

July 2025

United Sustainable Asia Top-50 Fund



Why Invest?

- **Net zero opportunities in Asia:** Asia is fast growing but is also more vulnerable to climate change than other parts of the world. This has prompted Asian governments to speed up their net zero commitments and policy initiatives, fostering growth opportunities for ESG-friendly companies.
- **Ride on Japan's equity market rally:** United Sustainable Asia Top-50 Fund - Class A SGD Acc (the "Fund"). The Fund's biggest country allocation is in Japan (29.22 per cent as of July 2025). With drivers such as improved corporate governance and positive earnings, we believe Japan's equity market will continue to have upside potential.
- **Proprietary investment process:** The Fund adopts a proprietary investment framework for identifying profitable ESG-friendly companies. This framework is anchored by the (Artificial Intelligence) AI-Augmentation@UOBAM investment framework, i.e., a combination of AI and on-the-ground ESG research.
- **Focus on innovation:** The Fund's investment focus is on company innovation. Aligning with megatrends that are prevalent now and expected in the future, the Fund invests in sectors such as renewables, electric vehicles, digital services, semiconductors, and smart consumables.

Portfolio Positioning

We remained in an overweight position in China and Hong Kong, particularly in Hong Kong. Economic growth in Hong Kong continued to be led by the export sector; however, the recovery has broadened out. In Taiwan, we maintained a selectively positive stance as global demand for high-end chips is likely to continue to underpin Taiwan's economic resilience even as front-loading is expected to ease in the second half of 2025 (2H25). For Korea, we expect the outlook to improve in 2H25, helped by a more favourable base effect and improvement in sentiments. Within ASEAN (the Association of Southeast Asian Nations), we are overweight in Singapore, given its promising, steady domestic growth. Singapore's growth surprised on the upside in the first half of 2025, outperforming officials' earlier projections made during the April 2025 Monetary Policy Statements (MPS).

Our positioning is tilted towards the defensive sectors with less volatility in an uncertain market, such as Real Estate and Financials. We are selectively overweight in sectors with less favourable risk-reward profiles, such as the Information Technology.

Key risk to our cautious outlook continues to be tariff overhangs/export controls that will be disruptive to exports and investments in the region, as well as geopolitical uncertainties.

July 2025 Portfolio Performance

The United Sustainable Asia Top-50 Fund - Class A SGD Acc	+3.37 per cent ¹
Benchmark: MSCI All Country Asia Index	+3.07 per cent

Source: Morningstar, Performance from 30 June 2025 to 31 July 2025 in SGD terms

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

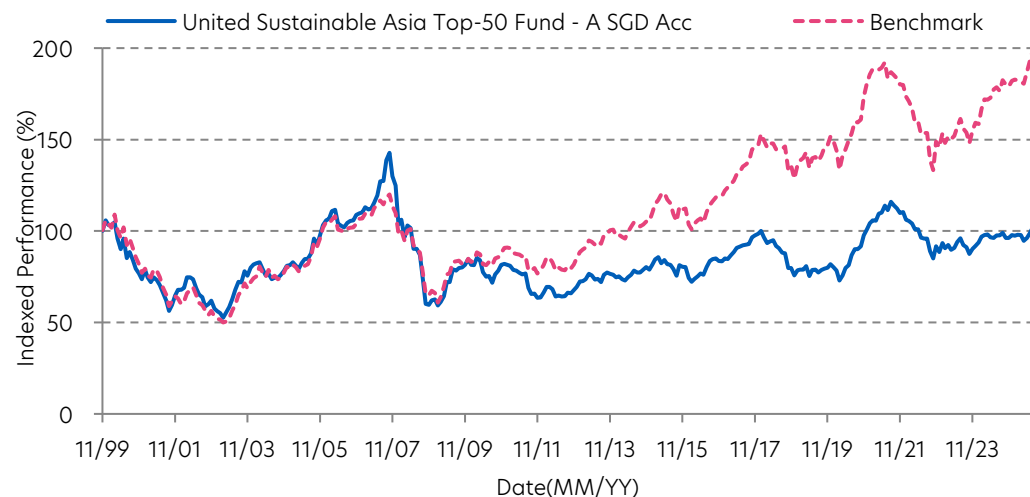
Performance Review

The Fund outperformed its benchmark in July 2025 as a result of positive selection effects. Positive selection in Korea and Singapore was the main contributor to the outperformance.

In terms of sector, Healthcare, Materials and Information Technology were the primary laggards.

Performance (Class A SGD Acc)

Fund Performance Since Inception² in Base Currency



Past performance is not necessarily indicative of future performance.

Fund performance is calculated on a NAV to NAV basis.

Benchmark: Since Inception – 30 September 2020: MSCI All Country Far East Index; 1 October 2020–Present: MSCI All Country Asia Index

Source: Morningstar. Performance as at 31 July 2025, SGD basis, with dividends and distributions reinvested, if any.

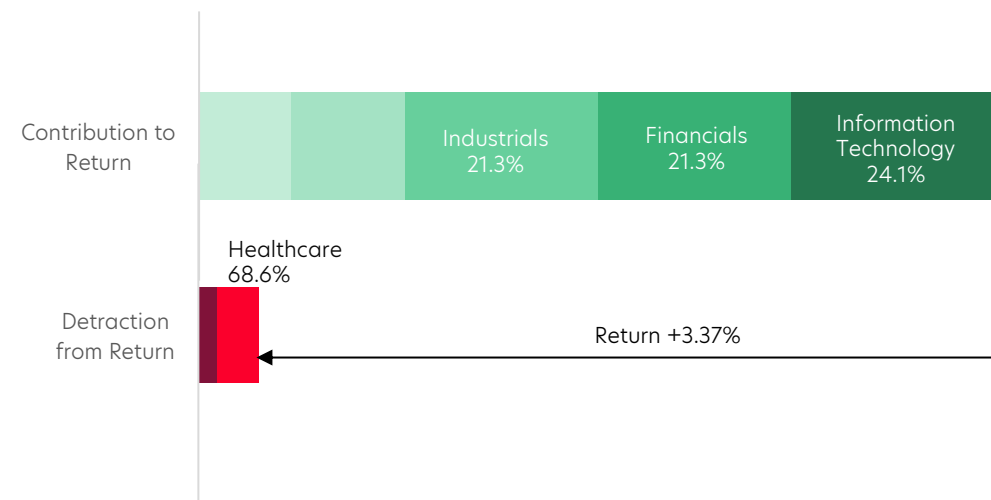
² The United Sustainable Asia Top-50 Fund – Class A SGD (Acc) (ISIN Code: SG9999001226) was inception on 26 November 1999, and converted to an ESG (Environmental, Social, and Governance) fund on 1 October 2020.

All statistics quoted in the write-up are sourced from Bloomberg as at 31 July 2025 unless otherwise stated.

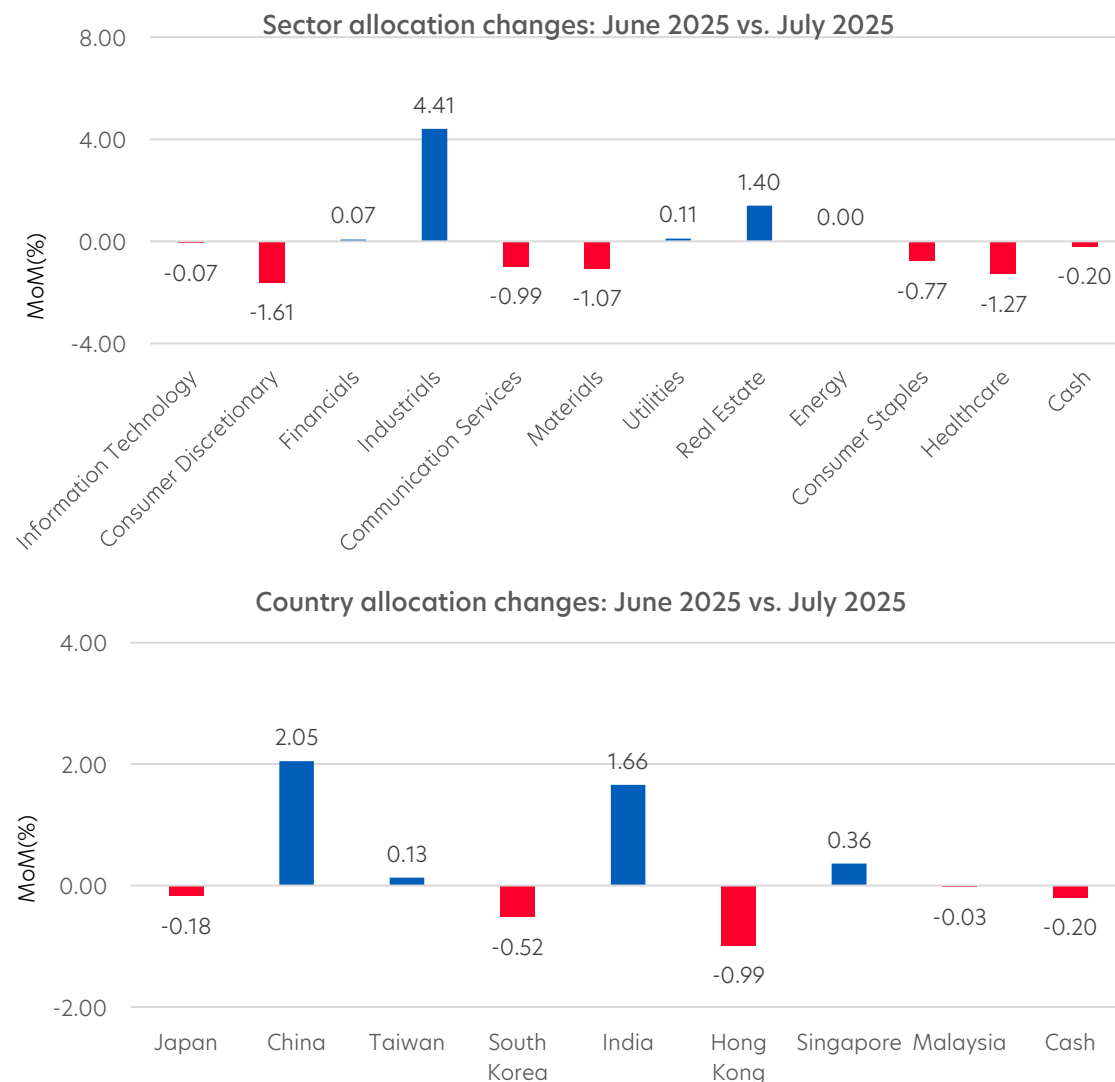
	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	3.37	4.48	2.10	3.31	0.08
Fund (Charges applied [^])	-1.80	-0.74	0.37	2.25	-0.14
Benchmark	3.07	11.37	8.99	5.36	2.71

Source: Morningstar. Performance as at 31 July 2025, 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: Since inception – 30 September 2020: MSCI All Country Far East Index; 1 October 2020–Present: MSCI All Country Asia 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: July 2025



Portfolio Changes



Source: UOBAM

Portfolio Review

Analyst Insights

In July 2025, we saw a continued rebound across the Asia market. Notably, South Korea and Taiwan continued their rally from June 2025, gaining 6.0 per cent and 7.7 per cent, respectively. Asia Markets were seen mostly continuing the recovery in July 2025 as sentiment over US trade deals improved, although negotiations with Asia nations were bumpy, with only a handful of negotiations reached.

We continue to adopt an overweight positioning in the China, Hong Kong, Korea and Singapore markets and raised our exposure to India from massive underweight during the recent rebalancing.

As shown in the left charts, the biggest increase in the sector allocation changes for July 2025 was in Industrials (+4.41 per cent). On the contrary, the largest decrease was in Consumer Discretionary (-1.61 per cent). In terms of country allocation changes, the Fund had the highest increase in China (+2.05 per cent) and the highest decline in Hong Kong (-0.99 per cent) for July 2025.

Market Review

Global equities gained 3.24 per cent (MSCI AC World Index, in SGD terms) in July 2025, while Asia ex-Japan gained 4.47 per cent. Among the Asia ex-Japan markets, mixed performance was observed with Thailand and Taiwan being the greatest gainers, while India was among the laggards.

China's market gained 7.0 per cent in July 2025. China's S&P Global manufacturing Purchasing Managers' Index (PMI) (previously known as Caixin PMI, as the private survey) was 49.5 in July 2025, missing expectations of 50.2 and down from 50.4 in June 2025. Data was in contraction for the second time in three months. Manufacturing output declined in July 2025, marking the second time that production has fallen since October 2023. There was a slower increase in new orders as some respondents indicated that weak external demand had negatively affected sales. Notably, new export orders dropped for the fourth straight month and deepened from June 2025.

The **Hong Kong market** gained 6.9 per cent in July 2025. While tourism continues to recover, the increase in consumption across the border, as well as weaker purchasing power from mainland visitors, has weighed on the domestic retail sector, but there are indications that the retail sales are beginning to stabilise. Meanwhile, consumer sentiment has been anchored by lower interest rates and equity market gains. After falling 28 per cent since its peak in late 2021, Hong Kong's residential property prices are also beginning to stabilise.

The **Taiwan's market** gained 7.7 per cent in July 2025, as Taiwan's TAIEX advanced as global technology stocks rose on continued robust demand and corporate earnings. Taiwan's economy in the second quarter of 2025 (2Q25) grew 8 per cent year-on-year (y/y) as high-technology exports surged, which was significantly above the market's expectation. On a quarter-on-quarter (q/q) seasonally adjusted basis, growth accelerated sharply to 3.08 per cent from 1.76 per cent in the first quarter of 2025 (1Q25), the fifth straight quarter of expansion. This also exceeded Taiwan's statistical agency's forecast in May 2025, where it factored in 2Q25 growth of 5.23 per cent y/y, 0.47 per cent q/q. Net exports were the main driver of the robust economic performance in 2Q25, backed by strong global demand for artificial intelligence (AI) and emerging technologies.

Indian markets lost -3.1 per cent in July 2025 as Indian equities declined and noticeably underperformed the Asia region in response to President Trump's threats to substantially hike tariffs on India over New Delhi's insistence on buying Russian oil, while India vowed to defend national interests. Indian equities largely dismissed the story, but the Indian rupee fell to a near record low despite the Reserve Bank of India (RBI) intervention. India's flash PMI came mixed as manufacturing activity strengthened while the services sector showed signs of easing.

The **Singapore market** gained 3.9 per cent in July 2025. Monetary Authority of Singapore (MAS) held its monetary policy steady, as expected by the majority of economists, by holding the appreciation rate in Singapore Dollar Nominal Effective Exchange Rate (S\$NEER) (S\$NEER) unchanged, keeping the width and centre point also unchanged. Prospects for the Singapore economy remain subject to 'significant uncertainty', especially in 2026, as tariffs impact the country's export sectors; renewed trade tensions, geopolitical or financial shocks could weigh on Gross Domestic Product (GDP) growth further.

Investment Objective

To achieve long-term capital appreciation by investing, directly or indirectly, in Authorised Investments issued by not more than 50 in total of the top corporations or any other entities either unincorporated or incorporated in, or whose principal operations are in, Asia, as may from time to time be determined by us. These companies can be listed in any of the stock exchanges of the world. Investments will be selected following the Fund's investment focus and approach, which includes the consideration of Sustainability and Environmental, Social and Governance (ESG) factors.

Fund Information

Base Currency	Fund Size	Fund Manager
SGD	SGD 28.74 mil	Victor Wong



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