



Why Invest?

- **Innovation drives growth independent of the global cycle:** The United Global Innovation Fund - A SGD Acc (the "Fund") invests in companies that are either consistently innovative or positioned to benefit from the evolving trends in the rapidly changing world. By seeking out growth opportunities from structural changes across industries, it strives to capture performance from multiple trends in a single, diverse portfolio.
- **Unconstrained asset allocation:** The Fund invests across innovation, theme/trend, industries, geographies, and market capitalisation in rapidly growing companies that are shaking up the market. The top 3 sectors are Consumer Discretionary (27.53 per cent), Information Technology (24.58 per cent), and Healthcare (15.92 per cent) as of 31 May 2024.
- **Long-term value creation:** The Fund aims to invest over decades, not quarters, to capture innovation's long-term value creation potential over a longer time horizon. This aligns naturally with our environmental, social, and governance (ESG) considerations.
- **Experienced Investment Capabilities:** Our sub-manager, Wellington, has a seasoned portfolio management team with 50+ industry-specific analysts leveraging their broad and deep research and industry expertise.

May 2024 Portfolio Performance

The United Global Innovation Fund - A SGD Acc	+2.77 per cent ¹
Reference Benchmark: MSCI All Country World Index	+3.14 per cent

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

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

Performance Review

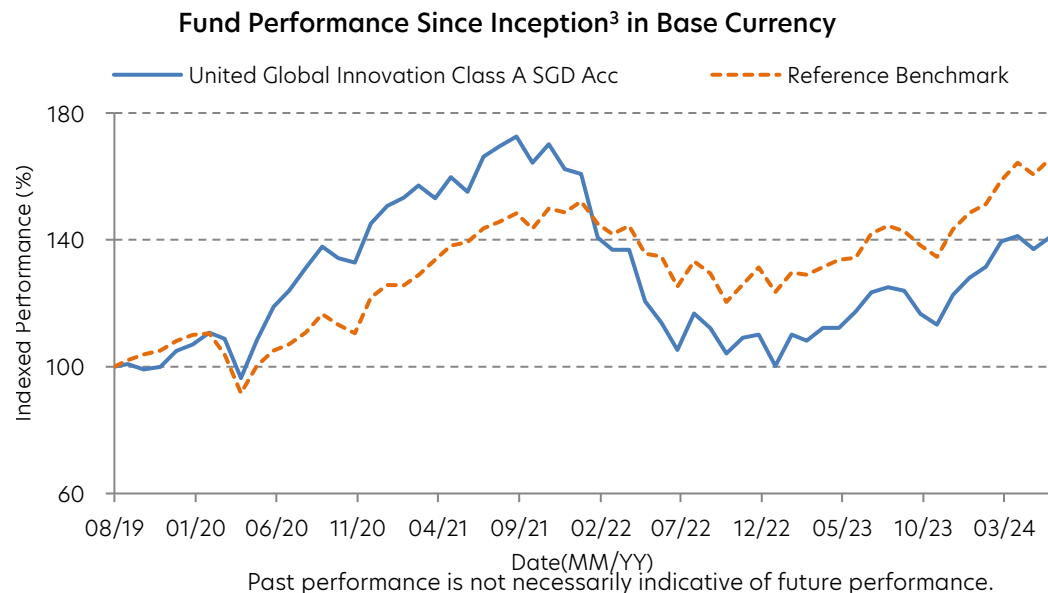
The Fund modestly underperformed the reference benchmark in May 2024 but delivered overall positive returns.

Sector allocation, a result of our bottom-up stock selection process, was the primary driver of relative underperformance. The allocation effect was driven by our overweight to consumer discretionary but partially offset by our lack of exposure to energy and materials and underweight to consumer staples. Strong selection in consumer discretionary, communication services and financials were offset by selection in information technology and industrials. On a regional basis, weak stock selection in North America was partially offset by selection in the Developed European Union (EU) & Middle East excluding the UK, Emerging Markets and Japan.

At the issuer level, our top two relative contributors were an overweight to First Solar Inc. (First Solar) and an out-of-benchmark allocation to Hannon Armstrong Sustainable Infrastructure Capital, Inc. (Hannon Armstrong), while our top two relative detractors were an overweight to MongoDB Inc. (MongoDB) and not owning Apple Inc. (Apple).

Shares of **First Solar** rose in May 2024. The company became the world's most valuable solar manufacturer overtaking Chinese company Sungrow Power Supply Co. Limited. Chinese rivals are suffering from a profit-slashing price war, potential US tariffs, and the Biden administration's measures to protect US solar manufacturing boosting US energy demand. Shares of **MongoDB**, a database software company, declined in May 2024 after the company lowered their fiscal 2025 forecast. Management attributed lower guidance to a slower-than-expected start for 2024 for both Atlas consumption growth and new workload wins.

Performance (Class A SGD Acc)



Fund performance is calculated on a NAV to NAV basis.

Reference benchmark: MSCI All Country World Index (MSCI ACWI)

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

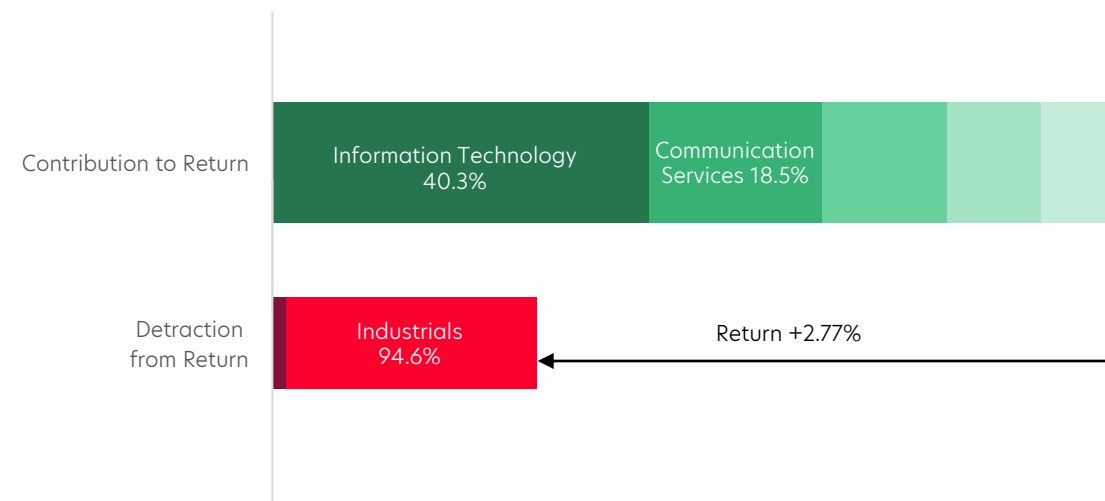
³ The United Global Innovation Fund- A SGD Acc (ISIN Code: SGXZ51526630) was incepted on 6 August 2019.

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

	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	2.77	20.00	-3.17	-	7.37
Fund (Charges applied [^])	-2.37	14.00	-4.81	-	6.23
Reference Benchmark	3.14	23.27	5.93	-	11.03

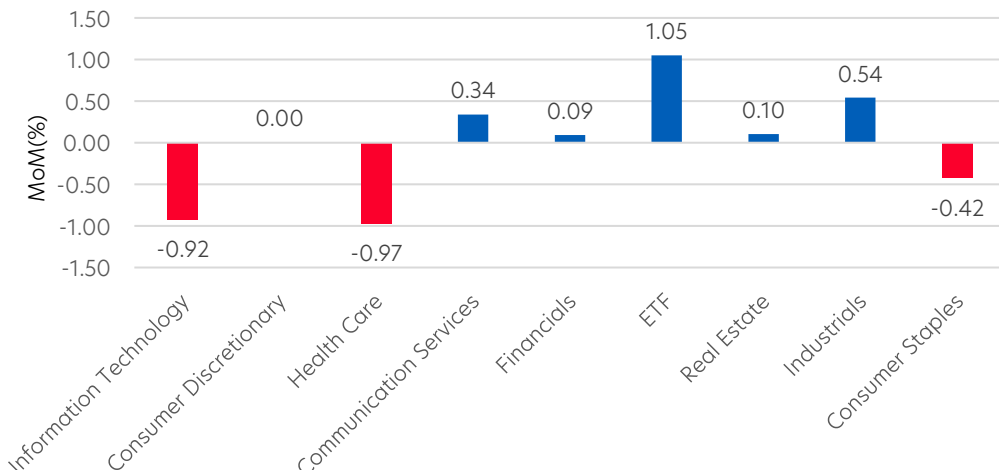
Source: Morningstar. Performance as at 31 May 2024, SGD basis, with dividends and distributions reinvested, if any. Performance figures for 1 month till 1 year show the per cent change, while performance figures above 1 year show the average annual compounded returns. Reference benchmark: MSCI All Country World Index (MSCI ACWI). 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: May 2024

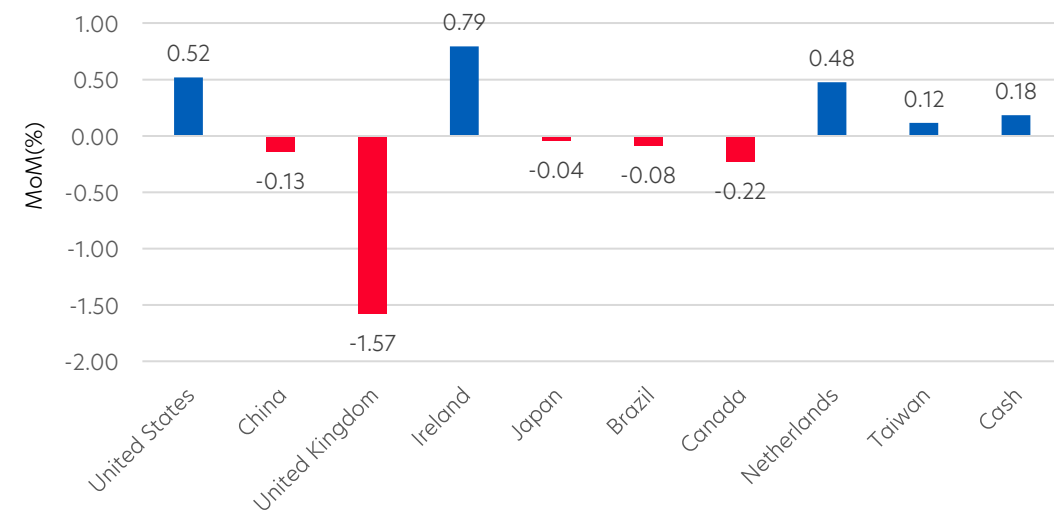


Portfolio Changes

Sector allocation changes: April 2024 vs. May 2024



Country allocation changes: April 2024 vs. May 2024



Portfolio Review

Analyst Insights

We aim to invest with a long-term view, focusing on companies that are driving or benefiting from innovation and/or exposed to strong secular or structural trends. We continue to favour Artificial Intelligence (AI) and machine learning, digital transformation, migration to the cloud, sustainability, direct-to-consumer models, and healthcare innovation. Our sector positioning is driven by bottom-up, stock-by-stock decisions. The Fund remains overweight in consumer discretionary and healthcare as an indication of where we currently see attractive structural growth opportunities.

At the end of May 2024, our largest overweight was consumer discretionary and we were most underweight to financials and industrials and had no exposure to consumer staples. From a regional perspective, our largest overweight was North America and we were most underweight to Europe and Emerging Markets.

As shown on the left charts, the largest increment in the sector allocation changes for May 2024 was in ETF (+1.05 per cent). On the contrary, the largest decrement was in Healthcare (-0.97 per cent). In terms of country allocation changes, the Fund had the highest increase in Ireland (+0.79 per cent) and the most decline in the United Kingdom (-1.57 per cent) for May 2024.

Market Review

Global equities rose in May 2024. Robust earnings from some mega-cap technology companies extended enthusiasm for the potential of Artificial Intelligence (AI) driven economic growth. The J.P. Morgan Global Composite Purchasing Managers' Index (PMI) reaccelerated in May 2024, after a softer reading in April 2024 ended a sequence of six consecutive monthly increases. Interest-rate policy expectations among global central banks continued to diverge due to varying economic growth and inflation rates across the world and the increasing desynchronization of economies. Financial markets anticipate that US rate cuts will be delayed until later 2024, and US Federal Reserve (Fed) rhetoric was mixed amid sticky inflation and moderating economic activity, highlighted by signs of a softer labour market and milder consumer spending.

The European Central Bank (ECB) maintained its guidance for a reduction in the policy rate at its June 2024 meeting while accelerating core inflation raised concerns over the longer-term path of interest rates. The Bank of Japan's plans to hike interest rates were complicated by a larger-than-anticipated contraction in the country's first-quarter (2024) Gross Domestic Product (GDP) amid softer consumption and business spending. Currency woes continued as Japan's finance ministry disclosed a record monthly amount spent to prop up the country's currency. Russian President Vladimir Putin met with Chinese President Xi Jinping as the two nations strengthened economic alliances amid Western sanctions. Bilateral trade between the two nations rose by 26 per cent against a year prior, according to Chinese customs data.

The MSCI All Country World returned +3.14 per cent in May 2024. Within the index, nine out of 11 sectors rose over the period. Information technology and utilities were the top-performing sectors, while energy and consumer discretionary were the bottom-performing sectors for the month.

Investment Objective

The investment objective of the United Global Innovation Fund is to achieve long-term capital appreciation by investing in companies that are believed to be innovative and beneficiaries of innovation and trend.

Fund Information

Base Currency	Fund Size	Sub-Manager
SGD	SGD 13.13 mil	Wellington

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