

# United Asia Pacific Diversified Strategies Fund offers retail investors access to alternative investments

## Key features

United Asia Pacific Diversified Strategies Fund<sup>1</sup> is the first daily liquidity fund in Singapore that uses alternative investment strategies through a multi-manager approach, with a focus on Asia Pacific.



Low minimum investment sum of S\$1000



No performance fee



Underlying funds are regulated under UCITS<sup>2</sup> framework



Regular reporting for more transparency

### Access to the fund

The fund leverages outstanding underlying managers deploying alternative strategies to target for absolute return and deliver better risk-adjusted returns<sup>3</sup> with lower levels of volatility as compared to equities in the long term.



### Examples of underlying strategies are:



**Equity absolute return**  
Focusing on mis-priced shares of companies with positive outlook and employing more active cash management



**Equity Long-Short strategies**  
Buying shares of companies with positive outlook and short-selling shares of those with negative outlook and which are over-valued



**Macro strategies**  
Identifying macroeconomic trends to capitalise on opportunities such as in currencies, interest rates and credits

## Benefits of alternative investments

Alternative investments, such as funds that invests in hedge funds and private equity, can improve diversification and enhance long-term risk-adjusted returns when added to a portfolio of traditional assets of equities and bonds.

### Enhance risk-adjusted returns

Over the long-term, the risk-adjusted return<sup>3</sup> (Sharpe Ratio) of Asian Alternative Investment Funds<sup>4</sup> outperformed traditional asset classes such as Asian equities and Asian bonds.

#### Long-Term Annualised Performance



Asset Class	Annualised Return <sup>5</sup>	Sharpe Ratio <sup>5</sup>
Asian Alternative Investment Funds <sup>4</sup>	7.89%	0.52
Asia Pacific Equities	5.83%	0.35
Asia Pacific Bonds	2.97%	0.30

#### Cumulative Performance<sup>5</sup>



Asian Alternative Investment Funds 1.26x Outperformance

### Serves as a downside mitigation tool

During stress periods, Asian Alternative Investment Funds have shown to outperform Global Equities and Asia Pacific Equities.

#### Performance during Global Financial Crisis<sup>6</sup> (Jan 2007 - Dec 2009)



Asset Class	Performance
Global Equities	-13.10%
Asia Pacific Equities	-8.55%
AAIF <sup>4</sup>	17.42%

#### Average outperformance during the worst 20 months of Global Equities<sup>7</sup> (Jan 2010 – Mar 2018)<sup>8</sup>



Comparison	Average Outperformance
Asian Alternative Investment Funds vs Global Equities	0.46%
Asian Alternative Investment Funds vs Asia Pacific Equities	0.61%



United Asia Pacific Diversified Strategies Fund is sub-managed by UOBAM's subsidiary, UOB Alternative Investment Management (UOBAIM) which specialises in delivering sustainable risk-adjusted returns to investors through alternative investment products and services focused on Asia.



Since UOB made its first investment in an Asian venture capital fund in 1988, we have made and advised on commitments to more than 80 alternative investment vehicles totaling more than US\$1.0 billion, of which more than 80% were invested in Asian strategies. UOBAIM has also won the WealthBriefing Asia "Alternative Investment Manager" award in 2018 and 2017, and the "Best Fund Manager" award in 2016.



Contact **Professional Investment Advisory Services Pte. Ltd. (PIAS)**, the distributor of United Asia Pacific Diversified Strategies Fund for more information.

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**Notes:**

<sup>1</sup> The fund is suitable for investors who seek long-term appreciation and comfortable with the volatility and risks of a fund-of-funds which invests in a diversified multi-manager portfolio of alternative investment funds with a primary focus in the Asia Pacific region.

<sup>2</sup> The Undertakings for Collective Investments in Transferable Securities ("UCITS") is a regulatory framework of the European Commission and has been widely adopted as the globally recognised industry standard for investor protection.

<sup>3</sup> Risk-adjusted return is measured by Sharpe Ratio, which is the average return earned in excess of the risk-free rate per unit of volatility or total risk.

<sup>4</sup> Asian Alternative Investment Funds (AAIF): 70% Eurekahedge UCITS Asian Hedge Fund Index and 30% Eurekahedge UCITS Hedge Fund Index. This is in line with the intended investment strategy of the Fund to invest at least 70% of the Fund's investments in the Asia Pacific region while the remainder may be focused in any part of the world.

<sup>5</sup> Source: Bloomberg, for the period of 1 January 2006 to 31 January 2018 in USD terms. Asia Pacific Equities: MSCI AC Daily Total Return Net Asia Pacific Index; Asia Pacific Bonds: Bloomberg Barclays Asia Pacific - Aggregate Total Return Index Value Unhedged USD; Asian Alternative Investment Funds: 70% Eurekahedge UCITS Asian Hedge Fund Index and 30% Eurekahedge UCITS Hedge Fund Index.

<sup>6</sup> Source: Bloomberg, for the period 01 January 2007 to 31 December 2009. Global Equities: MSCI AC World Net Total Return Index. Asia Pacific Equities: MSCI AC Daily Total Return Net Asia Pacific Index.

<sup>7</sup> Source: Bloomberg, for the period 01 January 2010 to 31 March 2018. Global Equities: MSCI AC World Net Total Return Index. Asia Pacific Equities: MSCI AC Daily Total Return Net Asia Pacific Index.

<sup>8</sup> Periods when market experienced the 2010-2011 European Debt Crisis, 2013 US QE Taper Tantrum, 2014 oil price shock, 2015-2016 stock market selloff which included impacts from the China market selloff, RMB devaluation and Brexit shock and 2018 Q1 market correction.

**Important notes and disclaimer:**

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