

April 2025

United Asia Pacific Real Estate Income Fund



Why Invest?

- **Emerging opportunities in the Asia Pacific (APAC) real estate:** Opportunity to leverage the structural and secular growth in key APAC real estate markets including Japan and Australia.
- **Stable income and returns:** A good investment tool for investors seeking regular income. REITs are required to distribute at least 90 per cent of its taxable income as dividends to its shareholders annually.
- **Attractive dividend payout:** For Class SGD Dist, the current distribution policy is 4.5 per cent p.a., paid out monthly, which may be suitable for investors who are seeking regular income¹.
- **Lower rates improve REITs profitability:** A REIT's structure is typically more geared compared to other types of business models. All things equal, cheaper financing costs should boost REITs' bottom line and distribution growth.
- **Balance of defensive and growth REITs:** The United Asia Pacific Real Estate Income Fund – SGD Acc (the “Fund”) invests in a diversified portfolio of REITs with resilient assets through the property cycle. They help generate a steady rental stream during the cyclical downturn and asset capital values during an upcycle.

Portfolio Positioning

We retain a positive bias towards Singapore and Australia's real estate and REITs markets. We think Singapore offers relative defensiveness on the back of more favourable property supply and demand dynamics. Australia remains one of our preferred markets, given the above-trend earnings growth profile. We turn constructive on Japan as risk/reward on a relative basis has improved amid a global trade slowdown. We are selective on Hong Kong with a focus on value stocks.

April 2025 Portfolio Performance

The United Asia Pacific Real Estate Income Fund – SGD Acc	+1.03 per cent ²
Benchmark: FTSE EPRA Nareit Asia Pacific Index	+3.09 per cent

Source: Morningstar, Performance from 31 March 2025 to 30 April 2025 in SGD terms

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

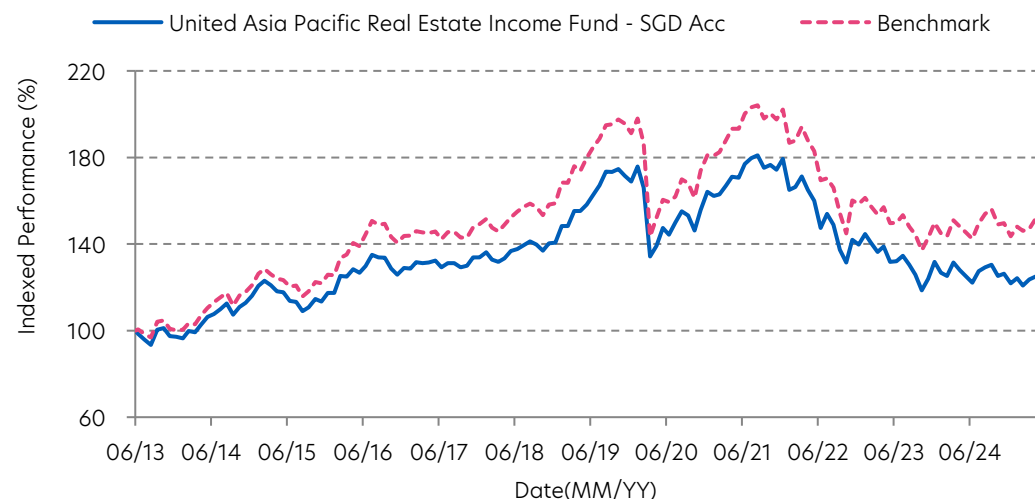
Performance Review

The return performance in April 2025 was largely attributed to positive stock selection in Australian REITs and Hong Kong real estate developers. This was partially offset by Japan, Singapore and cash drag.

¹ Distributions (in SGD) are not guaranteed. Distributions may be made out of income, capital gains and/or capital. This relates to the disclosed distribution policy as set out in the Fund's prospectus.

Performance (Class SGD Acc)

Since Inception³ Performance in Base Currency



Past performance is not necessarily indicative of future performance.

Fund performance is calculated on a NAV to NAV basis.

Benchmark: Since inception - 30 June 2022: S&P Asia Pacific REITs Index. 1 July 2022- Present: FTSE EPRA Nareit Asia Pacific Index

Source: Morningstar. Performance as at 30 April 2025, SGD basis, with dividends and distributions reinvested, if any.

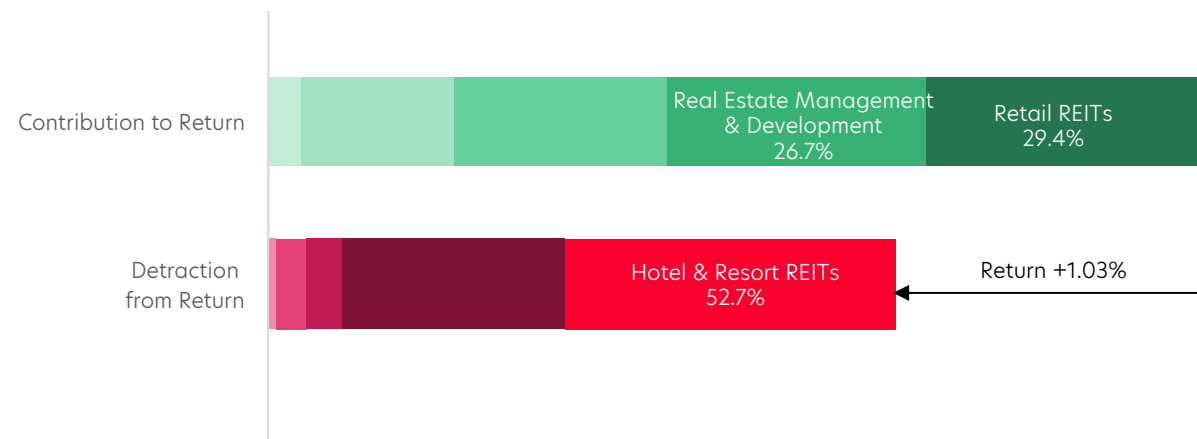
³ The United Asia Pacific Real Estate Income Fund - SGD Acc (ISIN Code: SG9999009997) and SGD Dist (ISIN Code: SG9999010052) were inception on 17 June 2013.

All statistics quoted in the write-up are sourced from Bloomberg as at 30 April 2025 unless otherwise stated.

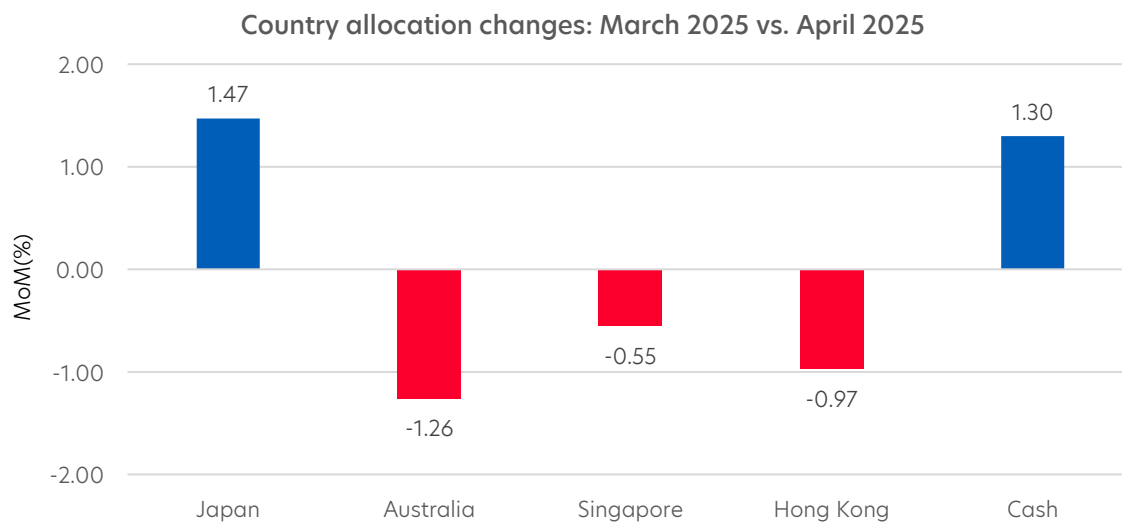
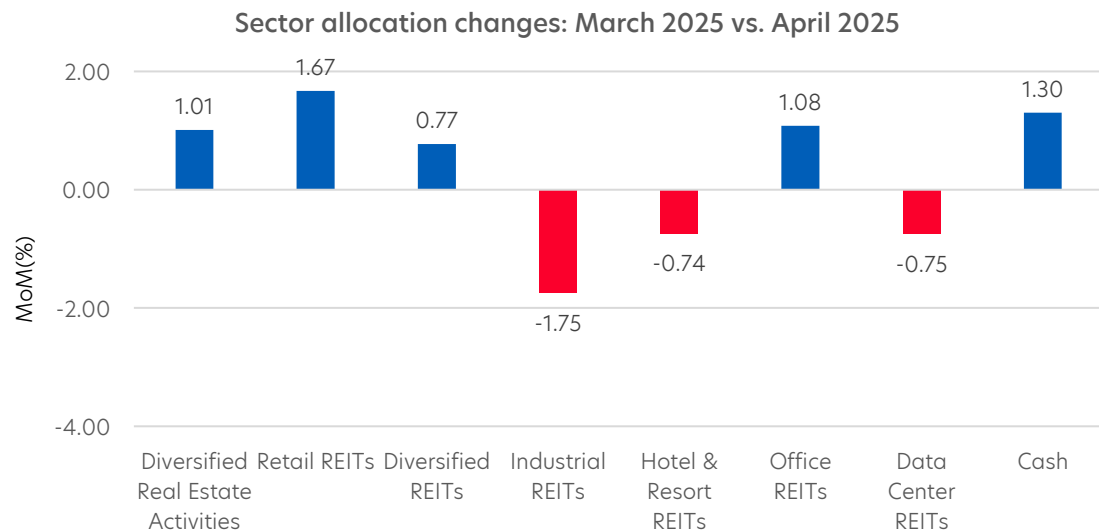
	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	1.03	-2.32	-8.87	-2.14	1.89
Fund (Charges applied [^])	-4.02	-7.21	-10.42	-3.14	1.45
Benchmark	3.09	2.36	-6.93	-0.09	3.56

Source: Morningstar. Performance as at 30 April 2025, 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. Benchmark: Since inception - 30 June 2022: S&P Asia Pacific REITs Index. 1 July 2022- Present: FTSE EPRA Nareit Asia Pacific Index. 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: April 2025



Portfolio Changes



Portfolio Review

Analyst Insights

Asian REITs and the real estate sector posted +5.4 per cent gains year-to-date (YTD) and outperformed the broader Asia Pacific equity markets. However, divergence in performance was notable across key underlying markets.

Whilst the REITs asset class is not immune to macro slowdown concerns following Trump's tariffs announcement, we expect the REITs asset class to be relatively resilient compared to other sectors, given the reliability of its earnings stream and dividend-paying characteristics. Overall outlook for REITs is still conducive, though certain REITs sub-sectors may withstand a recessionary/ stagflationary environment better. We remain selective with a focus on earnings resilience amid a slowing global growth backdrop.

As shown on the left charts, the biggest decrease in the sector allocation changes for April 2025 was in Industrial REITs (-1.75 per cent). On the contrary, the largest increment was in Retail REITs (+1.67 per cent). In terms of country allocation changes, the Fund had the most decline in Australia (-1.26 per cent) and the highest increase in Japan (+1.47 per cent) for April 2025.

Market Review

Global equities recovered the bulk of their post-Liberation day (2 April 2025) losses to end April 2025 with a slight dip of -1.9 per cent (MSCI All Country World Index SGD terms). Asian markets performed broadly in line with global equities at -2.1 per cent (MSCI Asia ex-Japan Index, SGD terms).

Stocks sold off sharply at the beginning of April 2025 on initial US tariff news before recovering after the Trump administration granted a 90-day reprieve and tensions gradually eased. China/HK equities bore the brunt and underperformed, whilst South Korea and India equities bucked the trend. The Association of Southeast Asian Nations (ASEAN) was relatively defensive and closed flat at +0.4 per cent (MSCI ASEAN Index, SGD terms). Thailand was a top-performing market led by Delta Electronics Thailand PCL.

APAC REITs posted positive gains across most markets. Australia REITs rebounded +5.9 per cent month-on-month (m/m) as the 10-year yields dropped a meaningful 26 basis points (bps) following the tariff turmoil. Japan REITs extended their gains, partly boosted by strengthening Japanese yen (JPY) owing to the currency's proxy as a safe-haven asset during volatile times. In contrast, Singapore REITs slipped by -1.35 per cent m/m but relative outperformed both the Straits Times Index (-2.2 per cent) and MSCI Singapore Index (-1.8 per cent). This followed Singapore REITs' strong 4.9 per cent rally in March 2025, cautious forward guidance by corporates and drag from China/trade-exposed Singapore REITs.

Investment Objective

The investment objective of United Asia Pacific Real Estate Income Fund is to seek total return consisting of income and capital appreciation over the medium to long term by investing primarily in Real Estate Investment Trusts (REITs) listed in the Asia Pacific region (including Japan, Australia and New Zealand).

Fund Information

Morningstar Rating
★★★

Base Currency
SGD

Fund Size
SGD 16.99 mil

Fund Manager
Low Soo Fang



Important Notice and Disclaimers

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