

January 2024

United Asia Fund



Why Invest?

- **Integration of analyst research and artificial intelligence machine learning (AIML) techniques:** This is one of the first funds to apply UOB Asset Management's (UOBAM) AI-Augmentation@UOBAM framework. This framework harnesses technology to add value to the analysts' decision-making and uncovers hidden investment opportunities by optimising stock selection and allocation.
- **Flexibility to adjust according to market conditions:** UOBAM's proprietary AI-Augmentation capabilities allow the Fund to dynamically allocate across investment factors (such as Style, Yield, Momentum, Quality, Volatility, Liquidity and Size) based on market conditions, to mitigate risks while maximising returns.
- **Award winning:** The Fund has received the Outstanding Achiever for Asia Pacific ex-Japan Equity at Benchmark Fund of the Year 2023 awards.¹ This prestigious accolade recognises the Fund in providing consistently strong risk-adjusted performance relative to its peers based on Lipper's proprietary performance-based methodology.



- **Highly rated:** The Fund currently holds a Morningstar five-star rating as of 31 January 2024.

January 2024 Portfolio Performance

The United Asia Fund- SGD	+2.29 per cent ²
Benchmark: MSCI All Country (AC) Asia ex Japan	-4.22 per cent

Source: Morningstar, Performance from 31 December 2023 to 31 January 2024 in SGD terms

² Fund performance is on a Net Asset Value ("NAV") basis, with dividends and distributions reinvested (if any).

Performance Review

The Fund outperformed its benchmark in January 2024, thanks to a combination of positive allocation, selection, and Foreign Exchange (FX) effects. Stock selection within the India and China markets was the main reason for the outperformance. On allocation, our heavy overweight in India and Taiwan contributed to a good return. In terms of sector, Consumer Discretionary, Financials and Industrials were the top contributors to excess return while Information Technology was the biggest laggard.

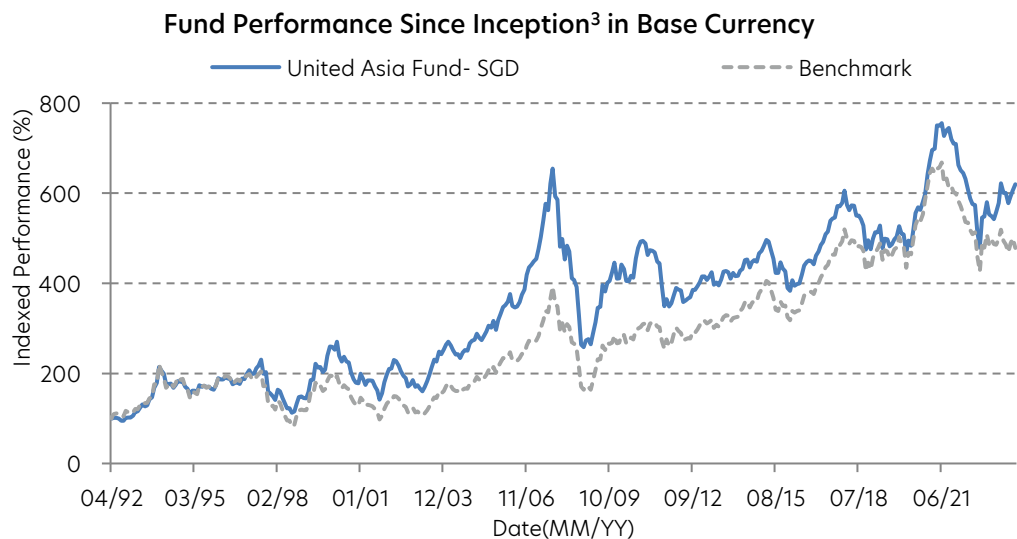
Portfolio Positioning

We are constructive on Asia and expect moderate returns for the region heading into 2024. Asia's growth is likely to turn firmer in the second half of 2024, contingent on a modest recovery in China's growth on the back of incremental policy easing. Notwithstanding the modest improvement in economic indicators, we remain cautious in the near term. A more pronounced slowdown in global growth is likely to constrain recovery in Asia's exports. This underpins our slightly more defensive positioning in the near term.

We retain our relative preference for India and Taiwan in Asia. Key risks to our cautious outlook include a US hard landing, a stronger-than-expected rebound in China's economy and geopolitical risks (US/China tensions, Israel-Hamas war).

¹ Refer to uobam.com.sg/awards for list of awards by UOBAM.

Performance (Class SGD)



Past performance is not necessarily indicative of future performance.

Fund performance is calculated on a NAV to NAV basis.

Benchmark: April 1992 - December 2011: MSCI AC FE ex-Japan; January 2012 to present: MSCI AC Asia ex-Japan.

Source: Morningstar. Performance as at 31 January 2024, SGD basis, with dividends and distributions reinvested, if any.

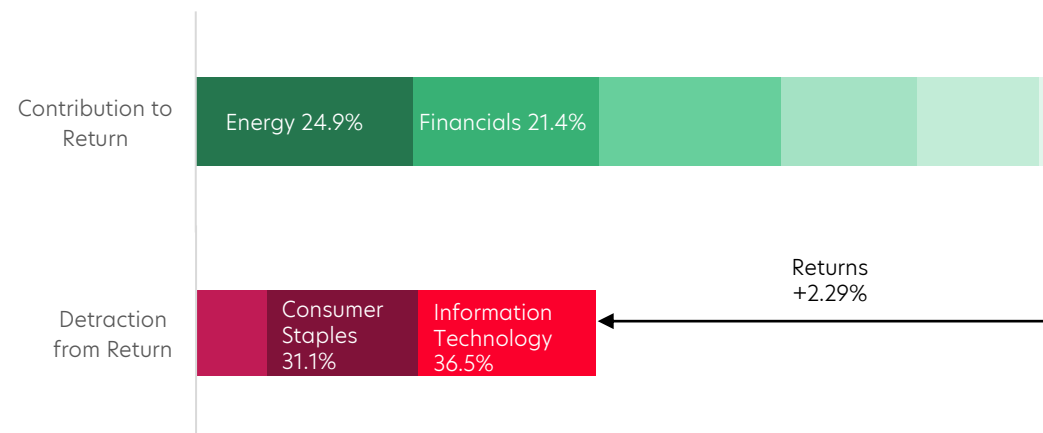
³ The United Asia Fund Class SGD (ISIN Code: SG9999001051) was inception on 20 April 1992.

All statistics quoted in the write-up are sourced from Bloomberg as at 31 January 2024 unless otherwise stated.

	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	2.29	6.86	-2.67	4.42	5.91
Fund (Charges applied [^])	-2.82	1.51	-4.33	3.35	5.74
Benchmark	-4.22	-5.85	-9.47	0.97	5.05

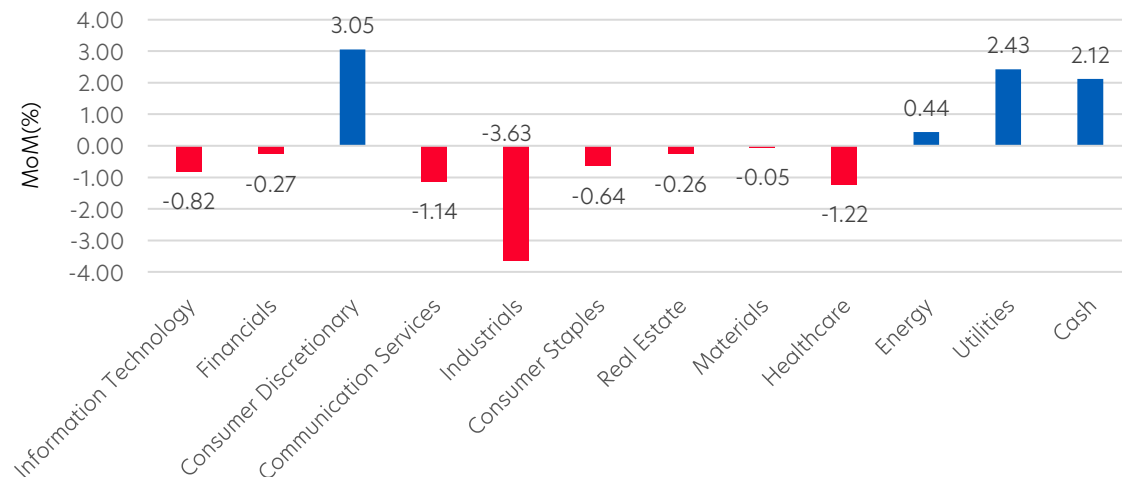
Source: Morningstar. Performance as at 31 January 2024, SGD basis, with dividends and distributions reinvested, if any. Performance figures for 1 month till 1 year show the per cent change, while performance figures above 1 year show the average annual compounded returns. Since inception performance under 1 year is not annualized. Benchmark: April 1992 - December 2011: MSCI AC FE ex-Japan; January 2012 to present: MSCI AC Asia ex-Japan. Past performance is not necessarily indicative of future performance. [^]Includes the effect of the current subscription fee that is charged, which an investor might or might not pay.

Performance Contributors/Detractors: January 2024

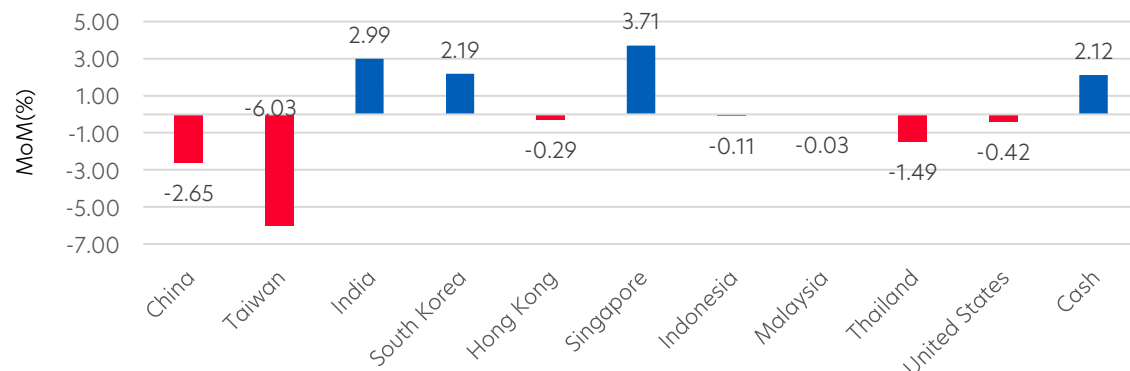


Portfolio Changes

Sector allocation changes: December 2023 vs January 2024



Country allocation changes: December 2023 vs January 2024



Source: UOBAM

Portfolio Review

Analyst & AI Insights

We tactically trimmed our overweight on India and South Korea after a strong outperformance. We also increased our underweight on China in anticipation of a more volatile and low trading liquidity month ahead of the Lunar New Year holiday season. We redeployed weights to Taiwan and Singapore and narrowed our underweight to Hong Kong.

As shown on the left charts, the biggest decrease in the sector allocation changes for January 2024 was in Industrials (-3.63 per cent), whereas the largest increment was in Consumer Discretionary (+3.05 per cent). In terms of country allocation changes, the Fund has the highest decline in Taiwan (-6.03 per cent) and the highest increase in Singapore (+3.71 per cent) for January 2024.

Market Review

Asian equity markets kicked off 2024 on a weak note (MSCI All Country Asia ex-Japan Index: -4.22 per cent) in January 2024. Markets pushed back the first rate cut forecast from March 2024 to May 2024 following the Federal Open Market Committee (FOMC) meeting held in January 2024. Investor sentiment was further weighed down by growing concern over China's macro weakness and the unwinding of Snowball structured products onshore, as well as the escalation in geopolitics between US/China.

India's equity market continued to enjoy strong local demand which offset heavy foreign selling. Taiwan held up relatively well thanks to strength in the Technology sector. On the contrary, South Korea underperformed due to weakness in the Industrials and Materials sector as well as a weak Korean won. The 10-year US Treasury (UST) yield rose as much as 30 basis points (bps) to touch 4.17 per cent before retracing lower to 3.87 per cent. The USD dollar crept up 1.9 per cent month-on-month (m/m).

Investment Objective

To achieve long term capital growth mainly through investing in the securities of corporations in, or corporations listed or traded on stock exchanges in, or corporations which derive a significant proportion of their revenue or profits from or have a significant proportion of their assets in, Asia (excluding Japan).

Fund Information

Morningstar Rating
★★★★★

Base Currency
SGD

Fund Size
SGD 42.86 mil

Fund Manager
Colin Ng



Important Notice and Disclaimers

MSCI Data are exclusive property of MSCI. MSCI Data are provided "as is", MSCI bears no liability for or in connection with MSCI Data. Please see complete MSCI disclaimer [here](#).

All information in this publication is based upon certain assumptions and analysis of information available as at the date of the publication and reflects prevailing conditions and UOB Asset Management Ltd ("UOBAM")'s views as of such date, all of which are subject to change at any time without notice. Although care has been taken to ensure the accuracy of information contained in this publication, UOBAM makes no representation or warranty of any kind, express, implied or statutory, and shall not be responsible or liable for the accuracy or completeness of the information.

Potential investors should read the prospectus of the fund(s) (the "Fund(s)") which is available and may be obtained from UOBAM or any of its appointed distributors, before deciding whether to subscribe for or purchase units in the Fund(s). Returns on the units are not guaranteed. The value of the units and the income from them, if any, may fall as well as rise, and is likely to have high volatility due to the investment policies and/or portfolio management techniques employed by the Fund. Please note that the graphs, charts, formulae or other devices set out or referred to in this document cannot, in and of itself, be used to determine and will not assist any person in deciding which investment product to buy or sell, or when to buy or sell an investment product. An investment in the Fund(s) is subject to investment risks and foreign exchange risks, including the possible loss of the principal amount invested. Investors should consider carefully the risks of investing in the Fund(s) and may wish to seek advice from a financial adviser before making a commitment to invest in the Fund(s). Should you choose not to seek advice from a financial adviser, you should consider carefully whether the Fund(s) is suitable for you. Investors should note that the past performance of any investment product, manager, company, entity or UOBAM mentioned in this publication, and any prediction, projection or forecast on the economy, stock market, bond market or the economic trends of the markets is not necessarily indicative of the future or likely performance of any investment product, manager, company, entity or UOBAM or the economy, stock market, bond market or economic trends of the markets. Nothing in this publication shall constitute a continuing representation or give rise to any implication that there has not been or that there will not be any change affecting the Funds. All subscription for the units in the Fund(s) must be made on the application forms accompanying the prospectus of that fund.

The above information is strictly for general information only and is not an offer, solicitation advice or recommendation to buy or sell any investment product or invest in any company. This publication should not be construed as accounting, legal, regulatory, tax, financial or other advice. Investments in unit trusts are not obligations of, deposits in, or guaranteed or insured by United Overseas Bank Limited, UOBAM, or any of their subsidiary, associate or affiliate or their distributors. The Fund(s) may use or invest in financial derivative instruments and you should be aware of the risks associated with investments in financial derivative instruments which are described in the Fund(s)' prospectus.

In the event of any discrepancy between the English and Mandarin versions of this publication, the English version shall prevail.

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

UOB Asset Management Ltd Co. Reg. No. 198600120Z