transportation) divisions. Astra International performed well as the company's various divisions (heavy machinery, automotive sales and crude palm oil) were perceived by the market to be an excellent investment proxy for Indonesia's robust GDP growth.

The Fund's overall performance was impeded by a relative underperformance in **HSBC** and **LG Electronics**. HSBC's share price was adversely impacted by the sovereign credit problems in Europe while LG Electronics underperformed due to investor concerns over the company's handset sales and profit margins.

Market Review

Asian equity markets had a shaky start to the year with markets correcting in January as monetary policy normalization took place earlier than the market had anticipated. The People's Bank of China raised the reserve requirement ratio earlier than market expectations, by 50 basis points in the middle of January, while the Reserve Bank of India hiked the cash reserve ratio by 75 basis points towards the end of January.

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The Asian economies' continued recovery amidst strong export and private consumption growth numbers enabled markets to pull back from some of the losses, though the first half of the year was marked by volatility. The contagion effect from the debt crisis that started with Greece and spread to the other weaker European economies impacted sentiment on the Asian markets. However, Asian economies' stronger fundamentals, in contrast to that of the European economies, meant the countries continued to post healthy economic data. Against this positive economic backdrop, policy normalization by Asian central banks continued through the period under review.

The market rallied briefly in March and early April as it looked like the Eurozone debt crisis was being contained and the US economic recovery was gaining traction. However, risk aversion returned and the market corrected sharply from May through to early June as concerns over the uncertainty of Europe's sovereign debt woes resurfaced and outweighed the announcement of the European Union and International Monetary Fund's €750bn debt rescue package.

The Chinese central bank's announcement of a new flexible exchange rate mechanism and a relaxation of the renminbi peg in mid-June created initial excitement about the yuan's appreciation, which briefly boosted Asian markets. However, the gains from the more flexible Rmb regime were soon eroded as investors realized the rate of appreciation would be very gradual and worries about the global economy came back to the forefront.

Fund Strategy & Outlook

Asian economies are in relatively good shape with most countries running healthy current account surpluses and low government debt-to-GDP ratios. Having registered robust GDP growth in the first quarter, economic growth is likely to peak in the next two quarters and to cool to moderate levels. Moderating growth will ease inflation pressures. Although concerns over Europe's sovereign debt woes and policy tightening in Asia will persist, we believe the market is pricing these worries in and will focus again on fundamentals.

In terms of sector strategy, the fundamentals of the **Consumer** sector remain bright. Although many consumer companies have reported a deceleration in growth rates in recent months, growth still remains at very high levels. Within the sector, we remain wary of possible input cost pressures from higher wages and higher soft commodity prices. As such, we position ourselves in companies that are able to pass on cost increases with a preference for market leaders which possess strong brands, higher margins and cash generative business models. Our preferred stocks in the sector are **Dongfeng Motor**, **China Dongxiang** and **LG Electronics**.

Turning to the **Industrials** sector, we are positive on transportation as well as equipment manufacturers. Our picks in this space are **Singapore Airlines** and **Astra International**. In the **Conglomerates** sector, we view that China's plan to expand the nationwide natural gas network is favourable to **Beijing Enterprises** given its monopoly position in Beijing's gas supply distribution network.

As for the **Financials** sector, we prefer banks with resilient earnings, such as **China Construction Bank** and **HSBC**. In the **Real Estate** sector, our picks are **Capitaland** for its regional exposure as well as **Cheung Kong** for its dominant position in Hong Kong.

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For the **Technology** and **Telecoms** sectors we favour upstream semiconductor manufacturers such as **TSMC** for their defensiveness, **Hon Hai** for its earnings growth and Chinese telecom companies like **China Mobile**.

In the **Materials** sector we remain positive on **Posco** while our pick in the **Energy** space remains as upstream exploration and production companies with strong production growth such as **CNOOC** as well as **PTT**.

In conclusion, we reiterate our belief that our investment basket of 16 companies is well positioned to benefit from Asia's continuing economic recovery over the next few years and will accordingly reward the patient investor who stays the course until the Fund's maturity.

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B) Investments at fair value and as a percentage of NAV as at 30 June 2010 under review classified by

	Fair Value (S\$)	% of NAV
i) Country		
China	8,759,709	37.00
Hong Kong	2,891,379	12.21
Indonesia	1,629,733	6.88
Singapore	3,111,400	13.15
South Korea	2,565,835	10.84
Taiwan	2,966,736	12.53
Thailand	1,448,254	6.12
Portfolio of investments	23,373,046	98.73
Other net assets	301,488	1.27
Total	23,674,534	100.00
ii) Industry		
Consumer Discretionary	5,435,866	22.96
Energy	2,911,522	12.30
Financials	5,881,026	24.84
Industrials	3,254,895	13.76
Information Technology	2,966,736	12.53
Materials	1,385,743	5.85
Telecommunication Services	1,537,258	6.49
Portfolio of investments	23,373,046	98.73
Other net assets	301,488	1.27
Total	23,674,534	100.00
iii) Asset Class		
Equities	23,373,046	98.73
Other net assets	301,488	1.27
Total	23,674,534	100.00
iv) Credit rating of debt securities		
N/A		

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C) Top Ten Holdings

The top 10 holding as at 30 June 2010

10 largest holdings at 30 June 2010

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
BEIJING ENTERPRISES HOLDINGS LIMITED	1,655,495	7.00
PT ASTRA INTERNATIONAL	1,629,733	6.88
SINGAPORE AIRLINES LIMITED	1,599,400	6.76
TAIWAN SEMICONDUCTOR MFG CO LTD	1,579,826	6.67
CHINA MOBILE LIMITED	1,537,258	6.49
CAPITALAND LTD	1,512,000	6.39
CHINA CONSTRUCTION BANK - H	1,477,647	6.24
CNOOC LTD	1,463,268	6.18
CHEUNG KONG (HOLDINGS) LTD	1,458,643	6.16
PTT PUBLIC COMPANY LIMITED (FOREIGN)	1,448,254	6.12

D) Exposure to derivatives

i) fair value of derivative contracts and as a percentage of NAV as at 30 June 2010

N/A

ii) net gains/(losses) on derivative contracts realised during the financial period ended 30 June 2010

N/A

iii) net gains/(losses) on outstanding derivative contracts marked to market as at 30 June 2010

N/A

E) Amount and percentage of net asset value (NAV) invested in other schemes as at 30 June 2010

N/A

F) Amount and percentage of borrowings to net asset value (NAV) as at 30 June 2010

N/A

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G) Amount of redemptions and subscriptions for the period 01 January 2010 to 30 June 2010

Total amount of redemptions	SGD	13,026,993
Total amount of subscriptions	SGD	16,981

H) The amount and terms of related-party transactions for the period 01 January 2010 to 30 June 2010

- i) As at 30 June 2010 the Fund maintained current accounts with the United Overseas Bank Limited and HSBC Group as follows:

United Overseas Bank Limited

Bank balances	SGD	480
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HSBC Group

Bank balances	SGD	237,872
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- ii) Purchase/holdings of UOBAM unit trusts by UOB or its affiliated companies as at 30 June 2010

<u>Affiliated Companies</u>	<u>No. of Units</u>	<u>Unit Price</u> <u>SGD</u>	<u>Market Value</u> <u>SGD</u>
(a) UOB Smart Asia Recovery Fund	1,193,174.45	1.024	1,221,810.64

- iii) Investment in Initial Public Offerings managed by UOB Group.

N/A

- iv) As at 30 June 2010 the brokerage income earned by UOB Kay Hian Pte Ltd is SGD 543.

I) Expense ratios

For the financial period from 31 August 2009
(date of inception) to 30 June 2010 1.06%

Note: The expense ratio is computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Fund does not pay any performance fees.

J) Turnover ratios

For the financial period from 31 August 2009
(date of inception) to 30 June 2010 0.00%

Note: The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

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K) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A

L) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme (“the underlying scheme”)¹ should be disclosed as well

i) top 10 holdings at fair value and as percentage of NAV as at 30 June 2010.

N/A

ii) expense ratios for the period ended 30 June 2010. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received.

N/A

iii) turnover ratios for the period ended 30 June 2010.

N/A

M) Soft dollar commissions/arrangements

UOB Asset Management has entered into soft dollars arrangements with selected brokers from whom products and services are received from third parties. The product and services relate essentially to computer hardware and software to the extent that they are used to support the investment decision making process, research and advisory services, economic and political analyses, portfolio analyses including performance measurements, market analyses, data and quotation services, all of which are believed to be helpful in the overall discharge of UOB Asset Management’s duties to clients. As such services generally benefit all of UOB Asset Management’s clients in terms of input into the investment decision making process, the soft credits utilised are not allocated on a specific client basis. The Manager confirms that trades were executed on the best available terms and there was no churning of trades.

¹ where the underlying scheme is managed by a foreign manager which belongs to the same group of companies as, or has a formal arrangement or investment agreement with, the Singapore manager, the above information should be disclosed on the underlying scheme. In other cases, such information on the underlying scheme should be disclosed only if it is readily available to the Singapore manager.

United High Grade Corporate Bond Fund

(Constituted under a Trust Deed in the Republic of Singapore)

A) Fund Performance

	3 mth	6 mth	1 yr	3 yr	5 yr	10 yr	Since
Fund Performance/ Benchmark Returns	% Growth	% Growth	% Growth	Ann Comp Ret	Ann Comp Ret	Ann Comp Ret	Inception 24 July 2009 %
							Growth
United High Grade Corporate Bond Fund	0.56	2.96	N/A	N/A	N/A	N/A	7.91
Benchmark	-2.96	-3.31	N/A	N/A	N/A	N/A	0.45

Source: Bloomberg

Note: The performance returns of the Fund are in Singapore dollars based on a NAV-to-NAV basis with net dividends reinvested.
The benchmark of the Fund: Merrill Lynch Global Large Cap Index, 1-10 year.

For the half year ended 30 June 2010, the fund returned 2.96% on a net asset value basis, outperforming the benchmark Merrill Lynch Global Large Cap Corporate index 1-10yrs, which fell 3.31% in Singapore Dollar terms.

Relative outperformance was due to overweight holdings in low beta credits such as Posco, Tenaga, Qatar Telecom, Altria and Oncor. On a region specific basis, the fund outperformed because of our underweight position in Europe and overweight Asia and Australia. An overweight in cash holdings during the market downturn helped to contribute to the outperformance.

As at 30 June 2010, the geographical exposure of the fund is North America (47.83%), Europe (17.81%), Asia and Australia (31.78%). Cash holdings were 2.58%.

Industry sector exposure as at 30 June 2010 was as follows: Consumer Discretionary (2.37%), Consumer Staples (5.28%), Energy (6.89%), Financials (50.13%), Healthcare (2.38%), Industrials (12.96%), Materials (8.37%), Telecom Services (3.92%) and Utilities (5.12%).

Economic and Market Review

In 1H10, the corporate bond market was negatively impacted by credit spread widening as asset classes repriced following an increase in sovereign risk in Western Europe. This was partially mitigated by the drop in benchmark government bond yields following the flight to quality.

The Greek government's unsustainable fiscal position was highlighted in January 2010 as investors doubted the ability of the Greece government to successfully cut their budget deficit from 12.7% to 2.8% within 3 years. Attention gradually shifted to other European nations with similarly weak fiscal positions such as Portugal, Spain, Ireland and Italy.

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The situation was exacerbated by credit rating downgrades of peripheral European states. Concerned investors sold down riskier debt, equity and securities holdings in favor of safer French and German government bonds. The Euro depreciated against major currencies as investors reduced their Euro denominated holdings.

To prevent an imminent default, EU and IMF had to provide Greece with a €45b bailout package in April 2010. Continued market stresses prompted the EU to announce a €750b European Stability Mechanism in May. The EU stated that the Mechanism “provides for the financial support of member states in difficulties caused by exceptional circumstances beyond their control.” Concurrently, the ECB announced a new Security Market Program to conduct market intervention in public and private securities markets, an increase in ECB long term financing operations and the reopening of temporary US\$ swap facilities with other central banks. The actions taken by EU and ECB helped stabilize financial markets and provide time for peripheral European countries to deliver on their promises to improve their budget deficits and reduce debt levels.

Corporate bonds in the Energy sector sold off in response to events in the Gulf of Mexico. Companies directly affected (BP and Anadarko) had their credit ratings downgraded. In Australia, Metals and Mining related bonds initially sold off in response to the Australian government resource 40% “super” tax. Bond prices recovered following the previous Australian PM, Kevin Rudd’s defeat in an internal leadership battle and his successor stating her willingness to negotiate the quantum of the resource tax.

Within our portfolio, defensive sectors such as Telecommunications, Utilities and highly rated Industrials located outside of the European Region outperformed. Global financials underperformed with those located outside of the European region underperforming to a lesser degree.

Outlook and Strategy

While the actions taken by the EU and ECB are positive for global financial markets, it will be challenging for peripheral European countries to successfully push through unpopular austerity measures. European corporate bonds are likely to remain volatile in the short to medium term with companies with higher exposure to peripheral countries experiencing greater volatility.

In US and Asia, corporate fundamentals are expected to improve in line with the recovery of the global economy. Corporate credit spreads are expected to tighten in tandem with improvements in credit metrics should the situation in Europe be successfully contained. On a regional basis, we remain underweight Europe and overweight Asia.

We remain cautious in our credit selection but will take advantage of the recent market volatility to add exposure to fundamentally strong industrial corporate credits such as Woodside Petroleum, Posco and Rio Tinto.

We remain underweight global financials and would prefer Asian banks such as Standard Chartered HK and Mizuho to European and US banks. The fundamentals of Asian banks are stronger than that of their European peers. In addition, Asian banks possess a better track record in calling bonds on their first call date due to the higher reputation risk faced by issuers in Asia who fail to call.

United High Grade Corporate Bond Fund

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B) Investments at fair value and as a percentage of NAV as at 30 June 2010 under review classified by

	Fair Value (S\$)	% of NAV
i) Country		
Australia	3,613,135	10.78
France	676,157	2.02
Hong Kong	1,710,420	5.10
Ireland	343,855	1.03
Japan	858,968	2.56
Malaysia	862,462	2.57
Netherlands	859,604	2.56
Qatar	1,315,759	3.93
Russia	1,851,168	5.52
Singapore	1,444,023	4.31
South Korea	846,470	2.53
Sweden	794,136	2.37
United Kingdom	1,443,868	4.31
United States	16,031,771	47.83
Portfolio of investments	32,651,796	97.42
Other net assets	865,326	2.58
Total	33,517,122	100.00
ii) Industry		
Consumer Discretionary	794,136	2.37
Consumer Staples	1,770,411	5.28
Energy	2,313,115	6.89
Financials	16,804,204	50.13
Healthcare	796,236	2.38
Industrials	4,340,535	12.96
Materials	2,801,937	8.37
Telecommunication Services	1,313,242	3.92
Utilities	1,717,980	5.12
Portfolio of investments	32,651,796	97.42
Other net assets	865,326	2.58
Total	33,517,122	100.00
iii) Asset Class		
Fixed Income	32,651,796	97.42
Other net assets	865,326	2.58
Total	33,517,122	100.00

United High Grade Corporate Bond Fund

(Constituted under a Trust Deed in the Republic of Singapore)

B) Investments at fair value and as a percentage of NAV as at 30 June 2010 under review classified by (continued)

	Fair Value (S\$)	% of NAV
iv) Credit rating of debt securities by S & P		
AA	2,850,027	8.50
A	13,937,950	41.58
BBB	15,863,819	47.34
Total	32,651,796	97.42
v) Credit rating of debt securities by Moody's		
Aa	2,737,897	8.17
A	13,179,133	39.31
Baa	15,014,263	44.81
Ba	861,535	2.57
B	858,968	2.56
Total	32,651,796	97.42

C) Top Ten Holdings

The top 10 holdings as at 30 June 2010

10 largest holdings at 30 June 2010

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
HUTCHISON WHAMPOA INTL 7.625% DUE 9/4/2019	1,012,243	3.02
SIMON PROPERTY GROUP LN 10.35% DUE 1/4/2019	947,435	2.83
ENBRIDGE ENERGY PARTNERS 9.875% DUE 1/3/2019	938,240	2.80
RIO TINTO FIN USA LTD 9% DUE 1/5/2019	923,952	2.76
ALTRIA GROUP INC 9.25% DUE 6/08/2019	895,784	2.67
ONEOK PARTNERS LP 8.625% DUE 1/03/2019	883,710	2.64
ANHEUSER-BUSCH INBEV 7.75% DUE 15/1/2019	874,627	2.61
TENAGA NASIONAL 7.5% DUE 1/11/2025	862,462	2.57
DISCOVER FINANCIAL SVS 10.25% DUE 15/7/2019	861,535	2.57
RABOBANK NEDERLAND 11% DUE 30/06/2049	859,604	2.56

United High Grade Corporate Bond Fund

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D) Exposure to derivatives

- i) fair value of derivative contracts and as a percentage of NAV as at 30 June 2010

	Contract or underlying principal amount \$	Positive fair value \$	% of NAV	Negative fair value \$	% of NAV
Forward foreign exchange contracts	27,078,320	117,836	0.35	96,029	0.29
Future contracts	5,040,684	-	-	98,491	0.29

- ii) There was a net gain of SGD 538,643 on derivative contracts realised for the financial period ended 30 June 2010.
- iii) There was a net loss of SGD 76,684 on outstanding derivative contracts marked to market as at 30 June 2010.

E) Amount and percentage of net asset value (NAV) invested in other schemes as at 30 June 2010

N/A

F) Amount and percentage of borrowings to net asset value (NAV) as at 30 June 2010

N/A

G) Amount of redemptions and subscriptions for the period 01 January 2010 to 30 June 2010

Total amount of redemptions	SGD	701,220
Total amount of subscriptions	SGD	-

H) The amount and terms of related-party transactions for the period 01 January 2010 to 30 June 2010

- i) As at 30 June 2010 the Fund maintained current accounts with the United Overseas Bank Limited and HSBC Group as follows:

United Overseas Bank Limited

Bank balances SGD 9,453

HSBC Group

Bank balances SGD 959,120

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H) The amount and terms of related-party transactions for the period 01 January 2010 to 30 June 2010

ii) Purchase/holdings of UOBAM unit trusts by UOB or its affiliated companies as at 30 June 2010

N/A

iii) Investment in Initial Public Offerings managed by UOB Group.

N/A

iv) As at 30 June 2010 there was no brokerage income earned by UOB Kay Hian Pte Ltd.

I) Expense ratios

For the financial period from 24 July 2009
(date of inception) to 30 June 2010 1.58%

Note: The expense ratio is computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Fund does not pay any performance fees.

J) Turnover ratios

For the financial period from 24 July 2009
(date of inception) to 30 June 2010 32.43%

Note: The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

K) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A

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(Constituted under a Trust Deed in the Republic of Singapore)

L) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme (“the underlying scheme”)¹ should be disclosed as well

i) top 10 holdings at fair value and as percentage of NAV as at 30 June 2010.

N/A

ii) expense ratio for the period ended 30 June 2010. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received.

N/A

iii) turnover ratio for the period ended 30 June 2010.

N/A

M) Soft dollar commissions/arrangements

There were no soft dollar arrangements, rebates, commissions or other monetary incentives received by UOB Asset Management Ltd.

¹ where the underlying scheme is managed by a foreign manager which belongs to the same group of companies as, or has a formal arrangement or investment agreement with, the Singapore manager, the above information should be disclosed on the underlying scheme. In other cases, such information on the underlying scheme should be disclosed only if it is readily available to the Singapore manager.

United Singapore Recovery Fund

(Constituted under a Trust Deed in the Republic of Singapore)

A) Fund Performance

	3 mth	6 mth	1 yr	3 yr	5 yr	10 yr	Since Inception
Fund Performance/ Benchmark Returns	% Growth	% Growth	% Growth	Ann Comp Ret	Ann Comp Ret	Ann Comp Ret	16 March 2009 Ann Comp Ret
United Singapore Recovery Fund	-0.31	-1.73	22.58	N/A	N/A	N/A	46.50
Benchmark	-0.61	-0.65	25.39	N/A	N/A	N/A	63.23

Source: Lipper, a Thomson Reuters Company

Note: The performance returns of the Fund are in Singapore dollars based on a NAV-to-NAV basis with net dividends reinvested. The benchmark of the Fund : FTSE-ST Index.

For the six months ended 30 June 2010, the unit price of the Fund fell **1.73%** on a net asset value basis, compared with the 0.65% decline in the benchmark, the Straits Times Index (FSSTI). The Fund's slight underperformance was mainly due to the *overweight* position in **Ascendas Real Estate Investment Trust (AREIT)** and **Capitaland Limited** which underperformed the benchmark. The Fund's *overweight* position in stocks like **SembCorp Industries Limited** and **Keppel Corporation Limited**, which outperformed the benchmark, helped the relative performance but was insufficient to offset some of the underperformance from AREIT and Capitaland.

As at 30 June 2010, the Fund was 100% invested. In term of sectors, the Fund's allocation stood at: Financials 50.6%, Industrials 33.5%, Consumer 8.5% and Others 7.4%.

Market Review

The FSSTI fell 62.1 points or 2.1% in the first half and ended at 2,835.51. The market was range-bound between 2,648 and 3,020 based on closing prices during the period.

The year began on a slightly firmer note until the later half of January when China's earlier-than-expected increase in reserve requirement ratio for its banks ignited fears of further monetary tightening measures to cool the economy. Market sentiment was also hurt by US President Obama's plan to restrict proprietary trading by US banks as this caused a sell-off in the major banking stocks on Wall Street. The market underwent a sharp correction, bottoming just below the 2,700 level on the FSSTI in mid-February. The index gradually climbed over the next two months and briefly went above the 3,000 level in mid-April on the back of a firmer US stock market, expectations of strong 1Q10 GDP numbers out of Singapore and positive external factors such as Greece receiving a rescue package. The market's undertone then began to deteriorate following the downgrade of Greece's sovereign rating by Standard & Poor's to non-investment grade status, increased worries over Greece's debt situation and the possible contagion effect to other peripheral countries in Europe. Despite a massive bailout package of Euro 750bn announced by the European Central Bank and International Monetary Fund on 10 May 2010 which led to a short-term global market rebound, questions over the solidarity of the European union and the fate of the Euro raised risk aversion even higher and forced markets to retreat to fresh lows in May.

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After bottoming at 2,648 towards end May 2010, the FSSTI subsequently rebounded on a more stable Euro, stronger industrial production numbers out of Europe and China's decision to relax its currency peg to the US\$ ahead of the G20 meeting. By mid-year, the FSSTI recovered to 2,835.51.

The major component stocks that beat the FSSTI in 1H10 included **Fraser & Neave** (food & beverage and property company), **NOL** (container shipping company), **Jardine Matheson** (Asian conglomerate), **SMRT** (rail operator) and **SembCorp Industries** (marine and utilities company). The major component stocks which underperformed the FSSTI included **Noble Group Ltd** (supply chain manager), **Capitaland** (property firm), **Singapore Exchange** (stock exchange), and **Genting Singapore** (casino operator).

Market Outlook and Strategy

The Singapore market was hurt by the global rise in risk aversion in the second quarter. From the market peak in mid-April, the Straits Times Index (FSSTI) declined as much as 12.8% when it touched an intraday low of 2,648 on 25 May 2010. While we do not expect a double-dip recession, the openness of the Singapore economy makes the Singapore equity market vulnerable to selloffs whenever there are global growth concerns.

If, as we are assuming, the global economy does not enter a double-dip recession, the recent correction has made the Singapore market attractively valued. At less than half a standard deviation below mean Price/Book and at one standard deviation below mean Price/Earnings (12-month forward), the market has been cheaper on only three occasions – the 1997 Asian Financial Crisis, the 2003 SARS episode, and the recent global financial crisis. As we are of the view that this is a cyclical bull market correction, both our top-down (mean Price/Book of 1.75x on 2010 book) and bottom-up approach derive an FSSTI fair value of 3,200.

The upward earnings revision momentum seen in recent months however appears to have stalled. The direct impact of a slowdown in Europe's growth should be limited since exports to Europe make up just 14-15% of Singapore's total exports but there could be a larger indirect impact from slower global growth. If the real economy becomes negatively affected by the ongoing troubles in Europe, we view that there is a risk of downward revision to this year and next year's earnings growth of 15% and 10% respectively.

United Singapore Recovery Fund
(Constituted under a Trust Deed in the Republic of Singapore)

B) Investments at fair value and as a percentage of NAV as at 30 June 2010 under review classified by

	Fair Value (S\$)	% of NAV
i) Country		
Singapore	10,511,523	100.62
Portfolio of investments	10,511,523	100.62
Other net liabilities	(64,628)	(0.62)
Total	10,446,895	100.00

ii) Industry		
Consumer Discretionary	884,520	8.47
Financials	5,291,683	50.65
Industrials	3,502,070	33.52
Telecommunication Services	833,250	7.98
Portfolio of investments	10,511,523	100.62
Other net liabilities	(64,628)	(0.62)
Total	10,446,895	100.00

iii) Asset Class		
Equities	10,511,523	100.62
Other net liabilities	(64,628)	(0.62)
Total	10,446,895	100.00

iv) Credit rating of debt securities

N/A

United Singapore Recovery Fund
(Constituted under a Trust Deed in the Republic of Singapore)

C) Top Ten Holdings

The top 10 holdings as at 30 June 2010 and 30 June 2009

10 largest holdings at 30 June 2010

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
OVERSEAS CHINESE BANKING CORPORATION	932,263	8.92
ST ENGINEERING LIMITED	917,910	8.79
CITY DEVELOPMENTS LIMITED	905,280	8.66
UNITED OVERSEAS BANK LIMITED	897,000	8.59
SEBACORP INDUSTRIES LIMITED	887,260	8.49
SINGAPORE PRESS HLDGS LIMITED	884,520	8.47
SINGAPORE AIRLINES LIMITED	872,400	8.35
CAPITALAND LIMITED	871,200	8.34
DBS GROUP HOLDINGS LIMITED	846,920	8.11
ASCENDAS REAL ESTATE INVESTMENT TRUST	839,020	8.03

10 largest holdings at 30 June 2009

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
ASCENDAS REAL ESTATE INVESTMENT TRUST	1,668,910	7.67
SINGAPORE AIRLINES LIMITED	1,577,940	7.25
CAPITALAND LIMITED	1,535,940	7.06
SINGAPORE PRESS HLDGS LIMITED	1,532,600	7.05
SINGAPORE TELECOMMUNICATIONS LIMITED	1,531,720	7.04
DBS GROUP HOLDINGS LIMITED	1,531,400	7.04
ST ENGINEERING LIMITED	1,500,600	6.90
UNITED OVERSEAS BANK LIMITED	1,493,280	6.86
CITY DEVELOPMENTS LIMITED	1,492,920	6.86
KEPPEL CORPORATION LIMITED	1,435,200	6.60

United Singapore Recovery Fund

(Constituted under a Trust Deed in the Republic of Singapore)

D) Exposure to derivatives

- i) fair value of derivative contracts and as a percentage of NAV as at 30 June 2010
N/A
- ii) net gains/(losses) on derivative contracts realised during the financial period ended 30 June 2010
N/A
- iii) net gains/(losses) on outstanding derivative contracts marked to market as at 30 June 2010
N/A

E) Amount and percentage of net asset value (NAV) invested in other schemes as at 30 June 2010

N/A

F) Amount and percentage of borrowings to net asset value (NAV) as at 30 June 2010

N/A

G) Amount of redemptions and subscriptions for the period 01 January 2010 to 30 June 2010

Total amount of redemptions	SGD	4,903,137
Total amount of subscriptions	SGD	-

H) The amount and terms of related-party transactions for the period 01 January 2010 to 30 June 2010

- i) As at 30 June 2010 the Fund maintained current accounts with the United Overseas Bank Limited as follows:

Bank balances	SGD	27,981
---------------	-----	--------
- ii) Purchase/holdings of UOBAM unit trusts by UOB or its affiliated companies as at 30 June 2010
N/A
- iii) Investment in Initial Public Offerings managed by UOB Group.
N/A
- iv) As at 30 June 2010 the brokerage income earned by UOB Kay Hian Pte Ltd is SGD 583.

United Singapore Recovery Fund

(Constituted under a Trust Deed in the Republic of Singapore)

I) Expense ratios

30 June 2010	1.37%
30 June 2009	1.64%

Note: The expense ratio is computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Fund does not pay any performance fees.

J) Turnover ratios

30 June 2010	0.12%
30 June 2009	21.70%

Note: The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

K) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A

L) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme ("the underlying scheme")¹ should be disclosed as well

i) top 10 holdings at fair value and as percentage of NAV as at 30 June 2010 and 30 June 2009

N/A

ii) expense ratios for the period ended 30 June 2010 and 30 June 2009. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received

N/A

iii) turnover ratios for the period ended 30 June 2010 and 30 June 2009

N/A

¹ where the underlying scheme is managed by a foreign manager which belongs to the same group of companies as, or has a formal arrangement or investment agreement with, the Singapore manager, the above information should be disclosed on the underlying scheme. In other cases, such information on the underlying scheme should be disclosed only if it is readily available to the Singapore manager.

United Singapore Recovery Fund

(Constituted under a Trust Deed in the Republic of Singapore)

M) Soft dollar commissions/arrangements

UOB Asset Management has entered into soft dollars arrangements with selected brokers from whom products and services are received from third parties. The product and services relate essentially to computer hardware and software to the extent that they are used to support the investment decision making process, research and advisory services, economic and political analyses, portfolio analyses including performance measurements, market analyses, data and quotation services, all of which are believed to be helpful in the overall discharge of UOB Asset Management's duties to clients. As such services generally benefit all of UOB Asset Management's clients in terms of input into the investment decision making process, the soft credits utilised are not allocated on a specific client basis. The Manager confirms that trades were executed on the best available terms and there was no churning of trades.

United China-India Dynamic Growth Fund

(Constituted under a Trust Deed in the Republic of Singapore)

A) Fund Performance

SGD Class

	3 mth	6 mth	1 yr	3yr Ann Comp Ret	5yr Ann Comp Ret	10yr Ann Comp Ret	Since Inception 22 February 2010 %
Fund Performance/ Benchmark Returns	% Growth	% Growth	% Growth	Ret	Ret	Ret	% Growth
United China-India Dynamic Growth Fund	-3.87	N/A	N/A	N/A	N/A	N/A	3.88
Benchmark	-3.52	N/A	N/A	N/A	N/A	N/A	4.11

Source: Lipper, a Thomson Reuters Company

Note: The performance returns of the Fund are in Singapore dollars based on a NAV-to-NAV basis with net dividends reinvested.
The benchmark of the Fund: 50% MSCI China and 50% MSCI India

JPY Class

	3 mth	6 mth	1 yr	3yr Ann Comp Ret	5yr Ann Comp Ret	10yr Ann Comp Ret	Since Inception 21 December 2009 %
Fund Performance/ Benchmark Returns	% Growth	% Growth	% Growth	Ret	Ret	Ret	% Growth
United China-India Dynamic Growth Fund	-8.61	-6.33	N/A	N/A	N/A	N/A	-1.73
Benchmark	-8.53	-6.70	N/A	N/A	N/A	N/A	-1.31

Source: Lipper, a Thomson Reuters Company

Note: The performance returns of the Fund are in Japanese yen based on a NAV-to-NAV basis with net dividends reinvested.
The benchmark of the Fund: 50% MSCI China and 50% MSCI India.

From inception on 21st December 2009 to 30th June 2010, the unit price of the Fund (JPY Class) **fell 1.73%** on a net asset value basis, compared with a **1.31%** fall in the benchmark 50% MSCI China, 50% MSCI India (JPY terms).

From inception on 22nd February 2010 to 30th June 2010, the unit price of the fund (SGD Class) **rose 3.88%** on a net asset value basis, compared with a **4.11%** rise in the benchmark 50% MSCI China, 50% MSCI India (SGD terms).

The slight underperformance of the fund was due to the negative contribution from sector allocation in **China**, which offset the positive contribution from sector allocation in **India**.

On the **China** portion of the portfolio, the negative allocation effect came from being *underweight* defensive sectors like **telecom services** and *overweight* in higher beta sectors like the **consumer sector**, while positive stock selection partially offset this.

United China-India Dynamic Growth Fund

(Constituted under a Trust Deed in the Republic of Singapore)

The Fund's performance in China was lifted by stock picks that included **Anta Sports, China Lilang, China Shineway, Dongfang Electrical, Greatwall Motor, China Yurun, CNOOC, China Shipping Development, Ctrip** and **Zhuzhou CSR Times Electric**. Stocks that detracted from performance included **Beijing Capital Land, Geely Auto, Gome Electrical, ZTE Corp, China Coal** and **Shenhua Energy**.

On the **India** portion, the Fund's positive allocation effect came from its *overweight* in **consumer discretionary** and **healthcare** sectors which did well, and underweight the **materials sector** which fared poorly. In SGD terms, MSCI India (+1.92%) also outperformed MSCI China (-6.50%) over the 6 months ended 30th June 2010. In JPY terms, MSCI India (-2.56%) outperformed MSCI China (-10.60%) over the same period.

The positive performance of the Fund's **India** portion can be attributed to stocks like **Asian Paints Ltd, Cadila Healthcare, Hanung Toys** and **Textiles, Sintex, Page Industries, IndusInd bank** and **Lupin**.

As at 30th June 2010, the fund had the following sector allocation: **Financials** (26.7%), **Consumer** (16.7%), **Industrials** (15.6%), **Information Technology** (9.7%), **Energy** (9.6%), **Materials** (6.7%) and **Others** (12.0%). The cash allocation was 3.0%.

The Fund was neutral weight in **China** and **India** from inception, and then turned slightly *overweight* in **India** since May 2010. As at end June 2010, the fund country allocation was 54.2% in **India**, 42.8% in **HK/China** and the remainder 3.0% in cash.

Market Review

The **China** equity markets had a difficult first half of 2010, eventually ending down 6.5% (SGD terms). The market started correcting in January 2010 as fears of more aggressive policy tightening in China spooked investors, despite strong economic data. In particular China's Manufacturing PMI (Purchasing Managers Index) peaked in December 2009 at 56.6, and started to roll over with the latest reading in June at 52.1. The rumblings of the Eurozone debt crisis also started spiraling in February as Greece was in danger of defaulting on its sovereign debt and had to be rescued by the European Union and the International Monetary Fund. The market briefly rallied in March and early April as it looked like the Eurozone debt crisis was being contained and the US economic recovery was gaining traction. The National Peoples' Congress in March also sounded a positive tone for the economy and policy stance, and offered various incentives for the consumption sector. However, China soon announced further property tightening measures in late April, signaling a serious attempt to contain prices this time. The market then corrected sharply from May through June 2010. China announced a currency policy shift to a more flexible renminbi in June. However, the gains from the more flexible Rmb exchange rate were soon eroded as investors realized the rate of appreciation would be very gradual and worries about the global economy came back to the forefront.

The MSCI **India** index saw huge intermittent volatility, eventually ending up 1.9% (SGD terms). Macroeconomic data on the domestic front was strong, but this was pitted against concerns over the global economy and the European debt crisis. The markets thus struggled to get a clear direction.

The Indian market ran up sharply in the month of March on the back of a good government Budget as well as strong global economic data. Manufacturing PMIs reached new highs and US jobs registered their largest gain in three years. On the domestic front, the Index of Industrial Production (IIP) grew strongly, up 16.7% yoy in Jan'10, following 17.6% yoy growth in Dec'09. India's exports for the month of Feb'10 grew 34% yoy.

United China-India Dynamic Growth Fund

(Constituted under a Trust Deed in the Republic of Singapore)

The Reserve Bank of India increased the policy rates (reverse repo and repo) by 25 bps each to help moderate inflationary expectations and contain inflation going forward. The Indian equity markets were range bound for the month of April. Though corporate results that were announced were slightly above expectations on the whole, the global sentiment, especially related to the crisis in Greece, kept the markets in check. The month of May saw a flurry of positive data from the domestic economy. GDP in the quarter ended March 2010 showed overall growth of 8.6% yoy compared to 6.5% in the previous quarter. Full year FY2010 (end March) growth was revised upwards to 7.4% from 7.2% earlier. Manufacturing PMI for May rose to a 27 month high of 59.0 from 57.2 in April. The most important global development in the month of June was the announcement by China to shift to a more flexible Renmimbi. On the domestic front, Industrial output rose by a higher-than-expected 17.6% yoy compared to consensus estimate of 14.3% yoy growth, led by a strong rebound in capital goods. Also, in the latest PMI survey, India continued to stand out as not suffering from the loss of momentum seen in many other economies in the region. This was reflected in the strong performance of the Indian equity market for the month of June.

Fund Strategy and Outlook

We continue to maintain our slight *overweight* position in **India** versus **China** given the near term challenges China is facing in terms of slowing economic growth momentum, rising wage pressures and continued administrative tightening measures to cool the property market. On the other hand, India's growth has remained resilient, with data continuing to beat expectations. The Reserve Bank of India has been steadily tightening monetary policy with rate increases, but this has been a transparent process and well expected by the markets. Our target weight is 55% in **India**, 45% in **China**.

We are optimistic on the **China** equity markets in the medium to long term. However, we acknowledge that there could be near term downside in China due to the government's property tightening measures and signs of economic growth momentum slowing down. However, China's relatively resilient growth and strong fundamentals such as high savings rate and low public debt will stand out amidst a world facing public debt crises and fiscal consolidation that will stifle growth.

Moreover, China's current tightening stance will probably soften now with the Eurozone crisis and the steady Rmb revaluation. Premier Wen Jiabao has recently acknowledged the risk of a double dip, about a month after China's additional harsh property tightening measures. China has substantial policy levers to cushion their economy as we saw happen in late 2008 and the early part of 2009.

We continue to be positive on China on the back of its resilient domestic demand. We view the property tightening measures taken by the government as good for the market in the medium to long run before runaway prices get out of hand. While rising labour wages could pressure industrial companies' margins, it should boost domestic consumption in the medium term which is the government's objective. We do not think the government will over-tighten as they are acutely aware of the global growth concerns. When property sales and prices start cooling off, the authorities will likely lift the foot off the policy brakes again. As the Rmb steadily appreciates, this will make Chinese assets more attractive. Within China, we favour the **consumer** sector and **information technology** which will benefit from policy support and enjoy strong secular growth. We also like the asset reflation plays, but play it through the **banks** and **insurance** companies rather than property, as we are mindful of further policy tightening measures. We are also underweight **telecoms**, mainly the big index component **China Mobile**, as we see them losing market share and having lackluster earnings growth. Our key picks in China include **CNOOC**, **China Construction Bank**, **Bank of China**, **Zhuzhou CSR Times Electric** and **Tencent**.

United China-India Dynamic Growth Fund

(Constituted under a Trust Deed in the Republic of Singapore)

For the first half of 2010, **Indian** equities have significantly outperformed most global markets. While the concerns over global economic recovery and Eurozone debt crisis posed a dampener for global equities, the Indian market charted its own course giving positive returns, although being quite volatile in the interim. This reflects the inherent strength of the Indian consumption story and, based on this, the expectation of healthy performance by the corporate sector for many years to come. The next trigger for the markets could be the earnings release for the quarter ending June 2010. We do expect some sectors to throw up positive surprises and also an overall increase in market earnings estimates for the year ending March 2011.

The factors that can put the market under pressure include (a) an emergence of incrementally negative news on the global front, (b) WPI (wholesale price index) inflation continuing to be above target, and (c) a sharp rise in interest rates. On the positive side, a normal monsoon will help in controlling food inflation, which together with measured increases in interest rates should help to bring inflation down to acceptable levels. Prices of various commodities saw a sharp correction over the past few months, alleviating concerns of margin pressure on the corporate sector. A continuation of strong economic performance as exhibited by impressive GDP and IIP numbers should be the primary driver for the markets going forward.

As India gears up for the next wave of strong economic growth, a lot of effort is needed to create infrastructure that can support the demand posed by this high growth. This is visible in the various initiatives announced by the Indian Government towards infrastructure development. Also, a pick-up in economic activity should drive corporate sector towards capacity expansion. This leads us towards a positive outlook on the **industrials** sector, although we would avoid companies with high leverage and stretched balance sheets as they can come under significant pressure in a rising rate scenario.

The **Banking and Financial** services sector is in essence a reflection of the GDP growth in the economy as has been seen in the last decade. With strong GDP growth expectations, we feel credit growth in the economy should be strong which would lead to growth in advances and profits for the Indian banks. We would however like to focus only on the well run banks that have low non-performing loan ratios.

The rising income levels and aspirations of the average Indian consumer should help companies in the **consumer discretionary sector** to show sustainable high growth and we look to capitalize from this secular trend.

Bharti Airtel is our big contrarian call in India as we feel that the markets are discounting a no-growth scenario for the next two years. We feel that the competitive intensity will abate over the next few quarters in the domestic market and we expect to see profit growth returning in the second half of FY11. Furthermore, Bharti's entry into Africa (by acquiring Zain's Africa assets) is a timely move to sustain growth as telecom penetration in Africa is still very low.

United China-India Dynamic Growth Fund

(Constituted under a Trust Deed in the Republic of Singapore)

B) Investments at fair value and as a percentage of NAV as at 30 June 2010 under review classified by

	Fair Value (S\$)	% of NAV
i) Country		
China	64,553,333	41.47
Hong Kong	1,984,141	1.27
India	84,239,584	54.14
Singapore	38,968	0.03
Portfolio of investments	150,816,026	96.91
Other net assets	4,806,481	3.09
Total	155,622,507	100.00

ii) Industry		
Consumer Discretionary	20,683,795	13.28
Consumer Staples	5,239,272	3.37
Energy	14,950,875	9.61
Financials	41,551,600	26.71
Healthcare	9,258,886	5.95
Industrials	24,195,355	15.55
Information Technology	15,047,079	9.67
Materials	10,467,148	6.72
Telecommunication Services	8,154,288	5.24
Utilities	1,267,728	0.81
Portfolio of investments	150,816,026	96.91
Other net assets	4,806,481	3.09
Total	155,622,507	100.00

iii) Asset Class		
Equities	150,816,026	96.91
Other net assets	4,806,481	3.09
Total	155,622,507	100.00

iv) Credit rating of debt securities

N/A

United China-India Dynamic Growth Fund

(Constituted under a Trust Deed in the Republic of Singapore)

C) Top Ten Holdings

The top 10 holding as at 30 June 2010

10 largest holdings at 30 June 2010

	Fair value (S\$)	Percentage of total net assets attributable to unitholders %
RELIANCE INDUSTRIES LIMITED	5,723,177	3.69
CHINA CONSTRUCTION BANK - H	5,569,591	3.58
CNOOC LTD	5,517,241	3.55
INFOSYS TECHNOLOGIES LIMITED	4,831,910	3.10
BANK OF CHINA	4,697,561	3.02
INDUSTRIAL & COMMERCIAL BK OF CHINA - H	3,595,511	2.31
CHINA LIFE INSURANCE CO LTD	3,535,810	2.27
HDFC BANK LIMITED	3,495,627	2.25
BHARTI AIRTEL LIMITED	2,924,603	1.88
CHINA MOBILE LIMITED	2,795,015	1.80

D) Exposure to derivatives

i) fair value of derivative contracts and as a percentage of NAV as at 30 June 2010

N/A

ii) net gains/(losses) on derivative contracts realised during the financial period ended 30 June 2010

N/A

iii) net gains/(losses) on outstanding derivative contracts marked to market as at 30 June 2010

N/A

E) Amount and percentage of net asset value (NAV) invested in other schemes as at 30 June 2010

N/A

F) Amount and percentage of borrowings to net asset value (NAV) as at 30 June 2010

N/A

United China-India Dynamic Growth Fund

(Constituted under a Trust Deed in the Republic of Singapore)

G) Amount of redemptions and subscriptions for the period 21 December 2009 to 30 June 2010

Total amount of redemptions	SGD	27,952,315
Total amount of subscriptions	SGD	183,483,853

H) The amount and terms of related-party transactions for the period 21 December 2009 to 30 June 2010

i) As at 30 June 2010 the Fund maintained current accounts with the HSBC Group as follows:

Bank balances	SGD	9,668,324
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ii) Purchase/holdings of UOBAM unit trusts by UOB or its affiliated companies as at 30 June 2010

N/A

iii) Investment in Initial Public Offerings managed by UOB Group.

N/A

iv) As at 30 June 2010, there was no brokerage income earned by UOB Kay Hian Pte Ltd.

I) Expense ratios

SGD Class

For the financial period from 22 February 2010 (date of inception) to 30 June 2010 2.10%

JPY Class

For the financial period from 21 December 2009 (date of inception) to 30 June 2010 1.27%

Note: The expense ratios are computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Fund does not pay any performance fees.

J) Turnover ratio

For the financial period from 21 December 2009 to 30 June 2010 22.81%

Note: The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

United China-India Dynamic Growth Fund

(Constituted under a Trust Deed in the Republic of Singapore)

K) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A

L) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme (“the underlying scheme”)¹ should be disclosed as well

i) top 10 holdings at fair value and as percentage of NAV as at 30 June 2010 and 30 June 2009

N/A

ii) expense ratios for the period ended 30 June 2010 and 30 June 2009. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received.

N/A

iii) turnover ratios for the period ended 30 June 2010 and 30 June 2009

N/A

M) Soft dollar commissions/arrangements

UOB Asset Management has entered into soft dollars arrangements with selected brokers from whom products and services are received from third parties. The product and services relate essentially to computer hardware and software to the extent that they are used to support the investment decision making process, research and advisory services, economic and political analyses, portfolio analyses including performance measurements, market analyses, data and quotation services, all of which are believed to be helpful in the overall discharge of UOB Asset Management’s duties to clients. As such services generally benefit all of UOB Asset Management’s clients in terms of input into the investment decision making process, the soft credits utilised are not allocated on a specific client basis. The Manager confirms that trades were executed on the best available terms and there was no churning of trades.

¹ where the underlying scheme is managed by a foreign manager which belongs to the same group of companies as, or has a formal arrangement or investment agreement with, the Singapore manager, the above information should be disclosed on the underlying scheme. In other cases, such information on the underlying scheme should be disclosed only if it is readily available to the Singapore manager.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF TOTAL RETURN

For the half year/ period ended 30 June 2010 (Un-audited)

		<u>United Asia Recovery Fund</u>	<u>United China-India Dynamic Growth Fund</u>	<u>United High Grade Corporate Bond Fund</u>
		For the financial period from 21 December		
		30 June 2010	2009 to 30 June 2010	30 June 2010
	Notes	\$	\$	\$
Income				
Dividends		439,941	1,573,535	-
Interest		6	-	-
Sundry Income		-	-	-
		<u>439,947</u>	<u>1,573,535</u>	<u>-</u>
Less: Expenses				
Management fee	12	73,938	657,400	166,579
Administration fee	12	18,484	84,423	20,822
Trustee fee	12	5,915	21,151	6,663
Audit fee		4,785	6,382	5,555
Registrar fee	12	12,483	13,150	12,397
Valuation fee	12	18,484	61,069	20,822
Custody fee		5,708	20,939	3,405
Interest expenses		1,222	36	517
Preliminary expenses		-	36,939	-
Other expenses		18,329	49,094	26,967
		<u>159,348</u>	<u>950,583</u>	<u>263,727</u>
Net income/(loss)		<u>280,599</u>	<u>622,952</u>	<u>(263,727)</u>
Net gains or losses on value of investments				
Net realised gains/(losses) on investments		1,547,240	(583,077)	944,582
Net change in fair value on investments		(3,768,416)	1,782,303	87,863
Net realised gains on financial derivatives		-	-	538,643
Net change in fair value on financial derivatives		-	-	(76,684)
Net foreign exchange losses		(8,011)	(1,598,339)	(217,605)
Net (losses)/gains on value of investments		<u>(2,229,187)</u>	<u>(399,113)</u>	<u>1,276,799</u>
Total (deficit)/return for the financial period before income tax		<u>(1,948,588)</u>	<u>223,839</u>	<u>1,013,072</u>
Less : Income tax	3	(33,142)	(132,870)	-
Total (deficit)/return for the financial period after income tax before distribution		<u>(1,981,730)</u>	<u>90,969</u>	<u>1,013,072</u>
Less : Dividend Distribution	4	(390,958)	-	-
Total (deficit)/return for the financial period		<u>(2,372,688)</u>	<u>90,969</u>	<u>1,013,072</u>

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF TOTAL RETURN

For the half year/ period ended 30 June 2010 (Un-audited)

		United Singapore Recovery Fund	
		For the financial period from 30 January 2009 to 30 June 2010	
		30 June 2010	30 June 2010
		\$	\$
Income	Notes		
Dividends		225,169	167,394
Interest		-	54
Sundry Income		-	-
		225,169	167,448
Less: Expenses			
Management fee	12	31,502	20,156
Administration fee	12	7,875	5,039
Trustee fee	12	2,520	2,016
Audit fee		5,555	4,045
Registrar fee	12	7,875	5,039
Valuation fee	12	7,875	5,039
Custody fee		10,410	4,711
Interest expenses		87	191
Preliminary expenses		-	66,301
Other expenses		15,177	-
		88,876	112,537
Net income		136,293	54,911
Net gains or losses on value of investments			
Net realised gain on investments		1,449,924	404,468
Net change in fair value on investments		(1,813,305)	2,425,744
Net foreign exchange gain		2,769	7,889
Net (loss)/gain on value of investments		(360,612)	2,838,101
Total (deficit)/return for the financial period before income tax		(224,319)	2,893,012
Less : Income tax	3	(5,631)	(1,670)
Total (deficit)/return for the financial period after income tax before distribution		(229,950)	2,891,342
Less : Dividend Distribution	4	(102,976)	-
Total (deficit)/return for the financial period		(332,926)	2,891,342

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

BALANCE SHEETS

As at 30 June 2010 (Un-audited)

Notes	United Asia Recovery Fund		United China-India Dynamic Growth Fund	United High Grade Corporate Bond Fund		United Singapore Recovery Fund	
	30 June 2010	31 December 2009	30 June 2010	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	\$	\$	\$	\$	\$	\$	\$
ASSETS							
Portfolio of investments	23,373,046	39,150,534	150,816,026	32,651,796	31,649,918	10,511,523	15,490,739
Sales awaiting settlement	127,099	-	1,138,884	-	-	23,483	-
Receivables	105,326	17,971	1,862,585	-	-	17,640	101,171
Financial derivatives at fair value	-	-	-	117,836	752,571	-	-
Cash and bank balances	238,352	566,799	9,668,324	1,114,313	1,466,824	87,713	239,825
Total Assets	23,843,823	39,735,304	163,485,819	33,883,945	33,869,313	10,640,359	15,831,735
LIABILITIES							
Purchases awaiting settlement	-	-	255,506	-	-	-	-
Payables	169,289	678,070	7,607,806	172,303	125,058	193,464	148,202
Bank overdraft	-	-	-	-	-	-	575
Financial derivatives at fair value	-	-	-	194,520	538,985	-	-
Net assets attributable to unitholders	23,674,534	39,057,234	155,622,507	33,517,122	33,205,270	10,446,895	15,682,958
Total Liabilities	23,843,823	39,735,304	163,485,819	33,883,945	33,869,313	10,640,359	15,831,735

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

United Asia Recovery Fund

	Holdings at 30 June 2010	Fair value at 30 June 2010 \$	Percentage of total net assets attributable to unitholders at 30 June 2010 %
By Geography - Primary Quoted Equities			
CHINA			
BEIJING ENTERPRISES HOLDINGS LIMITED	180,000	1,655,495	7.00
CHINA CONSTRUCTION BANK - H	1,300,000	1,477,647	6.24
CHINA DONGXIANG GROUP COMPANY	1,500,000	1,401,093	5.92
CHINA MOBILE LIMITED	110,000	1,537,258	6.49
CNOOC LTD	610,000	1,463,268	6.18
DONGFENG MOTOR CORPORATION	750,000	1,224,948	5.17
TOTAL CHINA		8,759,709	37.00
HONG KONG			
CHEUNG KONG (HOLDINGS) LTD	90,000	1,458,643	6.16
HSBC HOLDINGS	110,000	1,432,736	6.05
TOTAL HONG KONG		2,891,379	12.21
INDONESIA			
PT ASTRA INTERNATIONAL	220,000	1,629,733	6.88
SINGAPORE			
CAPITALAND LTD	420,000	1,512,000	6.39
SINGAPORE AIRLINES LIMITED	110,000	1,599,400	6.76
TOTAL SINGAPORE		3,111,400	13.15
SOUTH KOREA			
LG ELECTRONICS INC	11,000	1,180,092	4.99
POSCO	2,600	1,385,743	5.85
TOTAL SOUTH KOREA		2,565,835	10.84

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

United Asia Recovery Fund

	Holdings at 30 June 2010	Fair value at 30 June 2010 \$	Percentage of total net assets attributable to unitholders at 30 June 2010 %
By Geography - Primary (continued)			
Quoted Equities			
TAIWAN			
HON HAI PRECISION IND	280,000	1,386,910	5.86
TAIWAN SEMICONDUCTOR MFG CO LTD	600,000	1,579,826	6.67
TOTAL TAIWAN		2,966,736	12.53
THAILAND			
PTT PUBLIC COMPANY LIMITED (FOREIGN)	140,000	1,448,254	6.12
Portfolio of investments		23,373,046	98.73
Other net assets		301,488	1.27
Net assets attributable to unitholders		23,674,534	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	United Asia Recovery Fund	
	Percentage of total net assets attributable to unitholders at 30 June 2010 %	Percentage of total net assets attributable to unitholders at 31 December 2009 %
By Geography - Primary (Summary)		
Quoted Equities		
China	37.00	36.18
Hong Kong	12.21	12.51
Indonesia	6.88	6.61
Singapore	13.15	13.09
South Korea	10.84	12.64
Taiwan	12.53	13.47
Thailand	6.12	5.74
Portfolio of investments	98.73	100.24
Other net assets/(liabilities)	1.27	(0.24)
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

United Asia Recovery Fund

	Fair value at 30 June 2010 \$	Percentage of total net assets attributable to unitholders at 30 June 2010 %	Percentage of total net assets attributable to unitholders at 31 December 2009 %
By Industry - Secondary Quoted Equities			
Consumer Discretionary	5,435,866	22.96	25.77
Energy	2,911,522	12.30	11.95
Financials	5,881,026	24.84	25.07
Industrials	3,254,895	13.76	12.63
Information Technology	2,966,736	12.53	13.47
Materials	1,385,743	5.85	6.29
Telecommunication Services	1,537,258	6.49	5.06
Portfolio of investments	23,373,046	98.73	100.24
Other net assets/(liabilities)	301,488	1.27	(0.24)
Net assets attributable to unitholders	23,674,534	100.00	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

United China-India Dynamic Growth Fund

	Holdings at 30 June 2010	Fair value at 30 June 2010 \$	Percentage of total net assets attributable to unitholders at 30 June 2010 %
By Geography - Primary			
Quoted Equities			
CHINA			
ANHUI EXPRESSWAY CO. LTD - H	450,000	346,105	0.22
BANK OF CHINA	6,600,000	4,697,561	3.02
BANK OF COMMUNICATIONS CO LTD-H	966,000	1,435,720	0.92
CHINA AGRI-INDUSTRIES HOLDINGS	900,000	1,460,256	0.94
CHINA COAL ENERGY COMPANY	1,100,000	1,942,526	1.25
CHINA CONSTRUCTION BANK - H	4,900,000	5,569,591	3.58
CHINA ENERGINE INTERNATIONAL HLDG LTD	3,392,000	486,501	0.31
CHINA EVERBRIGHT INTERNATIONAL LIMITED	1,042,000	618,349	0.40
CHINA EVERBRIGHT LIMITED	400,000	1,279,360	0.82
CHINA HIGH SPEED TRANSMISSION EQPT GRP	265,000	787,714	0.51
CHINA LIFE INSURANCE CO LTD	570,000	3,535,810	2.27
CHINA MERCHANT BANK CO LIMITED - H	380,000	1,287,607	0.83
CHINA MOBILE LIMITED	200,000	2,795,015	1.80
CHINA SHENHUA ENERGY COMPANY LIMITED	190,000	970,815	0.62
CHINA SHINEWAY PHARMACEUTICAL GRP LTD	180,000	769,660	0.49
CHINA SOUTH AIRLINES CO LTD - H	1,000,000	584,461	0.38
CHINA TELECOM CORP LTD	1,800,000	1,213,384	0.78
CHINA YURUN FOOD GROUP LTD	300,000	1,323,105	0.85
CNOOC LTD	2,300,000	5,517,241	3.55
COMBA TELECOM SYSTEMS HOLDINGS LIMITED	1,000,000	1,557,965	1.00
COSCO PACIFIC	450,000	751,104	0.48
CTRIIP.COM INTERNATIONAL LTD-ADR	25,000	1,310,938	0.84
DONGFANG ELECTRICAL MACHINE - H	500,000	2,160,354	1.39
GREAT WALL MOTOR COMPANY LTD	400,000	981,034	0.63
Balance carried forward		43,382,176	27.88

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	United China-India Dynamic Growth Fund		
	Holdings at 30 June 2010	Fair value at 30 June 2010 \$	Percentage of total net assets attributable to unitholders at 30 June 2010 %
By Geography - Primary (continued)			
Quoted Equities			
CHINA (continued)			
Balance brought forward		43,382,176	27.88
HUIYIN HOUSEHOLD APPLIANCES			
HLDG CO LTD	1,100,000	378,645	0.24
INDUSTRIAL & COMMERCIAL			
BK OF CHINA - H	3,500,000	3,595,511	2.31
LEE & MAN PAPER MANUFACTURING	1,200,000	1,247,806	0.80
LILANG CHINA COMPANY LIMITED	1,147,000	1,807,550	1.16
NEW WORLD DEPARTMENT STORE CHINA	702,000	891,063	0.57
O-NET COMMUNICATIONS GROUP LTD	531,000	326,533	0.21
PEAK SPORT PRODUCTS LTD	2,100,000	1,950,235	1.25
PING AN INSURANCE COMPANY	200,000	2,300,195	1.48
SHANDONG CHENMING			
PAPER HOLDINGS - B	1,950,000	1,877,357	1.21
TENCENT HOLDINGS LIMITED	85,000	1,988,691	1.28
YOUYUAN INTERNATIONAL HOLDINGS LTD	1,397,000	596,089	0.38
ZHONGSHENG GROUP HOLDINGS LTD	800,000	1,376,890	0.88
ZHUZHOU CSR TIMES ELECTRIC CO LTD	800,000	2,383,741	1.53
ZTE CORPORATION - H	105,000	450,851	0.29
TOTAL CHINA		64,553,333	41.47
HONG KONG			
BEIJING ENTERPRISES			
WATER GROUP LIMITED	2,898,000	1,267,728	0.81
PORTS DESIGN LIMITED	200,000	716,413	0.46
TOTAL HONG KONG		1,984,141	1.27

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

United China-India Dynamic Growth Fund

	Holdings at 30 June 2010	Fair value at 30 June 2010 \$	Percentage of total net assets attributable to unitholders at 30 June 2010 %
By Geography - Primary (continued)			
Quoted Equities			
INDIA			
AIA ENGINEERING LTD	133,686	1,539,084	0.99
ASIAN PAINTS LIMITED	18,500	1,280,020	0.82
AXIS BANK LIMITED	74,470	2,773,737	1.78
BARTRONICS INDIA LIMITED	235,000	1,000,603	0.64
BHARAT HEAVY ELECTRICALS LTD	37,150	2,741,497	1.76
BHARTI AIRTEL LIMITED	371,000	2,924,603	1.88
BOMBAY RAYON FASHIONS LIMITED	152,000	1,186,341	0.76
CADILA HEALTHCARE LTD	88,250	1,751,462	1.14
CROMPTON GREAVES LIMITED	232,625	1,802,672	1.16
DECCAN CHRONICLE HOLDINGS LTD	251,000	931,790	0.60
DIVI'S LABORATORIES LTD	6,000	139,496	0.09
EDUCOMP SOLUTIONS LTD	95,100	1,521,792	0.97
EVEREST KANTO CYLINDER LTD	216,000	875,877	0.56
EXIDE INDUSTRIES LTD	248,488	984,087	0.63
GEODESIC LIMITED	271,840	716,623	0.46
GLENMARK PHARMACEUTICALS LTD	178,500	1,450,850	0.93
HANUNG TOYS & TEXTILES LTD	188,000	1,383,962	0.89
HAVELLS INDIA LIMITED	94,000	1,772,195	1.14
HDFC BANK LIMITED	60,600	3,495,627	2.25
HOUSING DEVELOPMENT FINANCE CORP	29,900	2,649,575	1.70
ICICI BANK LTD	67,800	1,756,157	1.13
INDUSIND BANK LIMITED	341,477	2,106,794	1.35
INFOSYS TECHNOLOGIES LIMITED	57,700	4,831,910	3.10
ITC LTD	202,560	1,859,822	1.20
JAIN IRRIGATION SYSTEMS LTD	50,200	1,617,618	1.04
JINDAL STEEL & POWER LIMITED	67,500	1,267,108	0.81
JYOTI STRUCTURES LIMITED	284,000	1,310,401	0.84
KOTAK MAHINDRA BANK LIMITED	61,500	1,425,210	0.93
LARSEN N TOUBRO (INR)	50,200	2,730,108	1.75
LUPIN LIMITED	27,200	1,608,935	1.03
Balance carried forward		53,435,956	34.33

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

United China-India Dynamic Growth Fund

	Holdings at 30 June 2010	Fair value at 30 June 2010 \$	Percentage of total net assets attributable to unitholders at 30 June 2010 %
By Geography - Primary (continued)			
Quoted Equities			
Balance brought forward		53,435,956	34.33
MARUTI SUZUKI LIMITED	43,650	1,868,080	1.20
MOTHERSON SUMI SYSTEMS LIMITED	440,676	1,927,347	1.24
NAGARJUNA CONSTRUCTION COMPANY LTD	170,000	962,992	0.62
OPTO CIRCUITS INDIA LTD	184,700	1,327,745	0.85
PAGE INDUSTRIES LIMITED	50,778	1,428,660	0.92
PIDILITE INDUSTRIES LTD	198,000	778,188	0.50
PRAJ INDUSTRIES LIMITED	313,000	770,559	0.50
RELIANCE INDUSTRIES LIMITED	174,700	5,723,177	3.69
SHREE CEMENT LIMITED	27,200	1,651,573	1.06
SINTEX INDUSTRIES LIMITED	135,500	1,316,401	0.85
STATE BANK OF INDIA	25,150	1,740,287	1.12
STERLITE INDUSTRIES (INDIA) LTD	291,600	1,489,219	0.96
SUN PHARMACEUTICALS INDUSTRIES LTD	41,200	2,210,738	1.42
SUZLON ENERGY LTD	458,000	797,116	0.51
SUZLON ENERGY LTD - RIGHTS	61,066	-	-
TATA CONSULTANCY SERVICES LTD	81,000	1,828,532	1.18
TULIP TELECOM LTD	46,484	1,221,286	0.78
WIPRO LIMITED	160,833	1,858,870	1.19
YES BANK LTD	235,680	1,902,858	1.22
TOTAL INDIA		84,239,584	54.14
SINGAPORE			
OCEANUS GROUP LTD	125,704	38,968	0.03
Portfolio of investments		150,816,026	96.91
Other net assets		4,806,481	3.09
Net assets attributable to unitholders		155,622,507	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	United China-India Dynamic Growth Fund
	Percentage of total net assets attributable to unitholders at 30 June 2010 %
By Geography - Primary (Summary)	
Quoted Equities	
China	41.47
Hong Kong	1.27
India	54.14
Singapore	0.03
Portfolio of investments	96.91
Other net assets	3.09
Net assets attributable to unitholders	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	United China-India Dynamic Growth Fund	
	Fair value at 30 June 2010 \$	Percentage of total net assets attributable to unitholders at 30 June 2010 %
By Industry - Secondary Quoted Equities		
Consumer Discretionary	20,683,795	13.28
Consumer Staples	5,239,272	3.37
Energy	14,950,875	9.61
Financials	41,551,600	26.71
Healthcare	9,258,886	5.95
Industrials	24,195,355	15.55
Information Technology	15,047,079	9.67
Materials	10,467,148	6.72
Telecommunication Services	8,154,288	5.24
Utilities	1,267,728	0.81
Portfolio of investments	150,816,026	96.91
Other net assets	4,806,481	3.09
Net assets attributable to unitholders	155,622,507	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	United High Grade Corporate Bond Fund		
	Nominal Holdings at 30 June 2010	Fair value at 30 June 2010	Percentage of total net assets attributable to unitholders at 30 June 2010
		\$	%
By Geography - Primary Quoted Bonds			
AUSTRALIA			
AUST & NZ BANKING GROUP FRN 181	500,000	586,624	1.75
MACQUARIE GROUP LTD 6% DUE 14/1/2020	300,000	435,346	1.30
MACQUARIE GROUP LTD 7.625% DUE 13/8/2019	500,000	811,071	2.42
RIO TINTO FIN USA LTD 9% DUE 1/5/2019	500,000	923,952	2.76
WOODSIDE FINANCE LTD 8.75% DUE 1/3/2019	500,000	856,142	2.55
TOTAL AUSTRALIA		3,613,135	10.78
FRANCE			
ITALCEMENTI FINANCE 5.375% DUE 19/3/2020	400,000	676,157	2.02
HONG KONG			
HUTCHISON WHAMPOA INTL 7.625% DUE 9/4/2019	600,000	1,012,243	3.02
STANDARD CHARTERED BK HK 5.875% DUE 24/6/2020	500,000	698,177	2.08
TOTAL HONG KONG		1,710,420	5.10
IRELAND			
IBERDROLA FIN IRELAND 5% DUE 11/9/2019	250,000	343,855	1.03
JAPAN			
MIZUHO CAP INV 2 USD 14.95% DUE 31/12/2049	500,000	858,968	2.56

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

United High Grade Corporate Bond Fund			
	Nominal Holdings at 30 June 2010	Fair value at 30 June 2010 \$	Percentage of total net assets attributable to unitholders at 30 June 2010 %
By Geography - Primary (continued)			
Quoted Bonds			
MALAYSIA			
TENAGA NASIONAL 7.5% DUE 1/11/2025	500,000	862,462	2.57
NETHERLANDS			
RABOBANK NEDERLAND 11% DUE 30/6/2049	500,000	859,604	2.56
QATAR			
CBQ FINANCE LTD 7.5% DUE 18/11/2019	500,000	749,991	2.24
QTEL INTERNATIONAL FIN 7.875% DUE 10/6/2019	350,000	565,768	1.69
TOTAL QATAR		1,315,759	3.93
RUSSIA			
GAZ CAPITAL SA 8.125% DUE 31/7/2014	500,000	782,221	2.33
GLENCORE FINANCE EUROPE 7.125% DUE 23/4/2015	200,000	355,358	1.06
VTB CAPITAL SA 6.465% DUE 4/3/2015	500,000	713,589	2.13
TOTAL RUSSIA		1,851,168	5.52
SINGAPORE			
NOBLE GROUP LTD 6.75% DUE 29/1/2020	500,000	696,549	2.08
S'PORE TELECOMS 6.375% DUE 1/12/2011	500,000	747,474	2.23
TOTAL SINGAPORE		1,444,023	4.31

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	United High Grade Corporate Bond Fund		
	Nominal	Fair value at	Percentage of
	Holdings at	30 June	total net assets
	30 June	2010	attributable to
	2010	\$	unitholders at
			30 June
			2010
			%
By Geography - Primary (continued)			
Quoted Bonds			
SOUTH KOREA			
POSCO 8.75% DUE 26/3/2014	500,000	846,470	2.53
SWEDEN			
VOLVO TREASURY AB 7.875% DUE 1/10/2012	400,000	794,136	2.37
UNITED KINGDOM			
BP CAPITAL MARKETS PLC 3.625% DUE 27/5/2011	500,000	674,752	2.01
STANDARD CHARTERED BK 9.5% DUE 24/12/2049	500,000	769,116	2.30
TOTAL UNITED KINGDOM		1,443,868	4.31

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	<u>United High Grade Corporate Bond Fund</u>		
	Nominal	Fair value at	Percentage of
	Holdings at	30 June	total net assets
	30 June	2010	attributable to
	2010	2010	unitholders at
		\$	30 June
			2010
			%
By Geography - Primary (continued)			
Quoted Bonds			
UNITED STATES			
AETNA INC 6.75% DUE 15/12/2037	500,000	796,236	2.38
AFLAC INC 8.50% DUE 15/5/2019	500,000	846,172	2.52
ALTRIA GROUP INC 9.25% DUE 6/8/2019	500,000	895,784	2.67
AMERICAN EXPRESS CO 6.15% DUE 28/8/2017	500,000	785,247	2.34
ANHEUSER-BUSCH INBEV 7.75% DUE 15/1/2019	500,000	874,627	2.61
BANK OF AMERICA CORP 5.65% DUE 1/5/2018	500,000	722,173	2.15
BANK OF AMERICA CORP 6.5% DUE 1/8/2016	500,000	775,238	2.31
CITIGROUP INC 6.125% DUE 21/11/2017	500,000	737,425	2.20
DISCOVER FINANCIAL SVS 10.25% DUE 15/7/2019	500,000	861,535	2.57
ENBRIDGE ENERGY PARTNERS 9.875% DUE 1/3/2019	500,000	938,240	2.80
GENERAL ELEC CAP CORP 6% DUE 7/8/2019	500,000	773,943	2.31
GOLDMAN SACHS GRP INC 5.125% DUE 23/10/2019	300,000	520,393	1.55
HCP INC 7.072% DUE 8/6/2015	500,000	776,866	2.32
METLIFE INC 7.717% DUE 15/2/2019	500,000	847,773	2.53
ONCOR ELECTRIC DELIVERY 7% DUE 1/9/2022	500,000	855,518	2.55
ONEOK PARTNERS LP 8.625% DUE 1/3/2019	500,000	883,710	2.64
PRUDENTIAL FINANCIAL INC 6% DUE 1/12/2017	500,000	753,807	2.25
SIMON PROPERTY GROUP LN 10.35% DUE 1/4/2019	500,000	947,435	2.83
TEXTRON INC 7.25% DUE 1/10/2019	500,000	809,793	2.42
WACHOVIA BANK NA FRN DUE 15/3/2016	500,000	629,856	1.88
TOTAL UNITED STATES		16,031,771	47.83
Portfolio of investments		32,651,796	97.42
Other net assets		865,326	2.58
Net assets attributable to unitholders		33,517,122	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	United High Grade Corporate Bond Fund	
	Percentage of total net assets attributable to unitholders at 30 June 2010 %	Percentage of total net assets attributable to unitholders at 31 December 2009 %
By Geography - Primary (Summary)		
Quoted Bonds		
Australia	10.78	5.82
Brazil	-	0.90
France	2.02	2.68
Hong Kong	5.10	2.95
India	-	1.27
Ireland	1.03	2.22
Japan	2.56	-
Luxembourg	-	2.73
Malaysia	2.57	2.40
Netherlands	2.56	-
Qatar	3.93	3.73
Russia	5.52	2.31
Singapore	4.31	-
South Korea	2.53	3.03
Sweden	2.37	2.72
United Arab Emirates	-	0.52
United Kingdom	4.31	8.62
United States	47.83	53.40
Portfolio of investments	97.42	95.30
Other net assets	2.58	4.70
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

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PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	United High Grade Corporate Bond Fund		
	Fair value at	Percentage of	Percentage of
	30 June	total net assets	total net assets
		attributable to	attributable to
		unitholders at	unitholders at
	30 June	30 June	31 December
	2010	2010	2009
	\$	%	%
By Industry - Secondary Quoted Bonds			
Consumer Discretionary	794,136	2.37	2.72
Consumer Staples	1,770,411	5.28	5.20
Energy	2,313,115	6.89	2.82
Financials	16,804,204	50.13	53.30
Healthcare	796,236	2.38	2.23
Industrials	4,340,535	12.96	7.62
Materials	2,801,937	8.37	7.56
Special Purpose Entity	-	-	5.22
Telecommunication Services	1,313,242	3.92	6.23
Utilities	1,717,980	5.12	2.40
Portfolio of investments	32,651,796	97.42	95.30
Other net assets	865,326	2.58	4.70
Net assets attributable to unitholders	33,517,122	100.00	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

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As at 30 June 2010 (Un-audited)

	United Singapore Recovery Fund		
	Holdings at	Fair value at	Percentage of
	30 June	30 June	total net assets
	2010	2010	attributable to
		\$	unitholders at
			30 June
			2010
			%
By Industry - Primary			
Quoted Equities			
CONSUMER DISCRETIONARY			
SINGAPORE PRESS HLDGS LIMITED	234,000	884,520	8.47
FINANCIALS			
ASCENDAS REAL ESTATE			
INVESTMENT TRUST	461,000	839,020	8.03
CAPITALAND LIMITED	242,000	871,200	8.34
CITY DEVELOPMENTS LIMITED	82,000	905,280	8.66
DBS GROUP HOLDINGS LIMITED	62,000	846,920	8.11
OVERSEAS CHINESE BANKING			
CORPORATION	105,579	932,263	8.92
UNITED OVERSEAS BANK LIMITED	46,000	897,000	8.59
TOTAL FINANCIALS		5,291,683	50.65
INDUSTRIALS			
KEPPEL CORPORATION LIMITED	97,000	824,500	7.89
SEMBCORP INDUSTRIES LIMITED	218,000	887,260	8.49
SINGAPORE AIRLINES LIMITED	60,000	872,400	8.35
ST ENGINEERING LIMITED	279,000	917,910	8.79
TOTAL INDUSTRIALS		3,502,070	33.52
TELECOMMUNICATION SERVICES			
SINGAPORE TELECOMMUNICATIONS LIMITED	275,000	833,250	7.98
Portfolio of investments		10,511,523	100.62
Other net liabilities		(64,628)	(0.62)
Net assets attributable to unitholders		10,446,895	100.00

The accompanying notes form an integral part of these financial statements.

United Global Recovery Funds

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PORTFOLIO STATEMENTS

As at 30 June 2010 (Un-audited)

	United Singapore Recovery Fund	
	Percentage of total net assets attributable to unitholders at 30 June 2010 %	Percentage of total net assets attributable to unitholders at 31 December 2009 %
By Industry - Primary (Summary)		
Quoted Equities		
Consumer Discretionary	8.47	7.60
Financials	50.65	50.92
Industrials	33.52	32.58
Telecommunication Services	7.98	7.67
Portfolio of investments	100.62	98.77
Other net (liabilities)/assets	(0.62)	1.23
Net assets attributable to unitholders	100.00	100.00

By Geography - Secondary Quoted Equities

The sub-fund invests wholly in Singapore.

The accompanying notes form an integral part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

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These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

United Global Recovery Funds (the "Fund") is a Singapore registered umbrella fund constituted by a Trust Deed dated 30 January 2009 between UOB Asset Management Ltd (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Deed is governed by the laws of the Republic of Singapore.

The Fund currently offers four sub-funds namely, United Asia Recovery Fund, United High Grade Corporate Bond Fund, United Singapore Recovery Fund and United China-India Dynamic Growth Fund.

United Asia Recovery Fund

The primary activity of the sub-fund is to achieve capital appreciation and to make regular distributions through investment in a generally fixed, diversified portfolio of equity or equity linked securities which are listed or quoted on the exchanges in Asia (excluding Japan). There will be no specific industry or sector emphasis.

United China-India Dynamic Growth Fund

The investment objective of the sub-fund is to achieve medium to long term capital appreciation through investing mainly in the securities of corporations in, or corporations listed or to be listed on stock exchanges in, or corporations (wherever located) which, in the opinion of the Managers, derive significant revenue or profits from or have significant assets or business interests in, the People's Republic of China ("China") or the Republic of India ("India").

United High Grade Corporate Bond Fund

The primary activity of the sub-fund is to maximise returns over the long term through investments in a portfolio which consists mainly of investment grade corporate bonds issued globally.

United Singapore Recovery Fund

The primary activity of the sub-fund is to achieve capital appreciation and to make regular distributions through investment in a generally fixed, diversified portfolio of equity or equity linked securities which are listed or quoted on the Singapore Exchange Securities Trading Limited ("SGX-ST"). There will be no specific industry or sector emphasis.

United Asia Recovery Fund and United Singapore Recovery Fund have a fixed investment term of 2 years.

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

2. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, modified by the revaluation of financial assets at fair value through profit or loss, and in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" ("RAP 7") issued by the Institute of Certified Public Accountants of Singapore.

The financial statements are expressed in Singapore dollars.

(b) Recognition of income

Dividend income is recognised when the right to receive payment is established. Interest income is recognised on a time proportion basis using the effective interest method.

(c) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) *Initial recognition*

Purchase of investments are recognised on trade date. Investments are recorded at fair value on initial recognition.

(ii) *Subsequent measurement*

Investments are subsequently carried at fair value. Net change in fair value on investments are included in the Statements of Total Return in the period in which they arise.

(iii) *Derecognition*

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sale of investments are computed on the basis of the difference between the weighted average cost and selling price net of transaction costs, and are taken up in the Statements of Total Return.

(d) Basis of valuation of investments

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price for these investments held by the sub-funds is the current market quoted bid price. Accrued interest is included in the fair value of fixed income instruments.

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

2. Significant accounting policies (continued)

(e) Foreign currency translation

(i) *Functional and presentation currency*

The sub-funds' investors are mainly from Singapore with the subscriptions and redemptions of the units denominated in Singapore dollars, United States dollars and Japanese Yen.

The performance of the sub-funds is measured and reported to the investors in Singapore dollars. The Manager considers the Singapore dollars to be the currency of the primary economic environment in which the sub-funds operate. The financial statements are presented in Singapore dollars, which is the sub-funds' functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statements of Total Return. Translation differences on non-monetary financial assets and liabilities are also recognised in the Statements of Total Return within the fair value net gain or loss.

(f) Financial derivatives

Financial derivatives including forwards and futures are entered into for the purpose of efficient portfolio management, tactical asset allocation or specific hedging of financial assets held as determined by the Manager and in accordance with the provisions of the Trust Deed.

Financial derivatives outstanding at the balance sheet date are valued at forward rates or at current market prices using the "mark-to-market" method, as applicable, and the resultant gains and losses are taken up in the Statements of Total Return.

(g) Expenses charged to the sub-funds

All direct expenses relating to the sub-funds are charged directly to the Statements of Total Return. In addition, certain expenses shared by all unit trusts managed by the Manager are allocated to each sub-fund based on the respective sub-fund's net asset value.

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

2. Significant accounting policies (continued)

(h) Distribution policy

The Manager has the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account to be paid out on the distribution date. This amount shall not be treated as part of the property of the sub-funds.

(i) Preliminary expenses

Preliminary expenses are expensed off in the Statements of Total Return as and when incurred.

3. Income tax

	<u>United Asia Recovery Fund</u>	<u>United China-India Dynamic Growth Fund</u>	<u>United High Grade Corporate Bond Fund</u>	<u>United Singapore Recovery Fund</u>	
	30 June 2010 \$	For the financial period from 21 December 2009 to 30 June 2010 \$	30 June 2010 \$	30 June 2010 \$	For the financial period from 30 January 2009 to 30 June 2010 \$
Singapore income tax	-	-	-	5,631	1,670
Overseas income tax	33,142	132,870	-	-	-
Total Income tax	33,142	132,870	-	5,631	1,670

The sub-funds are granted the status of a Designated Unit Trust and, therefore, the following income is exempt from tax in accordance with Section 35(12) of the Income Tax Act (Cap 134):

- (i) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (ii) interest (other than interest for which tax has been deducted under Section 45 of the Singapore Income Tax Act); and
- (iii) dividends derived from outside Singapore and received in Singapore.

The Singapore income tax represents tax deducted at source for Singapore sourced dividends. The overseas income tax represents tax withheld on foreign sourced income.

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

4. Distribution to unitholders

	<u>United Asia Recovery Fund</u>	<u>United China-India Dynamic Growth Fund</u>	<u>United High Grade Corporate Bond Fund</u>	<u>United Singapore Recovery Fund</u>	
		For the financial period from 21 December 2009 to			For the financial period from 30 January 2009 to
	30 June 2010	30 June 2010	30 June 2010	30 June 2010	30 June 2009
	\$	\$	\$	\$	\$
Distribution of income paid during the financial period	390,958	-	-	102,976	-

5. Receivables

	<u>United Asia Recovery Fund</u>	<u>United China-India Dynamic Growth Fund</u>	
	30 June 2010	31 December 2009	30 June 2010
	\$	\$	\$
Amount due from unitholders	-	-	1,263,379
Dividends receivable	105,326	17,971	599,206
	105,326	17,971	1,862,585

	<u>United High Grade Corporate Bond Fund</u>	<u>United Singapore Recovery Fund</u>	
	30 June 2010	31 December 2009	30 June 2010
	\$	\$	\$
Amount due from unitholders	-	-	77,115
Dividends receivable	-	-	17,640
	-	-	17,640
			101,171

United Global Recovery Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

6. Cash and bank balances

	<u>United Asia</u> <u>Recovery Fund</u>		<u>United</u> <u>China-India</u> <u>Dynamic</u> <u>Growth Fund</u>
	30 June	31 December	30 June
	2010	2009	2010
	\$	\$	\$
Cash at bank	238,352	566,799	9,668,324

	<u>United High Grade</u> <u>Corporate Bond Fund</u>		<u>United Singapore</u> <u>Recovery Fund</u>	
	30 June	31 December	30 June	31 December
	2010	2009	2010	2009
	\$	\$	\$	\$
Cash at bank	1,114,313	1,466,824	87,713	239,825
Bank overdraft	-	-	-	(575)
	1,114,313	1,466,824	87,713	239,250

As at 31 December 2009, the bank overdraft interest was charged at 2.25% per annum.

7. Payables

	<u>United Asia</u> <u>Recovery Fund</u>		<u>United</u> <u>China-India</u> <u>Dynamic</u> <u>Growth Fund</u>
	30 June	31 December	30 June
	2010	2009	2010
	\$	\$	\$
Amount due to unitholders	101,148	571,118	3,039,729
Amount due to Manager	45,200	71,573	4,521,226
Amount due to Trustee	10,671	16,750	14,727
Other creditors and accrued expenses	12,270	18,629	32,124
	169,289	678,070	7,607,806

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

7. Payables (continued)

	United High Grade Corporate Bond Fund		United Singapore Recovery Fund	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	\$	\$	\$	\$
Amount due to unitholders	52,659	-	162,260	95,602
Amount due to Manager	93,982	93,953	17,587	24,317
Amount due to Trustee	13,784	13,780	4,643	12,420
Other creditors and accrued expenses	11,878	17,325	8,974	15,863
	172,303	125,058	193,464	148,202

8. Fair value of financial derivatives

Financial derivative contracts comprise foreign exchange contracts for the sale and purchase of foreign currencies and other future contracts. The contract or underlying principal amounts of these financial derivatives and their corresponding gross positive or negative fair values at the balance sheet date are analysed below.

United High Grade Corporate Bond Fund

	30 June 2010			31 December 2009		
	Contract or underlying principal amount \$	Positive fair value \$	Negative fair value \$	Contract or underlying principal amount \$	Positive fair value \$	Negative fair value \$
Forward foreign exchange contracts	27,078,320	117,836	96,029	84,476,082	634,771	538,985
Futures contracts	5,040,684	-	98,491	4,980,513	117,800	-
		117,836	194,520		752,571	538,985

United Asia Recovery Fund, United China-India Dynamic Growth Fund and United Singapore Recovery Fund

The sub-funds did not have any outstanding derivative contracts as at 30 June 2010 (31 December 2009: Nil).

United Global Recovery Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

9. Net assets attributable to unitholders

	United Asia Recovery Fund		United China-India Dynamic Growth Fund
	30 June 2010 \$	31 December 2009 \$	30 June 2010 \$
At the beginning of the financial period	39,057,234	-	-
Operations			
Change in net assets attributable to unitholders resulting from operations	(2,372,688)	4,490,423	90,969
Unitholders' contributions/(withdrawals)			
Creation of units	16,981	40,344,002	183,483,853
Cancellation of units	(13,026,993)	(5,777,191)	(27,952,315)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(13,010,012)	34,566,811	155,531,538
Total (decrease)/increase in net assets attributable to unitholders	(15,382,700)	39,057,234	155,622,507
At the end of the financial period	23,674,534	39,057,234	155,622,507
Units in issue (SGD) (Note 10)	23,212,715	35,085,537	115,271,056
Units in issue (JPY) (Note 10)			2,274,409
	\$	\$	\$
Net assets attributable to unitholders per unit (SGD Class)	1.02	1.11	1.03
			JPY
Net assets attributable to unitholders per unit (JPY Class)			979

United Global Recovery Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

9. Net assets attributable to unitholders (continued)

	United High Grade Corporate Bond Fund		United Singapore Recovery Fund	
	30 June 2010 \$	31 December 2009 \$	30 June 2010 \$	31 December 2009 \$
At the beginning of the financial period	33,205,270	-	15,682,958	-
Operations				
Change in net assets attributable to unitholders resulting from operations	1,013,072	1,378,110	(332,926)	6,870,883
Unitholders' contributions/ (withdrawals)				
Creation of units	-	31,867,250	-	26,407,145
Cancellation of units	(701,220)	(40,090)	(4,903,137)	(17,595,070)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(701,220)	31,827,160	(4,903,137)	8,812,075
Total increase/(decrease) in net assets attributable to unitholders	311,852	33,205,270	(5,236,063)	15,682,958
At the end of the financial period	33,517,122	33,205,270	10,446,895	15,682,958
Units in issue (Note 10)	31,171,613	31,826,329	6,486,029	9,495,827
	\$	\$	\$	\$
Net assets attributable to unitholders per unit	1.08	1.04	1.61	1.65

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

10. Units in issue

	United Asia Recovery Fund		United China-India Dynamic Growth Fund	
	30 June 2010	31 December 2009	30 June 2010	30 June 2010
	SGD/USD Class	SGD/USD Class	SGD/USD Class	JPY Class
Units at beginning of the financial period	35,085,537	-	-	-
Units created	15,507	40,496,432	139,549,708	2,387,716
Units cancelled	(11,888,329)	(5,410,895)	(24,278,652)	(113,307)
Units at end of the financial period	23,212,715	35,085,537	115,271,056	2,274,409

	United High Grade Corporate Bond Fund		United Singapore Recovery Fund	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	SGD/USD Class	SGD/USD Class	SGD/USD Class	SGD/USD Class
Units at beginning of the financial period	31,826,329	-	9,495,827	-
Units created	-	31,865,388	-	22,666,687
Units cancelled	(654,716)	(39,059)	(3,009,798)	(13,170,860)
Units at end of the financial period	31,171,613	31,826,329	6,486,029	9,495,827

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management

The sub-funds' activities expose it to a variety of financial risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The sub-funds' overall risk management programme seeks to minimise potential adverse effects on the sub-funds' financial performance. The sub-funds may use financial futures contracts, financial options contracts and/or currency forward contracts subject to the terms of the prospectus to moderate certain risk exposures. Specific guidelines on exposures to individual securities and certain industries are in place for the sub-funds at any time as part of the overall financial risk management to reduce the sub-funds' risk exposures.

The sub-funds' assets principally consist of financial instruments such as equity investments, fixed interest investments, money market investments and cash. They are held in accordance with the published investment policies of the sub-funds. The allocation of assets between the various types of investments is determined by the Manager to achieve their investment objectives.

(a) Market risk

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as interest rates, credit spreads, exchange rates, and others that may be only indirectly observable such as volatilities and correlations. Market risk includes such factors as changes in economic environment, consumption pattern and investor's expectation etc. which may have significant impact on the value of the investments. The sub-funds' investments are substantially dependent on changes in market prices. The sub-funds' investments are monitored by the Manager on a regular basis so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the asset value of the sub-funds. Guidelines are set to reduce the sub-funds' risk exposures to market volatility such as diversifying the portfolio by investing across various geographies, alternatively, the sub-funds may be hedged using derivative strategies.

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

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11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk

The sub-funds have securities denominated in currencies other than the Singapore dollars and it may be affected favourably or unfavourably by exchange rate regulations or changes in the exchange rates between the Singapore dollars and such other currencies. The Manager may at his discretion, implement a currency management strategy either to reduce currency volatility or to hedge the currency exposures of the sub-funds.

The table below summarises the on-balance sheet exposure to currency risks for the sub-funds.

United Asia Recovery Fund

As at 30 June 2010

	HKD \$	SGD \$	Others \$	Total \$
Assets				
Portfolio of investments	11,651,088	3,111,400	8,610,558	23,373,046
Sales awaiting settlement	-	-	127,099	127,099
Receivables	-	-	105,326	105,326
Cash and bank balances	185,255	41,134	11,963	238,352
Total Assets	11,836,343	3,152,534	8,854,946	23,843,823
Liabilities				
Payables	-	166,899	2,390	169,289
Net assets attributable to unitholders	-	23,674,534	-	23,674,534
Total Liabilities	-	23,841,433	2,390	23,843,823
Net currency exposure	11,836,343	(20,688,899)	8,852,556	

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Asia Recovery Fund (continued)

As at 31 December 2009

	HKD \$	SGD \$	Others \$	Total \$
Assets				
Portfolio of investments	19,017,550	5,112,600	15,020,384	39,150,534
Receivables	-	-	17,971	17,971
Cash and bank balances	1,167	544,163	21,469	566,799
Total Assets	19,018,717	5,656,763	15,059,824	39,735,304
Liabilities				
Payables	-	676,351	1,719	678,070
Net assets attributable to unitholders	-	39,057,234	-	39,057,234
Total Liabilities	-	39,733,585	1,719	39,735,304
Net currency exposure	19,018,717 (34,076,822) 15,058,105			

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United China-India Dynamic Growth Fund

As at 30 June 2010

	HKD \$	INR \$	SGD \$	Others \$	Total \$
Assets					
Portfolio of investments	65,226,536	84,239,584	38,968	1,310,938	150,816,026
Sales awaiting settlement	-	871,666	267,218	-	1,138,884
Receivables	14,253	205,282	1,150,295	492,755	1,862,585
Cash and bank balances	701,970	1,564,552	5,066,546	2,335,256	9,668,324
Total Assets	65,942,759	86,881,084	6,523,027	4,138,949	163,485,819
Liabilities					
Purchases awaiting settlement	116,111	139,395	-	-	255,506
Payables	-	9,387	5,796,972	1,801,447	7,607,806
Net assets attributable to unitholders	-	-	155,622,507	-	155,622,507
Total Liabilities	116,111	148,782	161,419,479	1,801,447	163,485,819
Net currency exposure	65,826,648	86,732,302	(154,896,452)	2,337,502	

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United High Grade Corporate Bond Fund

As at 30 June 2010

	USD \$	SGD \$	Others \$	Total \$
Assets				
Portfolio of investments	29,719,128	-	2,932,668	32,651,796
Cash and bank balances	374,380	739,933	-	1,114,313
Total Assets	30,093,508	739,933	2,932,668	33,766,109
Liabilities				
Payables	190	172,113	-	172,303
Financial derivatives at fair value	98,491	-	-	98,491
Net assets attributable to unitholders	-	33,517,122	-	33,517,122
Total Liabilities	98,681	33,689,235	-	33,787,916
Net Assets	29,994,827	(32,949,302)	2,932,668	(21,807)
Notional value of forward foreign exchange contracts	(24,833,577)	27,078,320	(2,222,936)	
Net currency exposure	5,161,250	(5,870,982)	709,732	

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United High Grade Corporate Bond Fund (continued)

As at 31 December 2009

	USD \$	SGD \$	Others \$	Total \$
Assets				
Portfolio of investments	25,520,839	-	6,129,079	31,649,918
Financial derivatives at fair value	117,800	-	-	117,800
Cash and bank balances	1,095,752	116,272	254,800	1,466,824
Total Assets	26,734,391	116,272	6,383,879	33,234,542
Liabilities				
Payables	24	125,034	-	125,058
Net assets attributable to unitholders	-	33,205,270	-	33,205,270
Total Liabilities	24	33,330,304	-	33,330,328
Net Assets	26,734,367	(33,214,032)	6,383,879	(95,786)
Notional value of forward foreign exchange contracts	(23,867,150)	27,487,130	(3,496,164)	
Net currency exposure	2,867,217	(5,726,902)	2,887,715	

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Singapore Recovery Fund

As at 30 June 2010

	SGD \$	USD \$	Total \$
Assets			
Portfolio of investments	10,511,523	-	10,511,523
Sales awaiting settlement	23,483	-	23,483
Receivables	17,640	-	17,640
Cash and bank balances	82,267	5,446	87,713
Total Assets	10,634,913	5,446	10,640,359

Liabilities

Payables	56,252	137,212	193,464
Net assets attributable to unitholders	10,446,895	-	10,446,895

Total Liabilities

	10,503,147	137,212	10,640,359
--	-------------------	----------------	-------------------

Net currency exposure

	131,766	(131,766)	
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As at 31 December 2009

	SGD \$	USD \$	Total \$
Assets			
Portfolio of investments	15,490,739	-	15,490,739
Receivables	101,171	-	101,171
Cash and bank balances	239,825	-	239,825
Total Assets	15,831,735	-	15,831,735

Liabilities

Payables	148,202	-	148,202
Bank overdraft	-	575	575
Net assets attributable to unitholders	15,682,958	-	15,682,958

Total Liabilities

	15,831,160	575	15,831,735
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Net currency exposure

	575	(575)	
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United Global Recovery Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

Investments, which is the significant item in the balance sheet is exposed to currency risk, other price risk and interest rate risk. Price risk sensitivity analysis includes the impact of currency risk on non-monetary investments. Consequently, currency risk sensitivity analysis is prepared and disclosed only for monetary assets and liabilities. The table below summarises the sensitivity of the sub-funds' monetary assets and liabilities to changes in foreign exchange movements as at 30 June 2010 and 31 December 2009. The analysis is based on the assumptions that the functional currency increased / decreased to the relevant foreign exchange rates as disclosed below. This represents the Manager's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

Currency	30 June 2010		31 December 2009	
	Net impact to net assets attributable to unitholders		Net impact to net assets attributable to unitholders	
	\$	%	\$	%
<u>United High Grade Corporate Bond Fund</u>				
USD	309,675	6	172,033	6

United Asia Recovery Fund, United China-India Dynamic Growth Fund and United Singapore Recovery Fund

Currency risk sensitivity analysis has not been disclosed for United Asia Recovery Fund, United China-India Dynamic Growth Fund and United Singapore Recovery Fund since the sub-funds' financial assets and liabilities are significantly denominated in Singapore dollars, being the functional currency of the sub-funds.

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11. Financial risk management (continued)

(a) Market risk (continued)

(ii) Price risk

Price risk is the risk of potential adverse changes to the value of financial investments because of changes in market conditions and volatility in security prices.

The table below summarises the impact of increases/decreases from the sub-fund's underlying investments in equities on the sub-fund's net assets attributable to unitholders at 30 June 2010 and 31 December 2009. The analysis is based on the assumption that the index components within the benchmark increased / decreased by a reasonable possible shift, with all other variables held constant and that the fair value of sub-fund's investments moved according to the historical correlation with the index.

Benchmark components	30 June 2010		31 December 2009	
	Net impact to net assets attributable to unitholders		Net impact to net assets attributable to unitholders	
	\$	%	\$	%
<u>United Asia Recovery Fund</u>				
MSCI AC Far East ex Japan	4,721,355	20	8,221,612	20
<u>United China-India Dynamic Growth Fund</u>				
50% MSCI China and 50% MSCI India	30,163,205	20		
<u>United Singapore Recovery Fund</u>				
FTSE-ST Index	2,081,282	20	3,067,166	20

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

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11. Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

United Singapore Recovery Fund's, United China-India Dynamic Growth Fund's and United Asia Recovery Fund's financial assets and liabilities are largely non-interest bearing. Hence, the sub-funds are not subjected to risk due to fluctuations in the prevailing levels of market interest rates.

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. United High Grade Corporate Bond Fund holds interest bearing securities that expose the sub-fund to fair value interest rate risk. The sub-fund holds securities of varying maturities and interest rate sensitivities. Movement in market interest rates will affect the valuation of the sub-fund's securities by varying degrees. The sub-fund's policy requires the Manager to manage this risk by measuring the mismatch of the interest rate sensitivity gap of financial assets and liabilities and calculating the average duration of the portfolio of fixed interest securities.

The table below summarises United High Grade Corporate Bond Fund's exposure to interest rate risks. They include the sub-fund's assets and trading liabilities at fair value, categorised by the earlier of contractual re-pricing or maturity dates. All variable rate financial instruments are reset within a month.

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For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

United High Grade Corporate Bond Fund

As at 30 June 2010

	Variable rates \$	Fixed rates \$	Non-interest bearing \$	Total \$
Assets				
Portfolio of investments	1,216,480	31,435,316	-	32,651,796
Financial derivatives at fair value	-	-	117,836	117,836
Cash and bank balances	1,114,313	-	-	1,114,313
Total Assets	2,330,793	31,435,316	117,836	33,883,945
Liabilities				
Payables	-	-	172,303	172,303
Financial derivatives at fair value	-	-	194,520	194,520
Net assets attributable to unitholders	-	-	33,517,122	33,517,122
Total Liabilities	-	-	33,883,945	33,883,945

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

United High Grade Corporate Bond Fund (continued)

As at 31 December 2009

	Variable rates \$	Fixed rates \$	Non-interest bearing \$	Total \$
Assets				
Portfolio of investments	1,845,026	29,804,892	-	31,649,918
Financial derivatives at fair value	-	-	752,571	752,571
Cash and bank balances	1,466,824	-	-	1,466,824
Total Assets	3,311,850	29,804,892	752,571	33,869,313
Liabilities				
Payables	-	-	125,058	125,058
Financial derivatives at fair value	-	-	538,985	538,985
Net assets attributable to unitholders	-	-	33,205,270	33,205,270
Total Liabilities	-	-	33,869,313	33,869,313

As at 30 June 2010, should interest rates have lowered or risen by 100 basis points ("bps") (31 December 2009: 100 bps) with all other variables remaining constant, the increase or decrease in net assets attributable to unitholders for the year would be \$3,780,731 (31 December 2009: \$334,520).

The sub-fund has direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets and liabilities. However, it may also be indirectly affected by the impact of changes on the earnings of certain companies in which the sub-fund invests and impact on the valuation of certain over-the-counter derivative products that use market interest rates as an input. Therefore, the above sensitivity analysis may not fully indicate the total effect on the sub-fund's net assets attributable to unitholders of future movements in interest rates.

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(b) Liquidity risk

The sub-funds are exposed to daily cash redemptions and disbursements for the settlements of purchases. The Manager therefore ensures that the sub-funds maintain sufficient cash and cash equivalents and that it is able to obtain cash from the sale of investments held to meet its liquidity requirements. Reasonable efforts will be taken to invest in securities which are traded in a relatively active market and which can be readily disposed of.

The sub-funds' investments in listed securities are considered to be readily realisable as they are listed on established regional stock exchanges.

The table below analyses the sub-funds' financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

United Asia Recovery Fund

As at 30 June 2010

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	169,289	-	-	-
Net assets attributable to unitholders	23,674,534	-	-	-

As at 31 December 2009

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	678,070	-	-	-
Net assets attributable to unitholders	39,057,234	-	-	-

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(b) Liquidity risk (continued)

United China-India Dynamic Growth Fund

As at 30 June 2010

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Purchases awaiting settlement	255,506	-	-	-
Payables	7,607,806	-	-	-
Net assets attributable to unitholders	<u>155,622,507</u>	-	-	-

United High Grade Corporate Bond Fund

As at 30 June 2010

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Derivative financial instruments				
- inflow	1,743,125	-	-	-
- outflow	(1,937,645)	-	-	-
Payables	172,303	-	-	-
Net assets attributable to unitholders	<u>33,517,122</u>	-	-	-

As at 31 December 2009

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Derivative financial instruments				
- inflow	28,283,187	17,874,220	-	-
- outflow	(28,705,765)	(17,970,560)	-	-
Payables	125,058	-	-	-
Net assets attributable to unitholders	<u>33,205,270</u>	-	-	-

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(b) Liquidity risk (continued)

United Singapore Recovery Fund

As at 30 June 2010

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	193,464	-	-	-
Net assets attributable to unitholders	10,446,895	-	-	-

As at 31 December 2009

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	148,202	-	-	-
Bank overdraft	575	-	-	-
Net assets attributable to unitholders	15,682,958	-	-	-

(c) Credit risk

Credit risk is the risk that counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

As such, the sub-funds do not have a concentration of credit risk that arises from an exposure to a single counterparty. Furthermore, the sub-funds do not have a material exposure to group of counterparties which are expected to be affected similarly by changes in economic or other conditions.

The sub-funds invest in financial assets, which have an investment grade as rated by Moody's. The credit ratings are reviewed regularly.

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(c) Credit risk (continued)

The table below analyses the sub-funds' investments by credit ratings expressed as a percentage of net assets attributable to unitholders.

United High Grade Corporate Bond Fund

As at 30 June 2010

	Aa2	Aa3	A1	A2	A3
Fixed rate securities	4%	-	8%	17%	14%
Floating rate securities	2%	2%	-	-	-

	Baa1	Baa2	Baa3	Ba1	B1
	22%	16%	7%	3%	2%
	-	-	-	-	-

As at 31 December 2009

	Aa2	Aa3	A1	A2	A3
Fixed rate securities	4%	2%	8%	12%	21%
Floating rate securities	-	2%	-	-	-

	Baa1	Baa2	Baa3
	18%	22%	4%
	2%	-	-

All transactions in listed securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Credit risk also arises from cash and cash equivalents and derivative positions held with financial institutions. The table below summarises the credit rating of banks and custodians in which the sub-funds' assets are held as at 30 June 2010 and 31 December 2009.

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(c) Credit risk (continued)

United Asia Recovery Fund

As at 30 June 2010

	Credit rating	Source of credit rating
<u>Bank</u>		
HSBC Group	B+	Moody's
United Overseas Bank Limited	B	Moody's
<u>Custodian</u>		
HSBC Group	B+	Moody's

As at 31 December 2009

	Credit rating	Source of credit rating
<u>Bank</u>		
HSBC Group	B+	Moody's
United Overseas Bank Limited	B	Moody's
<u>Custodian</u>		
HSBC Group	B+	Moody's

United China-India Dynamic Growth Fund

As at 30 June 2010

	Credit rating	Source of credit rating
<u>Bank</u>		
HSBC Group	B+	Moody's
<u>Custodian</u>		
HSBC Group	B+	Moody's

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(c) Credit risk (continued)

United High Grade Corporate Bond Fund

As at 30 June 2010

	Credit rating	Source of credit rating
<u>Bank</u>		
HSBC Group	B+	Moody's
United Overseas Bank Limited	B	Moody's
<u>Custodian</u>		
HSBC Group	B+	Moody's
<u>Counterparties of forward foreign exchange and future contracts</u>		
JP Morgan Chase Bank NA	B	Moody's
United Overseas Bank Limited	B	Moody's

As at 31 December 2009

	Credit rating	Source of credit rating
<u>Bank</u>		
HSBC Group	B+	Moody's
United Overseas Bank Limited	B	Moody's
<u>Custodian</u>		
HSBC Group	B+	Moody's
<u>Counterparties of forward foreign exchange and future contracts</u>		
JP Morgan Chase Bank NA	B	Moody's
United Overseas Bank Limited	B	Moody's

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

11. Financial risk management (continued)

(c) Credit risk (continued)

United Singapore Recovery Fund

As at 30 June 2010

	Credit rating	Source of credit rating
<u>Bank</u>		
State Street Bank & Trust Co.	B	Moody's
United Overseas Bank Limited	B	Moody's
<u>Custodian</u>		
State Street Bank & Trust Co.	B	Moody's

As at 31 December 2009

	Credit rating	Source of credit rating
<u>Bank</u>		
State Street Bank & Trust Co.	B	Moody's
United Overseas Bank Limited	B	Moody's
<u>Custodian</u>		
State Street Bank & Trust Co.	B	Moody's

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

(d) Capital management

The sub-funds' capital is represented by the net assets attributable to unitholders. The sub-funds strive to invest the subscriptions of redeemable participating units in investments that meet the sub-funds' investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

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12. Related party transactions

- (a) The Manager and the Trustee of the sub-funds are UOB Asset Management Ltd and HSBC Institutional Trust Services (Singapore) Limited respectively. UOB Asset Management Ltd is a subsidiary of United Overseas Bank Limited and HSBC Institutional Trust Services (Singapore) Limited is a subsidiary of HSBC Holdings Plc.

Management, administration and valuation fees are paid to the Manager, while trustee fee is paid to the Trustee and the registrar fee is paid to HSBC Securities Services (Transfer Agency) Pte Ltd, a subsidiary of HSBC Holdings Plc. These fees paid or payable by the sub-funds shown in the Statements of Total Return and in the respective Notes to the Financial Statements are on terms set out in the Trust Deed. All other related party transactions are shown elsewhere in the financial statements.

- (b) As at the end of the financial period, the sub-funds maintained the following accounts with the related parties:

	United Asia Recovery Fund		United China-India Dynamic Growth Fund
	30 June 2010	31 December 2009	30 June 2010
	\$	\$	\$
<u>United Overseas Bank Limited</u>			
Bank balances	480	10,875	-

<u>HSBC Group</u>			
Bank balances	237,872	555,924	9,668,324

	United High Grade Corporate Bond Fund		United Singapore Recovery Fund	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	\$	\$	\$	\$
<u>United Overseas Bank Limited</u>				
Bank balances	9,453	1,316	27,981	158,639

<u>HSBC Group</u>				
Bank balances	959,120	1,331,255	-	-

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NOTES TO THE FINANCIAL STATEMENTS

For the half year/ period ended 30 June 2010 (Un-audited)

12. Related party transactions (continued)

- (c) The following transactions took place during the financial period between the sub-funds and related parties as terms agreed between the parties as follows:

	<u>United Asia Recovery Fund</u> 30 June 2010 \$	<u>United China-India Dynamic Growth Fund</u> 30 June 2010 \$	<u>United High Grade Corporate Bond Fund</u> 30 June 2010 \$	<u>United Singapore Recovery Fund</u> 30 June 2010		30 June 2009 \$
<u>United Overseas Bank Limited</u>						
Bank charges	30	-	-	30		-
Interest income	-	-	-	-		22
Interest expenses	-	-	-	-		191
 <u>HSBC Group</u>						
Bank charges	2,620	5,006	320	-		-
Interest income	6	-	-	-		-
Interest expense	1,222	36	517	-		-

- (d) UOB Kay Hian Pte Ltd is an affiliate company of United Overseas Bank Limited.

As at the end of the financial period ended 30 June 2010, the sub-funds have brokerage fee paid or payable to UOB Kay Hian Pte Ltd as follows:

	<u>United Asia Recovery Fund</u> 30 June 2010 \$	<u>United China-India Dynamic Growth Fund</u> 30 June 2010 \$	<u>United High Grade Corporate Bond Fund</u> 30 June 2010 \$	<u>United Singapore Recovery Fund</u> 30 June 2010		30 June 2009 \$
Brokerage charges	543	-	-	583		3,057

United Global Recovery Funds

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NOTES TO THE FINANCIAL STATEMENTS

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13. Financial ratios

	<u>United Asia Recovery Fund</u> 30 June 2010 \$	<u>United China-India Dynamic Growth Fund</u> 30 June 2010 \$	<u>United High Grade Corporate Bond Fund</u> 30 June 2010 \$	<u>United Singapore Recovery Fund</u> 30 June 2010 \$	
Expense ratio ¹ (SGD Class)	1.06% ³	2.10% ⁴	1.58% ⁶	1.37%	1.64%
Expense ratio ¹ (JPY Class)	-	1.27% ⁵	-	-	-
Turnover ratio ²	0.00%	22.81%	32.43%	0.12%	21.70%

14. Comparatives

No comparatives figures have been presented for United China-India Dynamic Growth Fund as this is the first set of financial statements since its inception. No comparatives figures have been presented for Statements of Total Return, Related Party Transactions and Financial ratios for United Asia Recovery Fund and United High Grade Corporate Bond Fund as this is the first set of Semi-annual financial statements since their inception.

¹ The expense ratios are computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The sub-funds do not pay any performance fees.

² The turnover ratios are calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

³ The expense ratio has been annualised for the financial period from 31 August 2009 (date of inception) to 30 June 2010.

⁴ The expense ratio has been annualised for the financial period from 22 February 2010 (date of inception) to 30 June 2010 (SGD Class).

⁵ The expense ratio has been annualised for the financial period from 21 December 2009 (date of inception) to 30 June 2010 (JPY Class).

⁶ The expense ratio has been annualised for the financial period from 24 July 2009 (date of inception) to 30 June 2010.

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