



- As of 31 March 2025, UOBAM Megatrends portfolio returned -4.0% for the first quarter of 2025.

Portfolio returns (% in SGD terms) and ETF weight (%)
31 December 2024 – 31 March 2025

	Return (%)	Weight (%)
Changing Demographics		
iShares Global Healthcare ETF	3.3	15.7
Global X Millennial Consumer ETF	-5.6	16.1
Invesco Biotechnology & Genome ETF*	3.5	2.3
Total	-	34.1
Environmental		
First Trust Nasdaq Clean Edge Smart GRID Infrastructure Index	-4.2	13.9
First Trust Water ETF	-3.2	19.9
VanEck Low Carbon Energy ETF*	0.1	1.1
Total	-	34.9

Digital Economy		
VanEck Semiconductor ETF	-11.4	14.4
First Trust Nasdaq Cybersecurity ETF	-0.9	6.1
First Trust Indxx Innovative Transaction & Process ETF*	4.8	5.4
Global X Artificial Intelligence & Technology ETF*	4.0	3.2
Total	-	29.1
Overall Portfolio Returns		
3 months (31 December 2024 – 31 March 2025)	-4.0	-
One year as of 31 March 2025	0.6	-

Source: Factset/Bloomberg/UOBAM. Portfolio holding period returns as at 31 March 2025. Exchange Traded Fund (ETF) average weights from 31 December 2024 – 31 March 2025, cash remains at approximately 2.0%.

* We have exited these positions as of the last rebalancing on 31 January 2025. Returns shown are from 31 December 2024 – 31 January 2025

The information about asset allocation provided herein are subject to change at the discretion of UOBAM without prior notice. Past performance of the portfolio or UOBAM and any past performance, prediction, projection or forecast on the economy or markets are not necessarily indicative of the future or likely performance of the portfolio or UOBAM. Returns are calculated on a single pricing basis.

BREAKDOWN BY THEME

1) Changing Demographics

Performance

	Return (%)	Weight (%)
iShares Global Healthcare ETF	3.3	15.7
Global X Millennial Consumer ETF	-5.6	16.1
Invesco Biotechnology & Genome ETF*	3.5	2.3
Total	-	34.1

Source: Factset/Bloomberg/UOBAM. Holding period returns as at 31 March 2025. ETF average weights from 31 December 2024 – 31 March 2025

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Market Development

Global equities experienced significant volatility in the first quarter of 2025. The market saw a sharp selloff as tariffs imposed by the Trump administration led to the worst first quarter for stocks since 2022. Consumer discretionary and information technology sectors lagged significantly, each declining more than 10%. This negatively impacted the Global X Millennial Consumer ETF, which holds large-cap technology and consumer discretionary names such as Netflix and Spotify.

Conversely, the healthcare sector saw gains as investors sought safer havens amid market turbulence. The iShares Global Healthcare ETF benefited from this despite ongoing concerns about policy changes under the Trump administration.

Outlook

The outlook of the healthcare sector remains positive. Biopharma remains a rich environment for innovation such as next-generation metabolic medicines and antibody drug conjugates for cancer treatment. Small/mid-cap biopharma companies remain well positioned as sources of innovation and potential solutions to pipeline gaps for larger companies, and the subsector may benefit from moderating inflation and lower interest rates. For the consumer discretionary sector, the outlook is more cautious. US economic growth slowed in the first quarter, and consumer confidence has taken a significant hit especially with Trump's tariffs threats. Despite resilient employment numbers, rising inflation expectations and economic uncertainty present notable headwinds for consumer spending.

2) Environmental

	Return (%)	Weight (%)
First Trust Nasdaq Clean Edge Smart GRID Infrastructure Index	-4.2	13.9
First Trust Water ETF	-3.2	19.9
VanEck Low Carbon Energy ETF*	0.1	1.1
Total	-	34.4

Source: Factset/Bloomberg/UOBAM. Holding period returns as at 31 March 2025. ETF average weights from 31 December 2024 – 31 March 2025

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Market Development

The environmental theme faced challenges in the first quarter of 2025. The market experienced volatility due to policy uncertainties and a shift in investor sentiment. Both the First Trust Nasdaq Clean Edge Smart GRID Infrastructure Index and the First Trust Water ETF saw declines, reflecting broader market trends, though the First Trust Water ETF fared better due to its more defensive nature.

Outlook

The outlook for the clean energy sector remains optimistic. Despite short-term challenges, long-term trends favor continued growth in renewable energy and sustainability initiatives. Corporate backing and state-level policies continue to provide support for clean energy project. Additionally, global demand for renewable energy is expected to rise, driven by commitments to reduce carbon emissions and achieve sustainability goals.

Investments in clean energy infrastructure, such as battery storage and grid modernization, are likely to increase, supported by both public and private funding. The integration of AI and other advanced technologies is expected to further accelerate the transition to a sustainable energy future.

3) Digital Economy

Performance

	Return (%)	Weight (%)
VanEck Semiconductor ETF	-11.4	14.4
First Trust Nasdaq Cybersecurity ETF	-0.9	6.1
First Trust Indxx Innovative Transaction & Process ETF*	4.8	5.4
Global X Artificial Intelligence & Technology ETF*	4.0	3.2
Total	-	29.1

Source: Factset/Bloomberg/UOBAM. Holding period returns as at 31 March 2025. ETF average weights from 31 December 2024 – 31 March 2025

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Market Development

The digital economy faced a challenging first quarter in 2025. The VanEck Semiconductor ETF saw a significant decline of 11.4%, driven by concerns over tariffs and supply chain disruptions. The semiconductor sector was particularly hard hit by policy uncertainties and a shift in investor sentiments. The First Trust Nasdaq Cybersecurity ETF performed relatively better, with a slight decline of 0.9%. The cybersecurity sector remained resilient as it is relatively less impacted by the tariffs and also due to the demand for cybersecurity solutions amid rising cyber threats.

Outlook

The outlook for the digital economy remains positive despite short-term volatility. The semiconductor industry is expected to recover as demand for generative AI and data center buildouts continues to grow. Innovations in AI are driving significant advancements across various sectors, from healthcare to autonomous vehicles.

Cybersecurity remains a critical area of investment as companies ramp up efforts to protect against increasingly sophisticated cyber threats. The integration of AI and automation in cybersecurity is expected to enhance defences and mitigate risks.

Overall, the digital economy is poised for robust growth, driven by transformative technologies and increasing digital transformation across industries. The potential for groundbreaking innovations and industry redefinition remains immense.

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