



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.
- **Offers diversification benefits:** The Fund’s inclusion of China, Hong Kong and Taiwan markets provides diversification benefits. While China and Taiwan markets were historically highly interdependent, recent global geopolitical tensions and Taiwan’s robust growth in advanced engineering have reduced their correlation.
- **Award winning:** The Fund has recently received the Refinitiv Lipper Fund Awards Singapore 2023 Winner, Best Equity Greater China Fund Over 3 Years¹. 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

United Greater China Fund A SGD Acc	-2.58 per cent ²
Benchmark: MSCI Golden Dragon Index	-6.13 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, largely attributed to the positive selection effect. Stock selection within China was the main reason for outperformance. On allocation, our heavy overweight in Taiwan and underweight in China also contributed to the good performance. In terms of sector, Consumer Discretionary, Communication Services and Real Estate were the top contributors to excess return while Consumer Staples was the primary laggard.

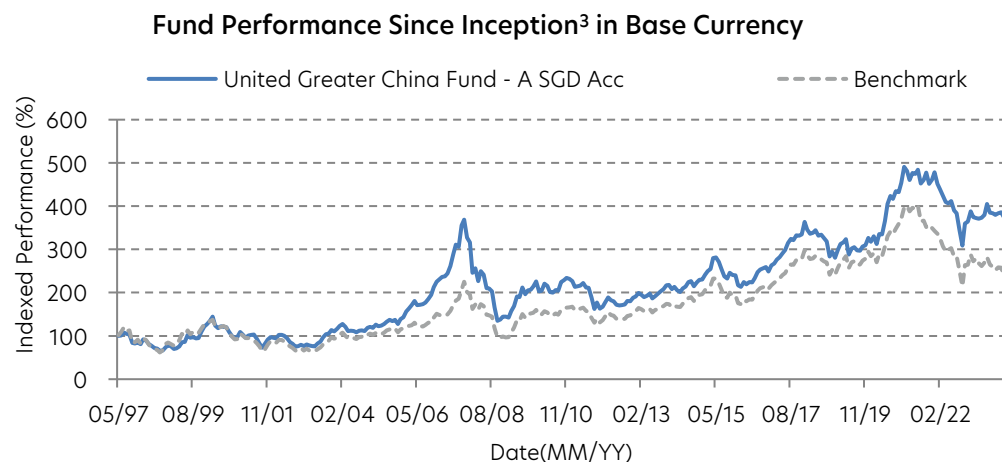
Portfolio Positioning

We remain optimistic about the fundamentals and long-term prospects of Greater China markets. We will dynamically adjust the portfolio construction to capture key market themes and use a bottom-up approach to identify alpha opportunities.

We remain cognizant of key risks in the market such as US/China/Taiwan geopolitics in view of upcoming US elections, escalation in the Israel-Palestine conflict, China macroeconomic recovery and US interest rate trajectory.

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

Performance (Class A SGD Acc)



Past performance is not necessarily indicative of future performance.

Fund performance is calculated on a NAV to NAV basis.

Benchmark: MSCI Golden Dragon Index

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

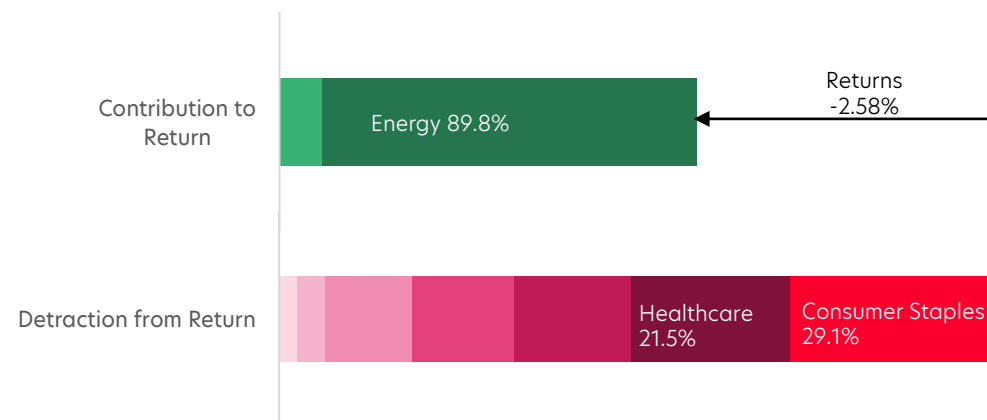
³ The United Greater China Fund Class A SGD Acc (ISIN Code: SG9999001093) was inceptioned on 29 May 1997.

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

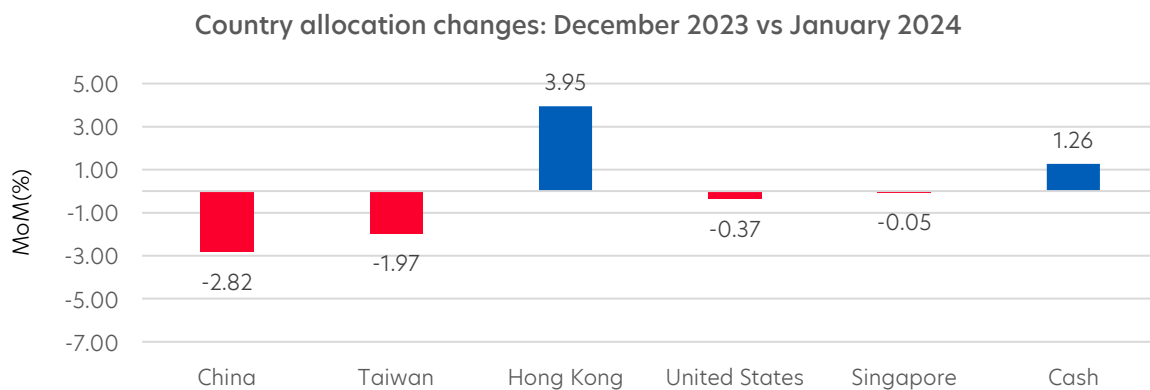
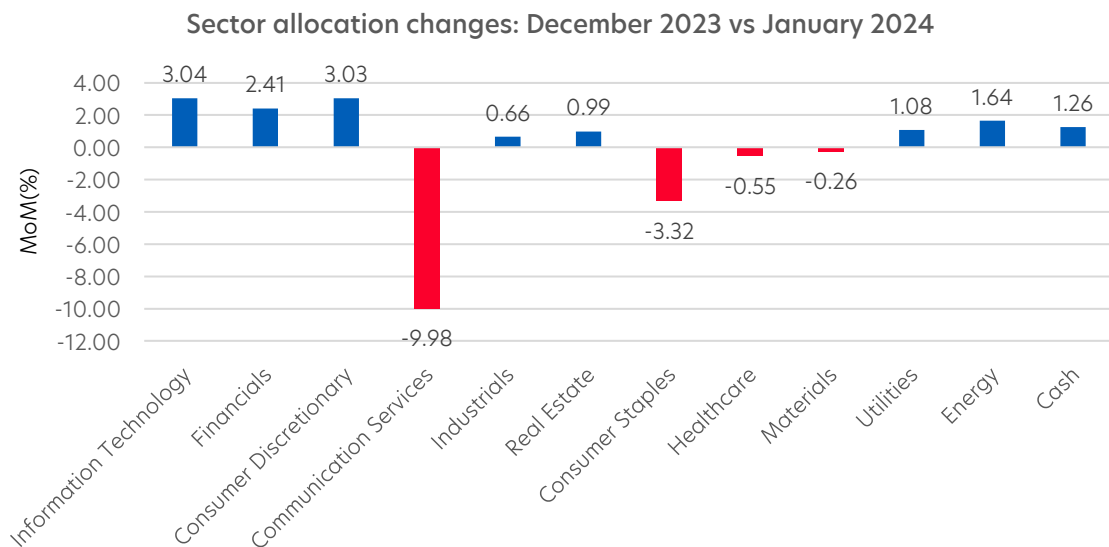
	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	-2.58	-3.21	-8.53	4.66	5.09
Fund (Charges applied [^])	-7.45	-8.05	-10.09	3.59	4.93
Benchmark	-6.13	-15.88	-15.19	-1.24	3.37

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: MSCI Golden Dragon 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: January 2024



Portfolio Changes



Portfolio Review

Analyst & AI Insights

In January 2024, our proprietary machine-learning model increased allocation to Hong Kong (+3.95 per cent, as shown in the country allocation changes chart on the left) while further reducing the weight of China (-2.82 per cent). China's macro data continue to show a supply-demand imbalance while deflationary pressure remains prominent.

In terms of sector allocation, we have trimmed some exposure to defensive sectors such as Communication Services (-9.98 per cent, as shown in the Sector allocation changes chart on the left) and Consumer Staples (-3.32 per cent) while continuing to increase our holdings in cyclicals such as Consumer Discretionary (+3.03 per cent) and Information Technology (+3.04 per cent).

Market Review

In January 2024, CSI 300 Index fell by 6.29 per cent, the Shanghai Composite Index fell by 6.27 per cent, Shenzhen Component Index fell by 13.77 per cent, indicating a broad-based decline in the market.

The economy is still in modest recovery, and policy signals have been less positive than expected. Production activities have steadily increased, and the added value of industrial enterprises above designated size increased by 4.6 per cent year-on-year in 2023, an improvement of 1 percentage point from 2022. The overall scale of the manufacturing industry has remained the world's largest for 14 consecutive years. As of November 2023, industrial profits of enterprises above the designated size have achieved positive growth for four consecutive months, providing financial support for production expansion.

In terms of liquidity, the Central Economic Work Conference emphasised strengthening countercyclical and cross-cycle adjustments while placing equal emphasis on the use of fiscal and monetary policies. The market was disappointed when Medium-Term Loan Facility (MLF) rates were maintained in mid-January 2024. This made the market doubt the strength of China's growth stabilisation policies. Nevertheless, the subsequent reserve requirement ratio (RRR) reduction of 50bps exceeded expectations, hence releasing positive policy signals. In addition, policymakers emphasized that "the difference in monetary policies between China and the United States is inclined to converge", which provided cues for further monetary policy easing in the future.

Investment Objective

The investment objective of the Greater China Fund is to achieve long-term capital growth primarily through investment in companies with assets or revenues being in or derived from the People's Republic of China, Hong Kong SAR and Taiwan.

Fund Information

Morningstar Rating
★★★★★

Base Currency
SGD

Fund Size
SGD 45.91 mil

Fund Manager
Colin Ng



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