

November 2024

United Global Durable Equities Fund



Why Invest?

- **Managed with an absolute return mindset:** The strategy of the United Global Durable Equities Fund - SGD Acc (the "Fund") is to seek total return by investing in companies with stable and resilient earnings, irrespective of the broader economic environment.
- **Company with excellent management skills:** The Fund also looks into the universe of "unconventional" durable companies, where the investee company's management teams are able to enhance the probability of long-term success and ultimately shareholder value.
- **Good Diversification:** We believe our investment process is likely to generate a diversified portfolio of unconventional and stable companies, that have low overlap characteristics with growth, value, or traditional high-quality equities. Hence provides good diversification relative to more traditional global equity allocations.
- **Long-term value creation:** The largest sector exposures of the Fund were Financials and Industrials and we were least exposed to Materials and Consumer Staples. From a regional perspective, our largest exposure is in North America, and least exposed to Developed Asia Pacific ex-Japan.



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

November 2024 Portfolio Performance

The United Global Durable Equities Fund - SGD Acc	+4.47 per cent ¹
Benchmark: MSCI AC World Index	+5.13 per cent

Source: Morningstar, Performance from 31 October 2024 to 30 November 2024 in SGD terms

¹ Fund performance is on a Net Asset Value ("NAV") basis, with dividends and distributions reinvested (if any).

Performance Review

The Fund underperformed the benchmark but still delivered positive returns in November 2024. Industrials and financials were the top contributing sectors, while healthcare was the bottom contributing sector.

At the issuer level, our top two absolute contributors were **Constellation Software Inc.**(Constellation Software) and US Foods Holding Corp, while our top two absolute detractors were **HCA Healthcare Inc.** (HCA Healthcare) and Molina Healthcare Inc.

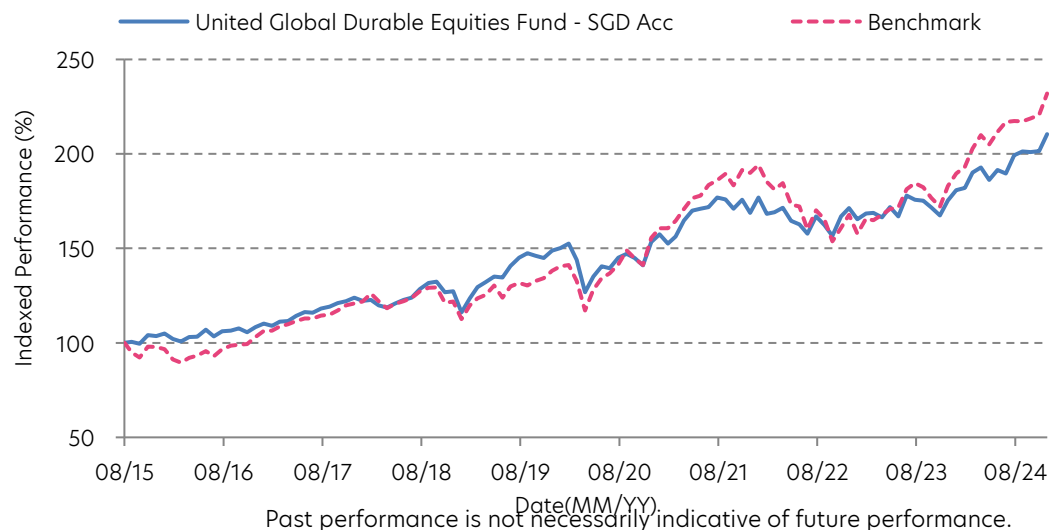
Shares of Constellation Software rose in November 2024. The Canadian diversified software company announced third-quarter results with revenue increasing 20 per cent year-on-year (y/y), driven primarily by growth from acquisitions².

Shares of HCA Healthcare fell in November 2024. The healthcare sector, particularly hospital operators, traded lower following President Donald Trump's election win. There is concern that the Enhanced Exchange subsidy will expire at the end of 2025, which will affect the hospital payor mix and profits. Management also expects to incur substantial expenses and lost revenue from recent hurricanes through the end of 2024 and into 2025.

² Constellation Software, Press Release, "Constellation Software Inc. Announces Results for the Third Quarter Ended September 30, 2024 and Declares Quarterly Dividend", 8 November 2024

Performance (Class SGD Acc)

Fund Performance Since Inception³ in Base Currency



Past performance is not necessarily indicative of future performance.

Fund performance is calculated on a NAV to NAV basis.

Benchmark: MSCI AC World Index.

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

³ The United Global Durable Equities Fund- SGD Acc (ISIN Code: SG9999014005) was incepted on 5 August 2015.

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

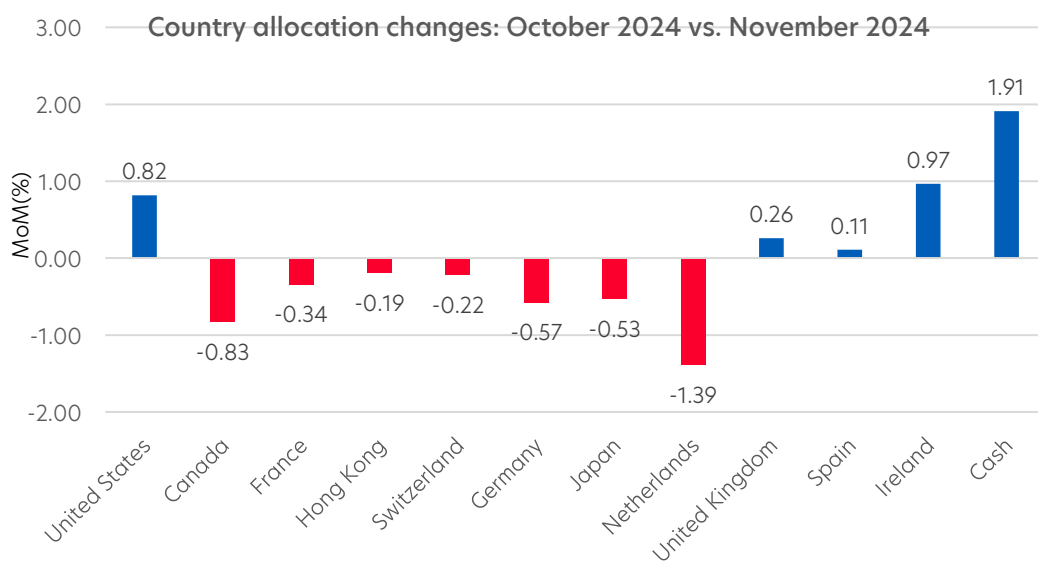
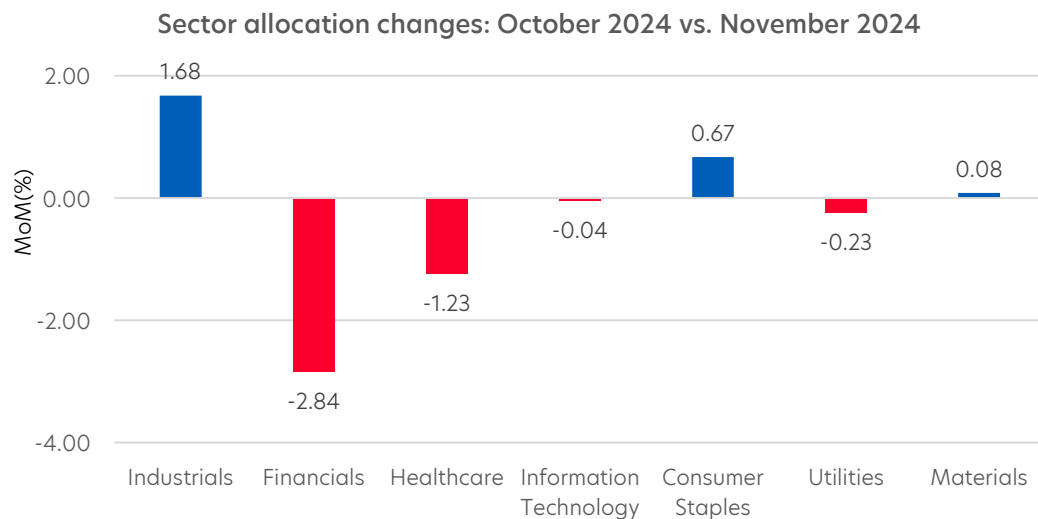
	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	4.47	19.92	7.63	7.17	8.31
Fund (Charges applied [^])	-0.76	13.92	5.81	6.08	7.71
Benchmark	5.13	26.69	6.87	10.92	9.44

Source: Morningstar. Performance as at 30 November 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: MSCI AC World 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: November 2024



Portfolio Changes



Source: UOBAM

Portfolio Review

Analyst Insights

Purchases - Our purchase criteria include, amongst others, considerations such as 1) the potential for stable cash flows that are likely to demonstrate resiliency across the business cycle, 2) the potential for value creation primarily through the sensible use of free cash flow, and 3) moderate valuation that may allow for attractive risk-adjusted returns over time. We bought a new position in November 2024. **Uber Technologies Inc.** is a transportation and ride-sharing technology company. We believe that management has demonstrated strong execution and has balanced pragmatism with long-term growth. We believe that ride-sharing is seeing more stabilised competitive dynamics with oligopolistic conditions. In addition, we believe there are compelling growth drivers driven by an increasing user base and an increase in frequency of use.

Sales - Our considerations for selling stocks, amongst others, are when 1) cash flows are less stable than we predicted, 2) stock valuation rises such that risk-adjusted returns no longer fall within our target range, or 3) some combination of lower stability and higher valuation. We sold three positions in November 2024. 1) **Wolters Kluwer NV** sells information products to lawyers, accountants, finance, healthcare and regulatory professionals to make better informed and more efficient decisions. Both topline and bottom-line growth have accelerated since pre-COVID-19, and the company has executed well. However, valuation and expectation have become stretched, and we expect forward return at this point to be less appealing and thus sell our position. 2) **Enstar Group Limited** (Enstar) is a Bermuda-based insurance company. During the quarter, Enstar was acquired by Sixth Street (Enstar's common stock will no longer be publicly listed, and it will become a privately held company as a result). Hence, we sold our position. 3) **T&D Holdings Inc.** (T&D) is a Japanese insurance company. We sold our position in T&D following the successful realisation of our investment catalysts, namely better capital allocation.

At the end of November 2024, our largest exposures were Financials and Industrials and we were least exposed to Materials and Utilities. We had no exposure to Consumer Discretionary, Communication Services, and Energy. From a regional perspective, our largest exposures were North America and Developed Europe & Middle East excluding the UK and we were least exposed to Developed Asia Pacific ex-Japan.

Market Review

Global equities rose in November 2024. Donald Trump’s presidential reelection and the Republican Party’s sweep of both chambers of Congress led the US to significantly outperform other regions amid expectations for deregulation, additional tax cuts, and a more accommodative US business environment. The breadth of change anticipated from the new US administration reverberated across the globe with far-reaching implications for foreign policy, trade dynamics, inflation, and economic growth. Elon Musk’s appointment to the newly formed US Department of Government Efficiency extended a strong risk appetite in markets. Prospects for a soft landing remained intact, and central banks in the US, UK, New Zealand, Mexico, and Sweden continued to lower interest rates. Inflation in many regions was near central bank targets. However, in November 2024, a key measure of US inflation rose for the first time since March 2024, and UK inflation surged to its highest level in six months, highlighting the ongoing sensitivity of prices to economic changes.

Eurozone business activity sank to a 10-month low, while Germany’s coalition government collapsed, and the country’s manufacturing sector remained mired in a deep downturn. In France, Prime Minister Michel Barnier’s Cabinet confronted a possible vote of no confidence. A stronger US dollar pressured emerging markets, and Chinese equities declined amid limited government aid and low consumer demand. Geopolitical risks remained heightened while the US and France brokered a ceasefire agreement between Israel and Hezbollah.

Investment Objective

The investment objective of the United Global Durable Equities Fund is to seek total return consisting of capital appreciation and income over the long term by investing primarily in equity and equity related securities of companies listed and traded on stock exchanges globally.

Fund Information

Morningstar Rating	Base Currency	Fund Size	Sub-Manager
★★★★	SGD	SGD 229.30 mil	Wellington

Important Notice and Disclaimers

MSCI Data are exclusive property of MSCI. MSCI Data are provided "as is", MSCI bears no liability for or in connection with MSCI Data. Please see complete MSCI disclaimer [here](#).

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. 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.

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

UOB Asset Management Ltd Co. Reg. No. 198600120Z