



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 March 2024.

March 2024 Portfolio Performance

United Greater China Fund A SGD Acc	+2.41 per cent ²
Benchmark: MSCI Golden Dragon Index	+3.08 per cent

Source: Morningstar, Performance from 29 February 2024 to 31 March 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 underperformed its benchmark in March 2024, primarily due to allocation and currency effects. The overweight in Materials and underweight in Communication Services detracted the performance.

In terms of country, our overweight call in Taiwan and underweight positioning in Hong Kong benefited portfolio return the most on a relative basis. However, the underweight in China led to the underperformance of the Fund in March 2024.

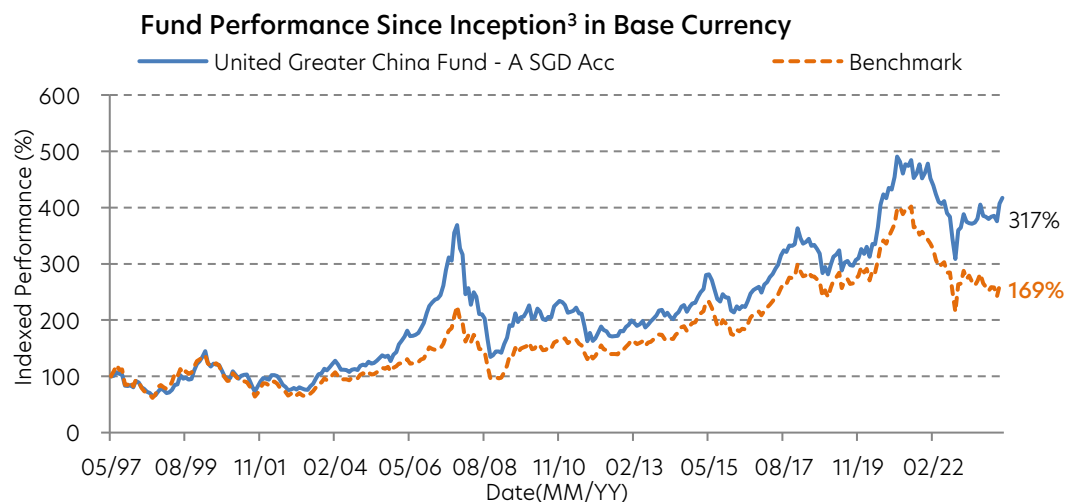
Portfolio Positioning

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 March 2024, SGD basis, with dividends and distributions reinvested, if any.

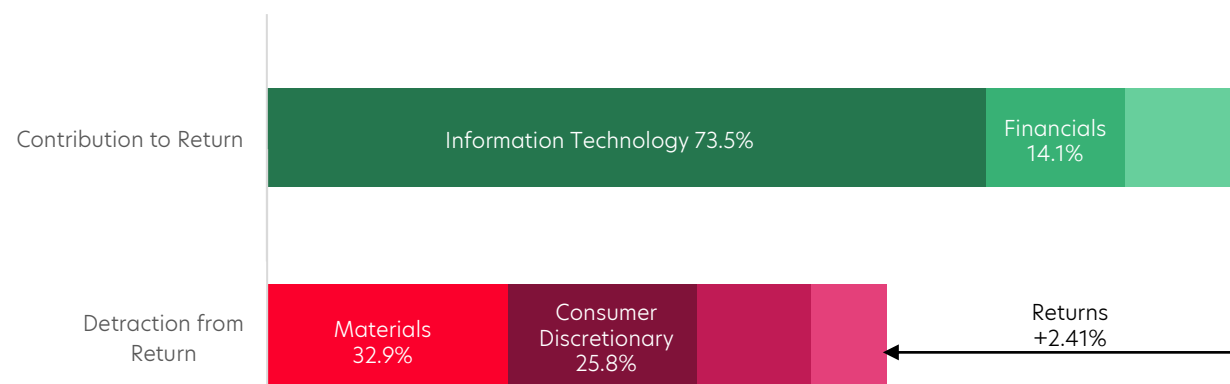
³ The United Greater China Fund Class A SGD Acc (ISIN Code: SG9999001093) was incepted on 29 May 1997.

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

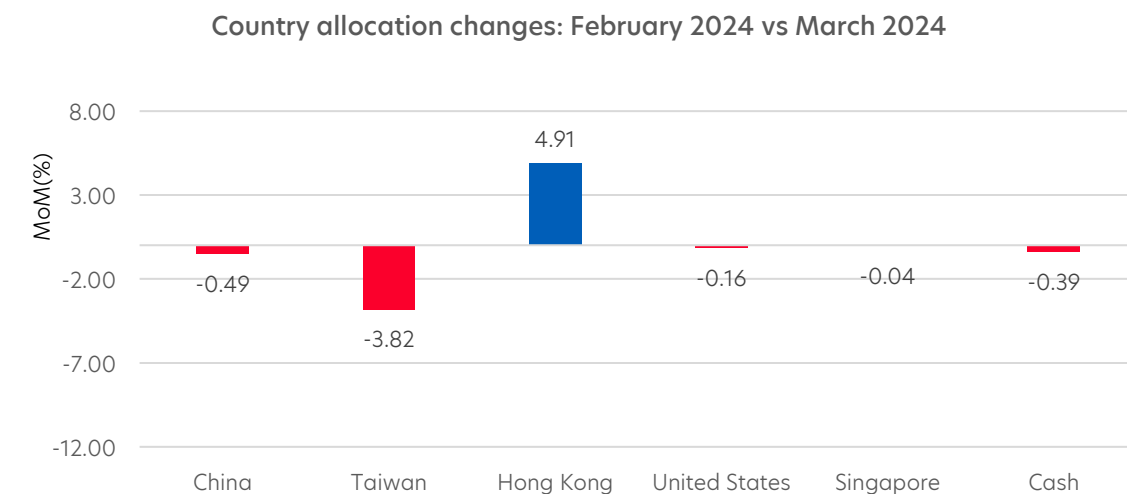
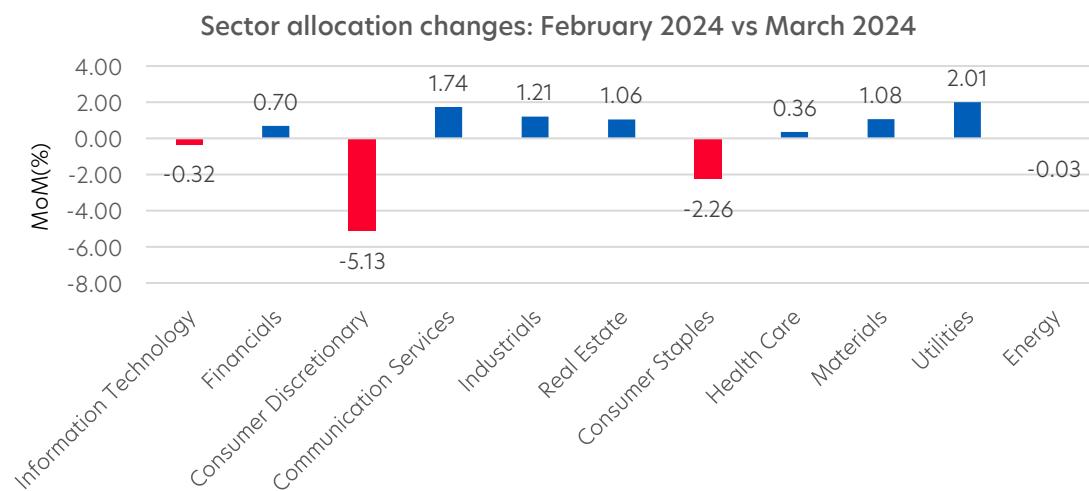
	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	2.41	11.95	-3.24	5.69	5.46
Fund (Charges applied [^])	-2.71	6.36	-4.88	4.61	5.31
Benchmark	3.08	-3.79	-11.55	-0.58	3.75

Source: Morningstar. Performance as at 31 March 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: March 2024



Portfolio Changes



Source: UOBAM

Portfolio Review

Analyst & AI Insights

In March 2024, our proprietary machine-learning model suggested heavy profit-taking in Taiwan, so that we could fund our overweight allocation to Hong Kong. From a valuation perspective, the Price Earnings Ratio (P/E) in the MSCI Hong Kong Index is currently trading close to 2 standard deviations below the 10-year historical average, making it an attractive market on a relative basis for bottom-fishing high-quality stocks. In addition, investor sentiment towards Hong Kong stocks improved after China's macroeconomic data stabilised in the first quarter of 2024.

In March 2024, in terms of sector allocation, we have reduced exposure to Information Technology after the strong rally in the Taiwan equity market. Meanwhile, we increased allocation to Real Estate by taking into consideration the recent property relaxation rules in Hong Kong.

Market Review

In March 2024, major A-share stock indices showed mixed performance. Shanghai Stock Exchange (SSE) Science and Technology Innovation Board 50 Index experienced the largest decline (-5.57 per cent), followed by the CSI 500 Index (-1.13 per cent). On the other hand, the ChiNext Index and the CSI 300 Index rose by 0.62 per cent and 0.61 per cent respectively, while the Strategic Emerging Industries Index gained 1.57 per cent. The market continued the path of modest recovery and has entered a relatively stable state. Nevertheless, it should be noted that small and medium-sized stocks as represented by the CSI 2000 Index have seen high levels of activity, with the CSI 2000 Index rising 6.21 per cent in March 2024. We believe that the reason behind it was the growing risk appetite and high speculative interest for specific investment themes.

In terms of industry performance in March 2024, more first-tier industries saw gains than losses, with non-ferrous metals (+12.73 per cent), petroleum and petrochemicals (+6.22 per cent), and automobiles (+4.92 per cent) leading the pack. On the flip side, comprehensive finance (-9.14 per cent) and non-bank finance (-5.96 per cent) experienced the largest declines, followed by coal (-3.98 per cent).

At present, economic fundamentals are improving moderately. With the continuous release of positive policy signals and the implementation of relevant policies, the economy is expected to remain stable. Over January-February 2024, the nationwide total profits for industrial enterprises above the designated size recorded positive growth, mainly due to strong consumer demand during the Spring Festival. In addition, the profits of industrial enterprises above the designated size have continued to grow on a year-on-year (y/y) basis since August 2023. Economic fundamentals are expected to recover further with the State Council promoting urban real estate financing and multiple government departments releasing positive policy signals in diverse areas including production, import/export and consumption.

In terms of liquidity, there is room for improvement. In February 2024, the social financing and loan balance increased by 9 per cent month-on-month (m/m) and 10.1 per cent y/y respectively, recording the lowest growth in history, with a decrease of 0.5 and 0.3 percentage points compared to January 2024. The social financing and credit data from the past few months signalled that the weak economic recovery has not fundamentally changed. Based on the money supply indicators such as M1/M2, social financing, and credit growth rate, we noted the phenomenon of idle funds and insufficient market vitality. The central bank previously stated that it still has abundant monetary tools and there is still room for reserve requirement reduction, indicating that monetary policy remains on an easing bias.

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 60.56 mil

Fund Manager
Colin Ng



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