



Opportunities in **Fixed Income**

About UOB Asset Management

Established in 1986, UOB Asset Management (UOBAM) is a leading Asian asset manager with investment expertise in fixed income and equities across regional and global markets. As a wholly-owned subsidiary of UOB Group, we have a strong presence in Asia with a wide regional network and strategic alliances.

Through our expertise and reach, we offer a comprehensive suite of products and solutions to individuals, institutions and corporations.

UOBAM's strengths are established on the following building blocks:

Commitment to investment and performance excellence

Robust and proprietary risk management framework

Dedication to service excellence

Asian perspective and deep local knowledge

Trusted partner for stability, security and strength

Our Awards and Accolades

UOBAM is one of the most awarded asset managers in Asia. Our commitment to investment and performance excellence has been recognised by independent organisations conferring numerous awards* for excellent investments as well as overall company performance.

Our recent company-level awards

Best Fixed Income Fund House – 2017 Morningstar Awards

Best Performance Award in the Asian Bonds category (10 years),
Asia Asset Management 2017 and 2014 Best of the Best Awards

Asia Fund House of the Year (Marquee Award),
AsianInvestor Asset Management Awards 2016

* Please refer to uobam.com.sg for a complete listing.

The Leader in Fixed Income

We are committed to achieving consistent performance through rigorous and independent fundamental research with robust management.

What differentiates us:



One of the largest fixed income teams in Singapore



A Tier One client of Asian bond brokers



Proprietary credit research



Zero bond default record in Asian Fixed Income



Top allocation and pricing for both primary and secondary issues

Our Winning Team

At UOBAM, we are guided by our values to do what is right for our clients that are in their best interests. Our commitment to excellence is reflected in adding value to our clients' investments and making a meaningful difference to shape their financial future.



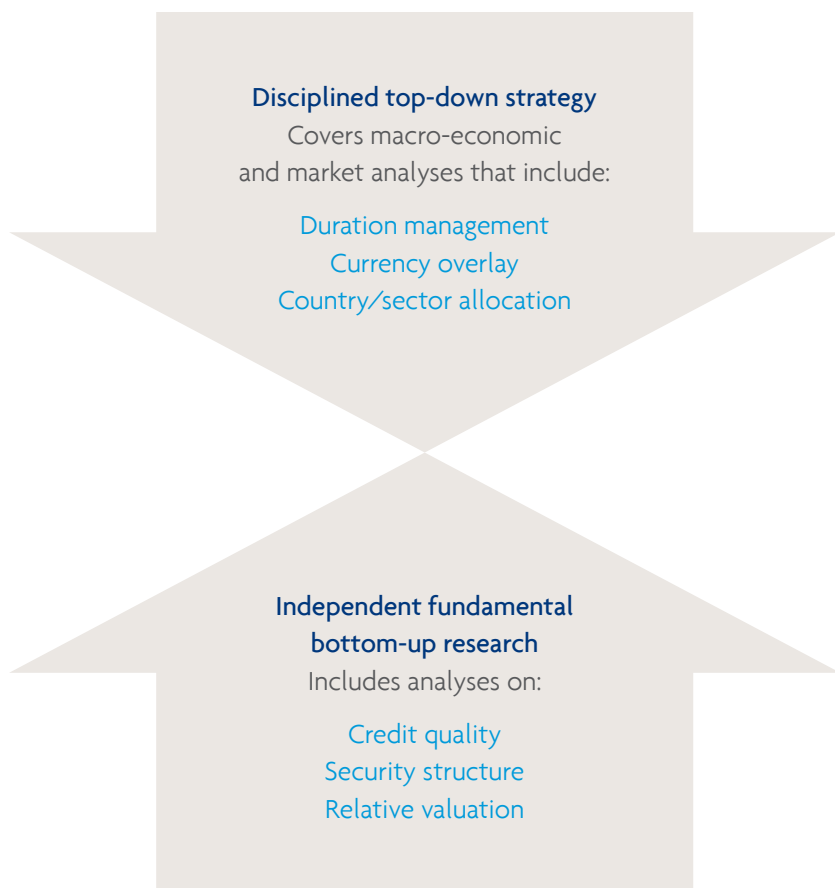
Our Investment Process and Philosophy

Fixed income

We are rigorous and independent in research

To achieve consistent performance is to be rigorous and independent in fundamental research. We aim to generate sustainable total returns by adopting diversified investment strategies and active risk management.

Our approach



The Case for Fixed Income

Investors are facing an uphill task achieving good and high risk-adjusted returns in an environment of low yields offered by traditional asset classes. Amid rising costs of living, longer life spans, and the increasing need to plan for retirement and other investment goals, the search for yield has become more important.

At UOBAM, we recognise the growing demand among income-seeking investors for the best solutions. Fixed income solutions can offer attractive and reliable income streams, which make this asset class an attractive and viable option for investors.

Where Our Capabilities Meet a World of Opportunities in Fixed Income

Our curated collection of seven fixed income funds allows you to gain access to opportunities around the globe to fulfil investors' needs.

United SGD
Fund

United SGD
Plus Fund

United High Grade
Corporate Bond Fund



United Emerging
Markets Bond Fund

United Singapore
Bond Fund

United Asian
Bond Fund

United Asian High Yield
Bond Fund

United SGD Fund

Fund Objective

A short duration strategy with the aim of achieving a yield enhancement over Singapore dollar deposits, while seeking capital preservation by investing mainly in global investment-grade bonds.

Inception Date: June 1998

Acc and Dist Classes Available (Payout of 2% p.a.)

NAV: S\$1.846 (as at 30 June 2017)

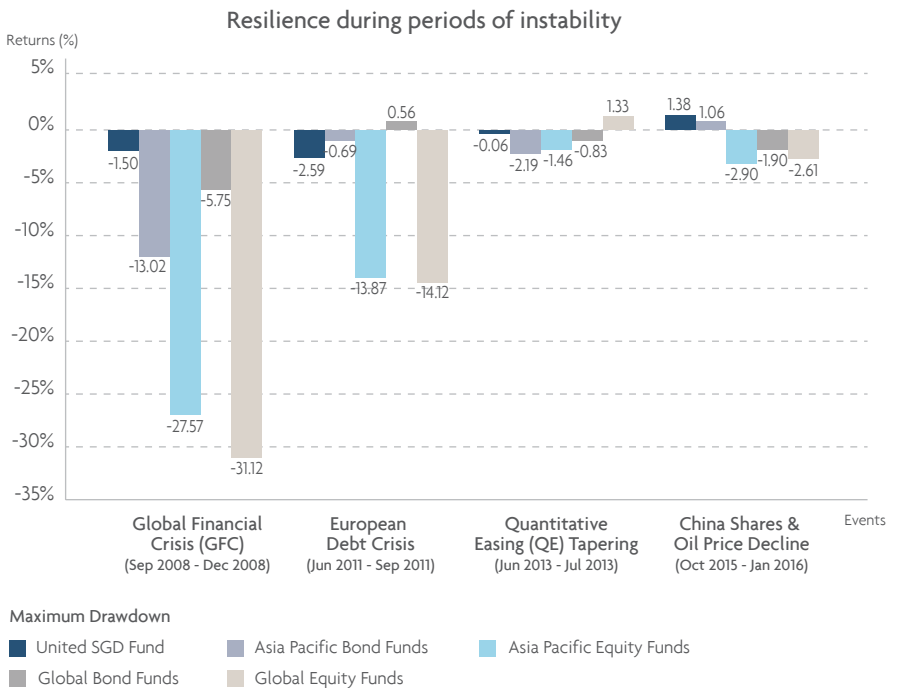
Why Invest?

Short-term, high quality credits

The Fund invests in investment-grade bonds with maturity of three years or less.

Average Yield to Maturity	2.90% p.a.
Average Portfolio Rating	BBB+

Source: UOBAM, end June 2017



Source: Lipper as at end December 2016, SGD returns

The Fund has delivered stable and consistent returns and registered only one year of negative return since inception.

Calendar year return (%)									
1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
2.20%	3.22%	2.75%	1.89%	4.27%	1.34%	1.97%	0.61%	2.76%	3.32%
2008	2009	2010	2011	2012	2013	2014	2015	2016	
-0.64%	11.58%	5.91%	0.95%	7.41%	4.14%	2.65%	3.05%	3.24%	

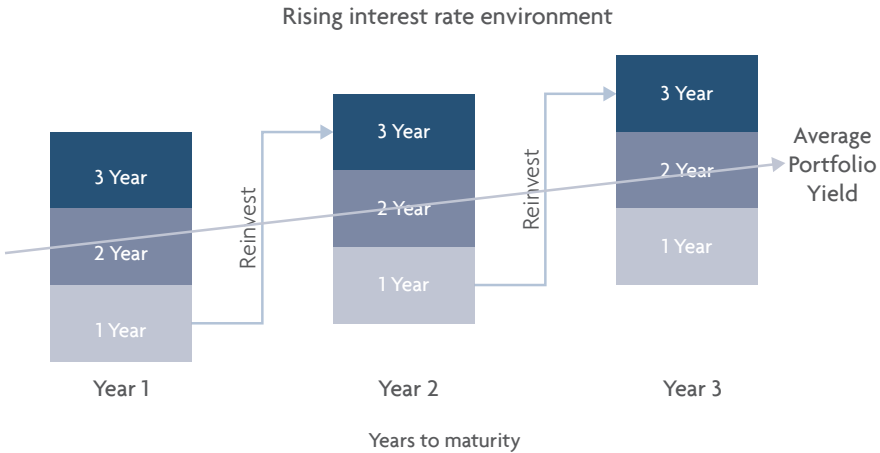
Source: Lipper as at end December 2016, SGD terms, on a NAV basis with dividends and distributions reinvested

Hedge FX exposure to SGD

The underlying bonds are denominated in different currencies. The Fund seeks to mitigate fluctuations to the portfolio caused by foreign currency movements by hedging the currency exposure to SGD.

Laddered strategy approach

Bonds that mature in the current year will be re-invested into higher interest rate bonds. The Fund aims to ride the momentum of rising interest rates to enhance the total return for investors.



Awards

- ★ Top selling recommended Fund, Fundsupermart Choice Awards 2016
- ★ Best Fund over 3 years (2015) and Best Fund over 5 and 10 years (2013 to 2014) in the Bond Singapore Dollar category, The Edge-Lipper Singapore Fund Awards

United SGD Plus Fund

Fund Objective

To maximise long-term returns through capital appreciation and/or income for investors in SGD terms by investing primarily in fixed income and debt securities.

Inception Date: 2 October 2017

Acc and Dist Classes Available

NAV as at Inception: S\$1.00

Why Invest?

Absolute return focus

The Fund has an absolute return focus with an aim to make regular monthly distributions of up to four per cent per annum. It achieves its objective by using a combination of funds and direct securities with the following allocation limits:



United SGD Fund
Immediate access to investment-grade solutions



United Asian High Yield Bond Fund
Immediate access to high-yield allocation



Direct Securities
Providing diversification benefits through:

- Global diversification
- Duration opportunities
- Credit opportunities

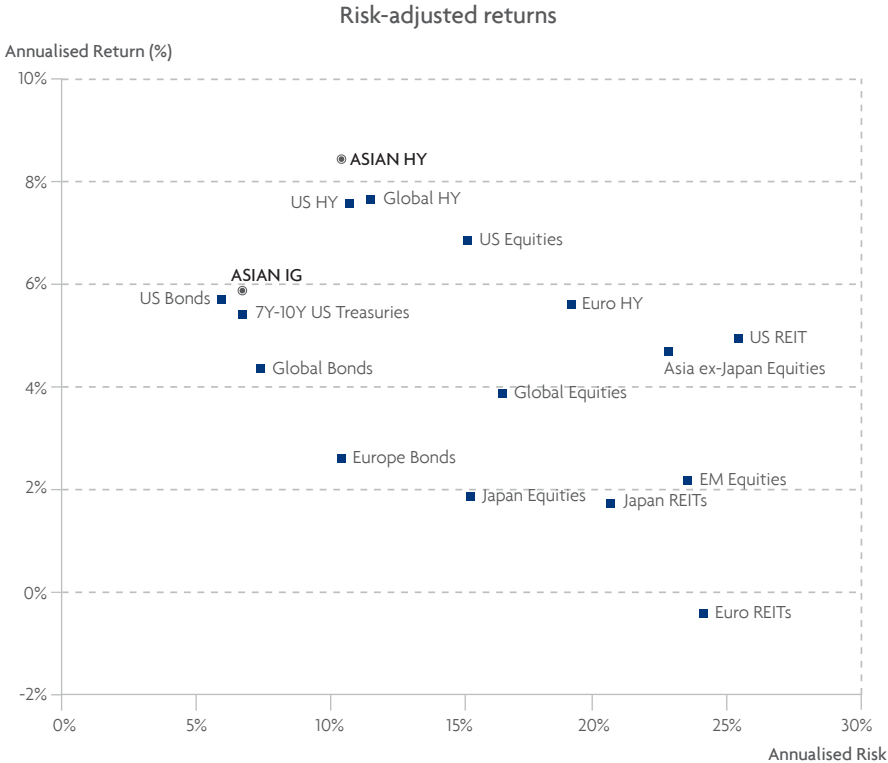


Opportunistic Exposure
Access to fixed income solutions such as:

- Emerging markets bonds
- High-grade corporate bonds

Attractive risk-adjusted returns

The Fund has a tilt towards Asian investment-grade bonds and high yield bonds, which offer better risk-adjusted returns than most asset classes over a 10-year period*. The Fund will thus be able to optimise the balance between risk and returns by maintaining low volatility without compromising on returns.



*Source: Bloomberg, for the period of 1 May 2007 to 30 April 2017 in USD terms. US Bonds: Barclays US Corporate Index; US HY: Barclays US HY Index; Europe Bonds: Barclays Pan-European Aggregate; Europe HY: Barclays Pan-European HY; Global Bonds: Barclays Global Aggregate Corporate Index; Global HY: Barclays Global HY Index; Asia IG: JP Morgan JACI Investment Grade Index; Asia HY: JP Morgan JACI Non-Investment Grade Index; US Treasury: BofA Merrill Lynch 7-10 year US Treasury Index; Global Equities: MSCI World Index; Emerging Markets Equities: MSCI Emerging Markets Index; Asia Ex Japan Equities: MSCI Asia ex Japan Index; US Equities: S&P 500 Index; Japan Equities: TOPIX Index; US REITs: FTSE NAREIT All Equity REITs Index; Japan REITs: Tokyo Stock Exchange REIT Index; Europe REITs: FTSE NAREIT Europe REITs Index

United High Grade Corporate Bond Fund

Fund Objective

The Fund seeks to maximise returns over the long term via a portfolio that consists mainly of investment-grade corporate bonds issued globally.

Inception Date: July 2009

Acc Class Available

NAV: S\$1.484 (as at 30 June 2017)

Why Invest?

Diversification

The Fund’s global exposure to a wide investment universe and different sectors ensures broad diversification and a good balance between risk and returns.

Core-satellite strategy

The Fund’s core holdings of bonds with strong credit quality are complemented with higher yielding bonds, which provide more aggressive returns.

Average Yield to Maturity	3.49% p.a.
Average Portfolio Rating	BBB+

Source: UOBAM, end June 2017

Awards

- ★ Best Fund over 3 Years (Global Bond – Corporates),
The Edge-Lipper Singapore Fund Awards 2013

United Emerging Markets Bond Fund

Fund Objective

The Fund seeks to maximise returns with high yields and capital appreciation over the long term by investing primarily in Emerging Markets (EM) debt instruments.

Inception Date: August 2001

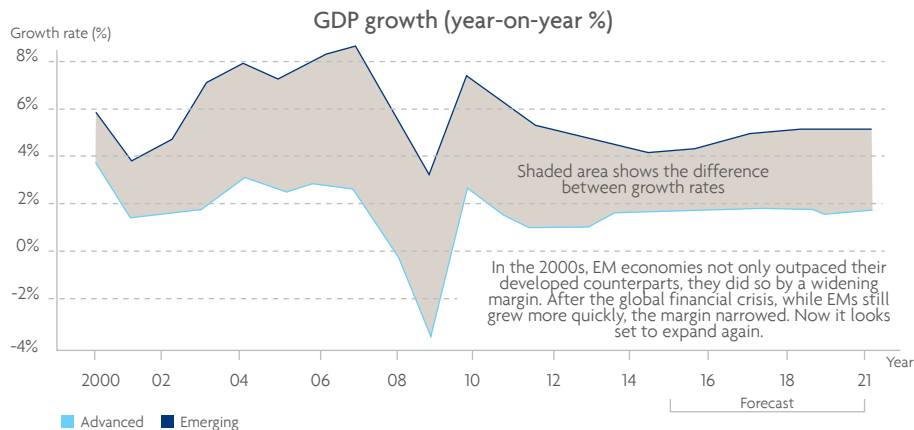
Acc and Dist Classes Available (Payout of 5% p.a.)

NAV: S\$1.366 (as at 30 June 2017)

Why Invest?

EM economies are less vulnerable than before

EM countries have witnessed improvements from longer-term stabilised fundamentals and effective government reforms. They are thus less susceptible to external shocks compared to in the past. The market has become more institutionalised.



Attractive yields

The Fund buys predominantly EM sovereign debt, and captures best opportunities for yield in the EM debt space.

Average Yield to Maturity	5.83% p.a.
Average Portfolio Rating	BB

Source: UOBAM, end June 2017

Awards

- ★ Most Consistent Recommended Fund Award (Fixed Income), Fundsupermarket Choice Awards 2016
- ★ Multiple awards including Best Fund over 10 years (Fixed Income Funds), TFF-Bloomberg Best Fund Award (2014 to 2016)
- ★ Best Fund over 10 years (Bond Emerging Markets Global category), The Edge-Lipper Singapore Fund Awards 2012

United Singapore Bond Fund

Fund Objective

The portfolio aims to maximise returns over the longer term by investing mainly in bonds denominated in Singapore dollars (issued by entities incorporated or domiciled globally) and bonds denominated in foreign currencies (issued by entities incorporated or domiciled in Singapore).

Inception Date: November 2004

Acc Class Available

NAV: S\$1.456 (as at 30 June 2017)

Why Invest?

Defensive positioning

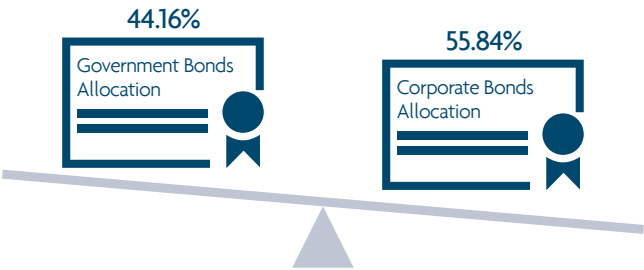
Quality credits with leading market share, of systemic importance, in defensive sectors which are professionally managed.

Average Yield to Maturity	3.06% p.a.
Average Portfolio Rating	A

Source: UOBAM, end June 2017

Invest in the stability of Singapore’s capital markets

Exposure to Singapore Government Securities and credit issues in SGD captures stability for the Fund while investment into corporate bonds provides yield enhancement.



Source: UOBAM, end June 2017

Awards

- ★ Best Fund over 5 years (2012) in the Bond Singapore Dollar category, The Edge-Lipper Singapore Fund Awards

United Asian Bond Fund

Fund Objective

The Fund seeks to provide stable current income and capital appreciation by investing primarily in debt securities issued by Asian corporations, financial institutions, governments and their agencies (including money market instruments).

Inception Date: April 2000

Acc and Dist Classes Available (Payout of 5% p.a.)

NAV: S\$1.871 (as at 30 June 2017)

Why Invest?

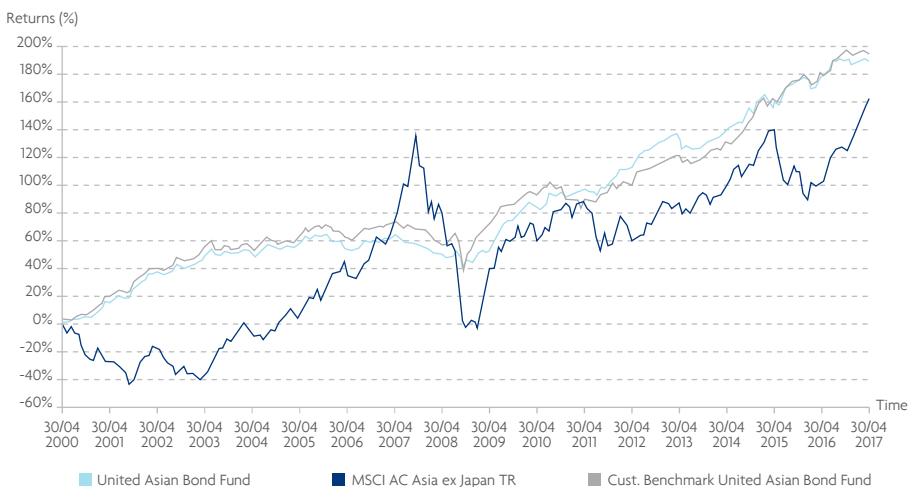
Vigilance in credit selection and market analysis

The Fund invests in high conviction names that will drive performance, yet avoids credit pitfalls through careful credit selection and differentiation. The Fund favours countries with positive macro-backdrops.

Average Yield to Maturity	4.09% p.a.
Average Portfolio Rating	BBB+

Source: UOBAM, end June 2017

Stable and consistent returns



Source: Lipper as at end June 2017, SGD terms, on a NAV basis with dividends and distributions reinvested

Awards

- ★ Best Performance for Asian Bonds (10 years) – Asia Asset Management 2017 and 2014 Best of the Best Awards
- ★ Best-in-class for the Top Fund Award, Asia Bond, Benchmark Fund of the Year Awards 2016
- ★ Best Fund over 3, 5 & 10 years (2013 to 2014) in the Bond Asia Pacific category, The Edge-Lipper Fund Awards

United Asian High Yield Bond Fund

Fund Objective

The Fund seeks to provide stable current income and capital appreciation by investing primarily in high yield debt securities issued by Asian corporations, financial institutions, governments and their agencies (including money market instruments).

Inception Date: April 2013

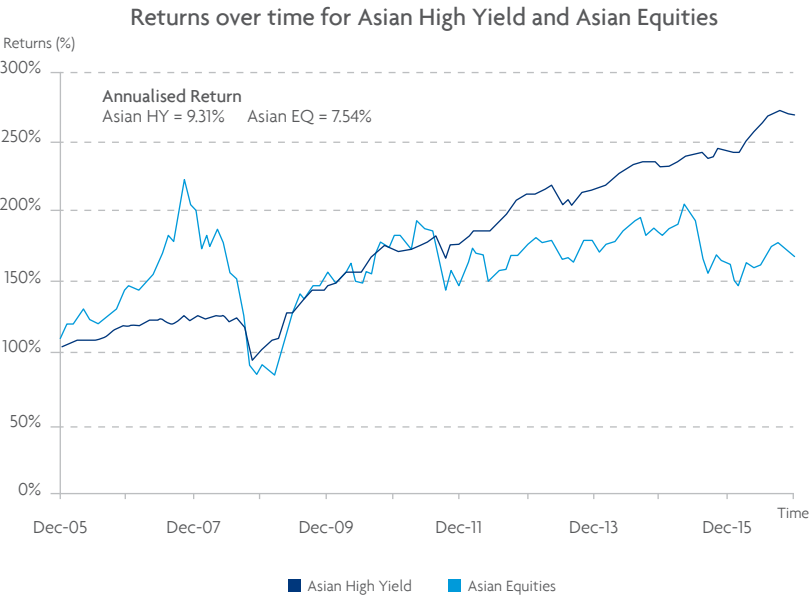
Acc and Dist Classes Available (Payout of 7% p.a.)

NAV: S\$1.196 (as at 30 June 2017)

Why Invest?

Equity-like returns with bond-like risks

The portfolio is designed to deliver returns that are comparable to that of equities, but with lower risks and volatility.



Benchmarks

Asian High Yield: JP Morgan Asia Non-Investment Grade Total Return Index

Asian Equities: MSCI Asia Ex-Japan Equities Index, index rebased to 100

Source: Bloomberg, 31 December 2016 in USD terms on a Net Asset Value (NAV) basis, with dividends and distributions reinvested

High income bonds

The Fund has a bias towards higher rated high yield credits.

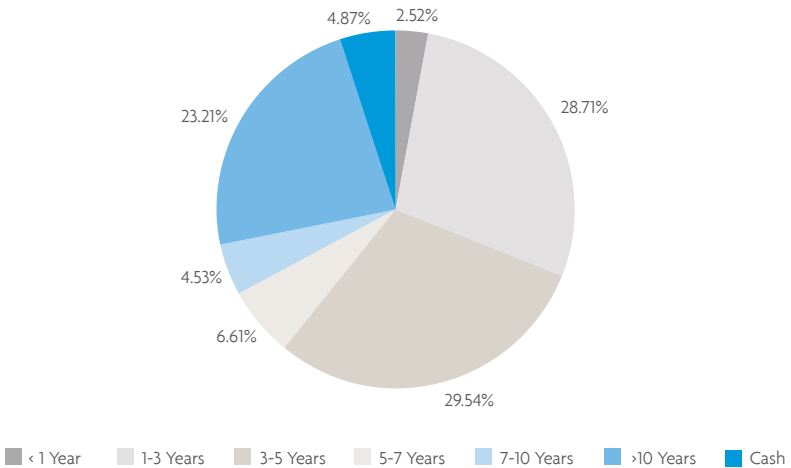
Average Yield to Maturity	5.76% p.a.
Average Portfolio Rating	BB-

Source: UOBAM, end June 2017

Low duration

The Fund maintains an average duration of close to three years*, offering downside protection in today's rising interest rate environment.

Duration breakdown



Figures in the chart are rounded to the nearest two decimal places

Source: UOBAM as at 30 June 2017

Awards

- ★ Best Performance for Asian Bonds (10 years) – Asia Asset Management 2017 and 2014 Best of the Best Awards
- ★ Platinum Award for United Asian High Yield Bond Fund (High Yield category), Fund Selector Asia 2017

uobam.com.sg

Fund Details

	Global					Regional	
	United SGD Fund	United SGD Plus Fund	United High Grade Corporate Bond Fund	United Emerging Markets Bond Fund	United Singapore Bond Fund	United Asian Bond Fund	United Asian High Yield Bond Fund
Inception Date	June 1998	October 2017	July 2009	August 2001	November 2004	April 2000	April 2013
Fund Size	S\$1.25 bil	Newly launched fund	S\$24.52 mil	S\$339.14 mil	S\$213.80 mil	S\$201.07 mil	S\$95.68 mil
Unit Class	SGD Acc/Dist USD (H) Acc/Dist	SGD Acc/Dist USD Acc/Dist	SGD	SGD USD Pricing	SGD	SGD USD	SGD Acc/Dist USD Acc/Dist
3Y Annualised Return	2.82%	Newly launched fund	4.88%	5.11%	4.09%	6.12%	11.34%
3Y Annualised Standard Deviation	0.23		1.21	1.45	0.88	1.44	1.39
Morningstar Rating	4 stars		4 stars	4 stars	4 stars	4 stars	5 stars
Lipper Leader Preservation Rating	5		5	4	5	5	5

Source: UOBAM, as at end June 2017

All annualised returns and annualised standard deviations are calculated on an NAV basis with dividends and distributions reinvested

All information for United Asian High Yield Bond Fund corresponds to the SGD Dist class. For all others, the information corresponds to SGD Acc class

Please refer to uobam.com.sg for more information relating to the respective funds

Fund Distribution (%)

¹ Monthly/Quarterly Distribution (%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Div/Yield (%)
United SGD Fund	-	-	0.50	-	-	0.50	-	-	0.50	-	-	0.50	2.00
United Emerging Markets Bond Fund ²	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	5.00
United Asian Bond Fund ²	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	5.00
United Asian High Yield Bond Fund ²	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	7.00

¹Distribution figures in this table illustrate the Fund's distribution policy as stated in the prospectus. Distributions will be made in respect of the Distribution Classes only. Distributions are based on the NAV per unit of the relevant Distribution Class as at the last business day of every month (with the exception of United SGD Fund which is as at the last business day of every quarter). Investors should note that the intention of the Managers to make the distribution is not guaranteed. The Managers reserve the right to vary the frequency and/or amount of distributions. If a dividend distribution is made, it should not be taken to imply that further distributions will be made. Distribution may be made out of the income, capital gains or capital of the relevant Distribution Class. Investors should also note that the paying of distributions may have the effect of lowering the NAV of the Fund. Please refer to the prospectus for more information on distributions by the Fund(s).

²Investors should note that the summation of the monthly distribution rate does not necessarily add up to the annual distribution rate due to the effect of rounding. Please refer to the prospectus of the Fund (s) for more details.

DISCLAIMERS

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This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

Notes:



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