April 2024

United Asian High Yield Bond Fund

Why Invest?

• **Flexible duration:** The United Asian High Yield Bond Fund – SGD Acc (the "Fund") maintains a nimble effective duration positioning of 2.26 years as of April 2024. This allows the Fund to be more resilient to interest rate changes and policy repercussions.

• **Attractive dividend payout:** For Class SGD Dist, the current distribution policy is 7.0 per cent per annum, paid out monthly, which may be suitable for investors who are seeking regular income[1].

• **Flexible tactical strategy:** The Fund's strategy is to underweight Chinese property, but we are monitoring China's physical property market and may re-enter the sector if we see a sustained recovery.

• **Diversification opportunities:** The investment universe for this Fund is very broad and includes China, India, Indonesia, and the Philippines, as well as some frontier market sovereigns.

• **Highly rated:** The Fund currently holds a Morningstar four-star rating as of 30 April 2024.

April 2024 Portfolio Performance

The United Asian High Yield Bond Fund – SGD Acc	+0.80 per cent[2]
Benchmark: J.P. Morgan Asia Credit Index (JACI) Non-Investment Grade Total Return Index	+0.42 per cent

Source: Morningstar, Performance from 31 March 2024 to 30 April 2024 in SGD terms

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

Performance Review

In April 2024, The outperformance against the benchmark was mainly due to overweight in Hong Kong Real Estate and Maldives.

Portfolio Positioning

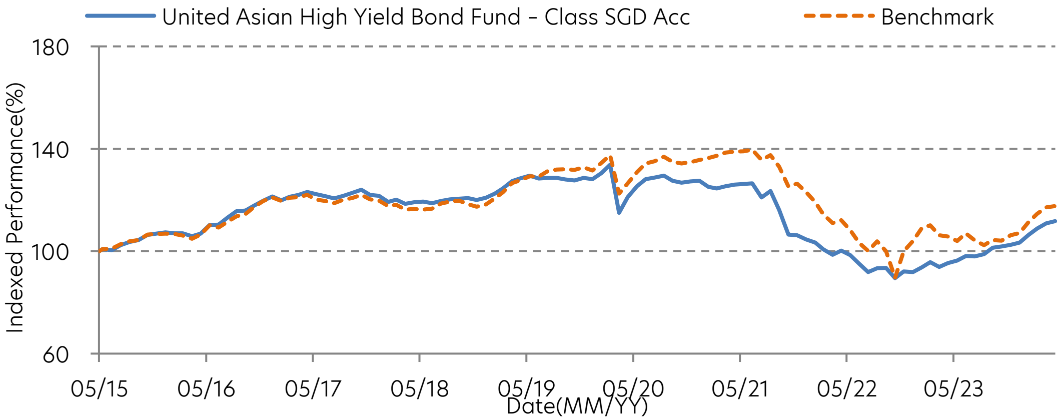
We remain defensive in China's high-yield Real Estate sector as the physical market has not displayed sustained recovery. We also remain cautious about Sri Lanka given the uncertainties of the restructuring plan. Amidst the high-interest rates environment, we continue to stay up in credit quality, maintaining our preference for issuers with solid fundamental or good access to diversified funding sources.

The Fund will continue to: 1) Be prudent when deploying cash, overweighting shorter-dated high-yielding papers with more certainty of refinancing/repayment; 2) Focus on companies/industries that have good access to the capital market and better fundamentals; 3) Have a 60/40 approach, where 60 per cent of the portfolio is buy and hold and 40 per cent is for tactical allocation; and 4) Strategic positioning for the years ahead while maintaining stable risk-adjusted returns.

[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)

Fund Performance Since Inception[3] in Base Currency



Past performance is not necessarily indicative of future performance.

Fund performance is calculated on a NAV to NAV basis.

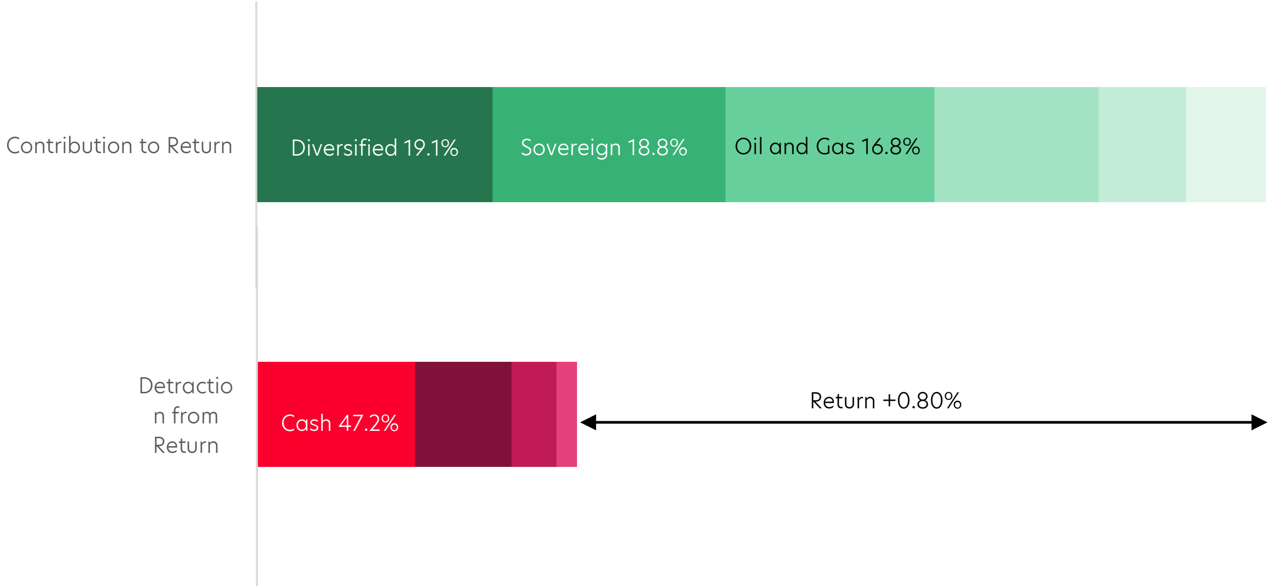
Benchmark: J.P. Morgan Asia Credit Index (JACI) Non-Investment Grade Total Return Index.

Source: Morningstar. Performance as at 30 April 2024, SGD basis, with dividends and distributions reinvested, if any.

	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	0.80	17.22	-3.92	-2.75	1.25
Fund (Charges applied^)	-2.22	13.70	-4.89	-3.34	0.91
Benchmark	0.42	11.17	-5.41	-1.66	1.82

Source: Morningstar. Performance as at 30 April 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. Benchmark: J.P. Morgan Asia Credit Index (JACI) Non-Investment Grade Total Return 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.

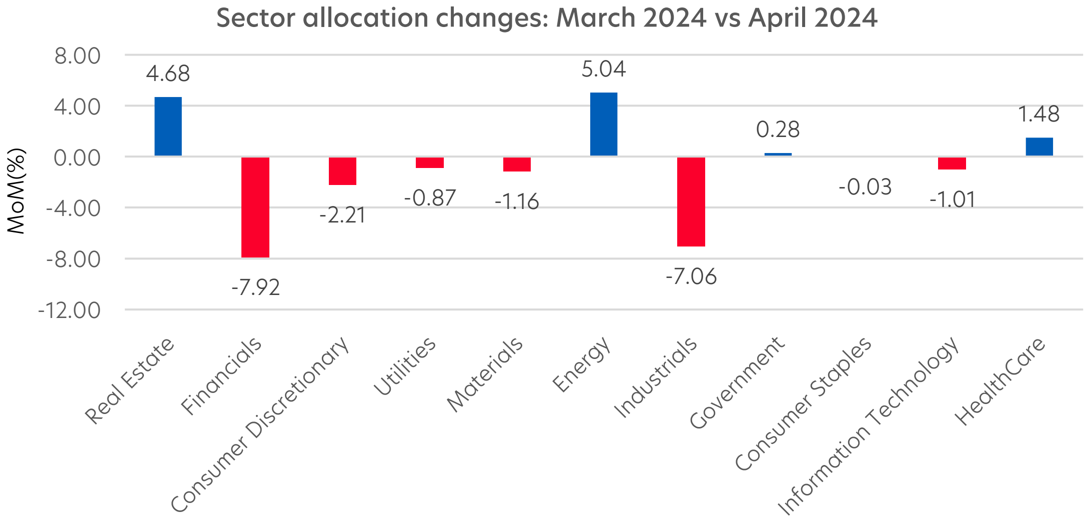
Performance Contributors/Detractors: April 2024

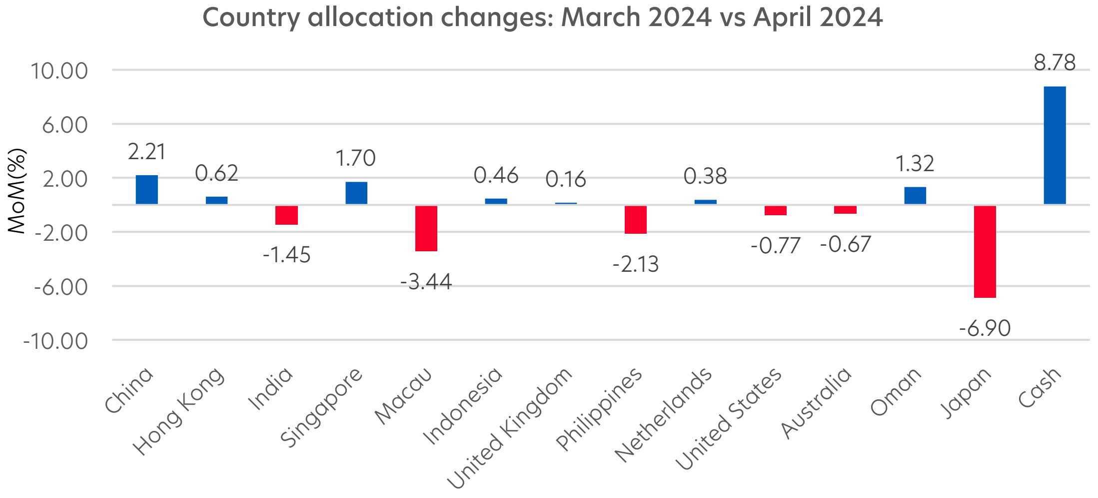


[3] The United Asian High Yield Bond Fund- SGD Dist (ISIN Code: SG9999010029), SGD Acc (ISIN code: SG9999010011), A SGD Acc (Hedged) (ISIN Code: SG9999017628) and A SGD Dist (Hedged) (ISIN Code: SG9999017636) were incepted on 2 April 2013, 19 May 2015, 26 January 2018 and 18 December 2017 respectively.

All statistics quoted in the write-up are sourced from Bloomberg as at 30 April 2024 unless otherwise stated.

Portfolio Changes





Source: UOBAM

Portfolio Review

Analyst Insights

The new positions we added to the portfolio in April 2024 were Corporate Credit in Hong Kong and Indonesia Financials, as well as China's consumer sectors. Meanwhile, we sold positions in the France and India Financials and Pakistan sovereigns.

As shown on the left charts, the biggest decreases in the sector allocation changes for April 2024 were in Financials (-7.92 per cent) and Industrials (-7.06 per cent), whereas the most increase was in Energy (+5.04 per cent). In terms of country allocation changes, the Fund has the biggest decrease in Japan (-6.90 per cent) and the most increases in China (+2.21 per cent) and Singapore (+1.70 per cent) for April 2024.

Market Review

Government bonds: US Treasury (UST) bonds were sold off amid sticky US inflation, decent global activity indicators, and a more patient stance from Federal Open Market Committee (FOMC) members. The 2-year and 10-year UST ended at 5.04 per cent (+42 basis points, bps) and 4.68 per cent (+48bps) respectively in April 2024 as market players continued to pare back the US Federal Reserve (Fed) rate cuts expectations in 2024.

The futures market priced slightly above one 25bps rate cut for 2024 and towards year-end, a sharp reversal from the seven cuts expected at the beginning of 2024. While the latest FOMC meeting unanimously left the Fed funds target range static at 5.25-5.50 per cent, the chair of the Fed Jerome Powell opined that "gaining such confidence will take longer than previously expected" to ease monetary policy. However, he downplayed the possibility of a hike saying that "we don't see evidence supporting that conclusion".

Corporate bonds: The JP Morgan Asia Credit Index (JACI) Non-Investment Grade fell -0.62 per cent, mainly due to interest rate volatility and geopolitical tension. Nevertheless, against these developments was an increase in primary market activity. We started to see more high-yield issuers coming to the market, including Melco Resorts and Entertainment Limited, Indika Energy, Yinson Holdings as well as Rakuten Group Inc. in the Japan high-yield space and Perenti Limited in the Australian high-yield space as investors searched for higher yield.

Investment Objective

The investment objective of the United Asian High Yield Bond Fund is to seek to achieve a total return consisting of high income and capital appreciation by investing primarily in high yield fixed income or debt securities (including money market instruments) issued by Asian corporations, financial institutions, governments and their agencies.

Fund Information

Morningstar Rating	Base Currency	Fund Size	Fund Manager
★★★★	SGD	SGD 40.02 mil	Melvin Chan

Important Notice and Disclaimers

Distributions will be made in respect of the Distribution Classes of the Fund. Distributions are based on the NAV per unit of the relevant Distribution Class as at the last business day of the calendar month or quarter. The making of distributions is at the absolute discretion of UOBAM and that distributions are not guaranteed. The making of any distribution shall not be taken to imply that further distributions will be made. UOBAM reserves the right to vary the frequency and/or amount of distributions. Distributions from a fund may be made out of income and/or capital gains and (if income and/or capital gains are insufficient) out of capital. Investors should also note that the declaration and/or payment of distributions (whether out of income, capital gains, capital or otherwise) may have the effect of lowering the net asset value (NAV) of the relevant fund. Moreover, distributions out of capital may amount to a reduction of part of your original investment and may result in reduced future returns. Please refer to the Fund's prospectus for more information.

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(s). 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