

March 2024

United SG Dynamic Income Fund



Why Invest?

- **Integration of analyst research and artificial intelligence machine learning (AIML) techniques:** The Fund applies 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.
- **Attractive dividend payout:** For Class A SGD Dist, the current distribution policy is 6.0 per cent per annum, paid out monthly, which may be suitable for investors who are seeking regular income¹.
- **Mixed asset strategy:** The Fund capitalises on opportunities across five asset classes – Singapore real estate income trusts (SREITs), Singapore equities, Asia equities, Singapore bonds and Singapore money market instruments.
- **Dynamic asset allocation:** The Fund is rebalanced quarterly based on AI-based analyses. For Q2 2024, the fund has shifted its asset allocation to 95% money market funds & 5% cash. This takes into account that staying in money market funds will enable the locking-in of current high yields.

Portfolio Positioning

We shift weight in SREITs asset class and raise Singapore Money Market to maximum overweight as recommended by the AI asset allocation model. The model which is based on a combination of macro, fundamental and technical factors to determine the best asset combination to achieve the best risk-adjusted returns appears in line with market repricing of a rate cut being pushed back further. Such market environment typically favours money market instruments best.

March 2024 Portfolio Performance

United SG Dynamic Income Fund A SGD Acc	-0.51 per cent ²
Benchmark: Singapore Overnight Rate Average (SORA) Index +2%	0.26 per cent

Source: Morningstar, Performance from 29 February 2024 to 31 March 2024 in SGD terms

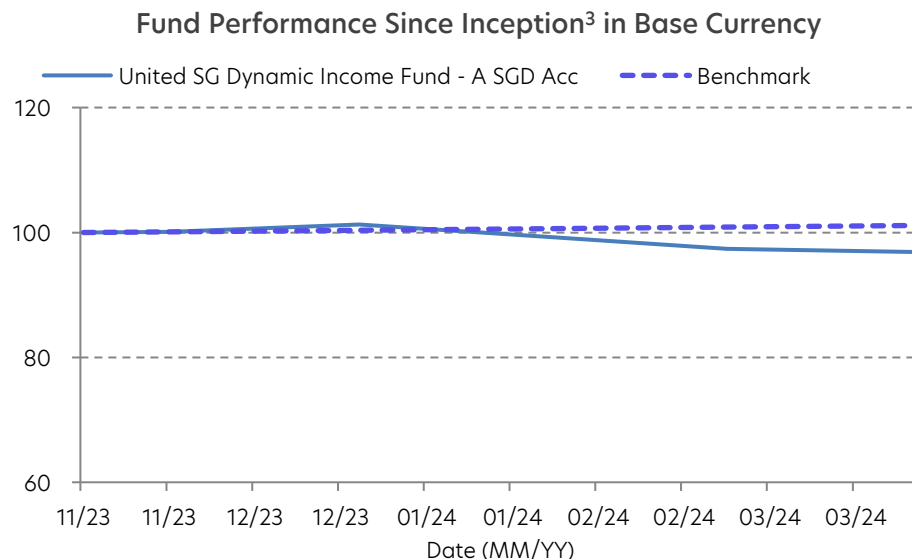
² Fund performance is on a Net Asset Value ("NAV") basis, with dividends and distributions reinvested (if any).

Performance Review

The Fund underperformed the reference benchmark in March 2024 largely owing to unfavourable asset allocation to SREITs, which more than offset positive contribution from money market instruments.

¹ Distributions (in SGD) are not guaranteed. Distributions may be made out of income, capital gains and/or capital. This relates to the disclosed distribution policy as set out in the Fund's prospectus.

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: SORA Index + 2%

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

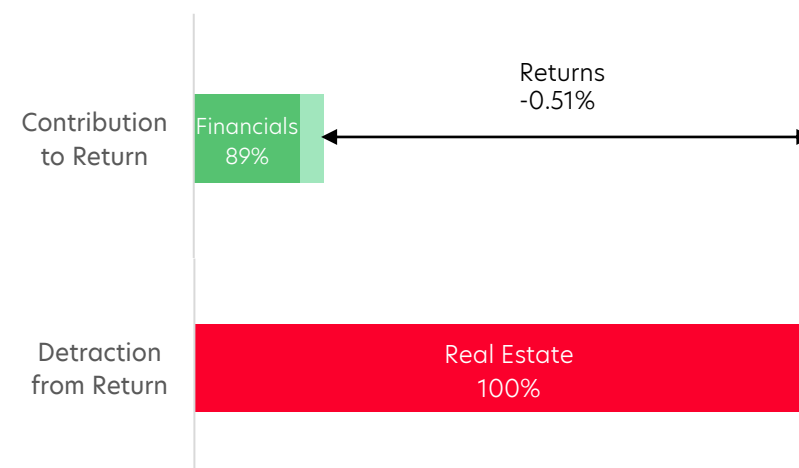
³ The United SG Dynamic Income Fund - A SGD Acc (ISIN Code: SGXZ43160589) was inception on 16 November 2023.

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

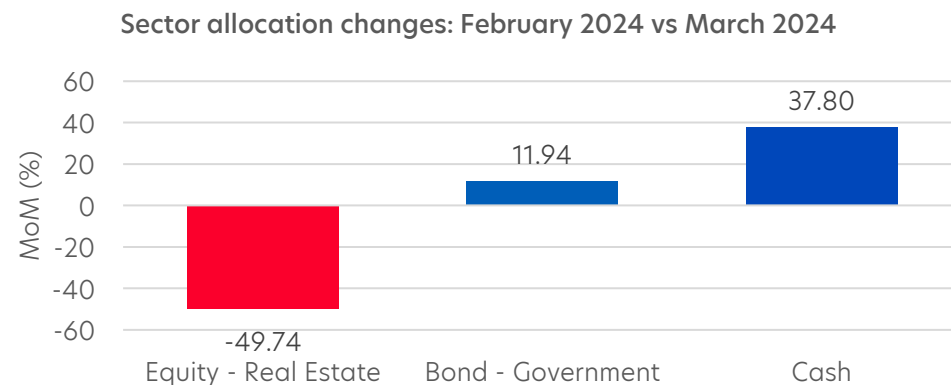
	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	-0.51	-	-	-	-3.10
Fund (Charges applied [^])	-5.49	-	-	-	-7.95
Benchmark	0.26	-	-	-	1.13

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:: Singapore Overnight Rate Average (SORA) Index +2%. 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

The overweight to SREITs sector and Singapore money market asset class did not benefit the fund this month. Both asset classes underperformed the broader Singapore equity market as well as the Asia ex Japan markets.

Market Review

Asian markets extended its upward trend this month (MSCI Asia ex Japan Index: 2.78%, SGD terms) in line with the rally in global markets. In Asia, AI-related theme drove outperformance in Taiwan and Korea with large caps Taiwan Semiconductor Manufacturing Company (TSMC) and Hon Hai Technology Group (Hon Hai) posting 13-46% gains. Korea was led by Technology and Healthcare. China saw better than expected January-March 2024 macro data with Materials and Communications sectors outperforming. SREITs sector (FSTREI Index) recovered in March 2024 +0.67% after two monthly consecutive declines though it still lagged the broader Singapore market (MSCI Singapore Index: 4.22%, Straits Times Index: 2.85%). The Singapore 10-year bond yield ended marginally lower -1bp MoM to 3.11%.

Investment Objective

The investment objective of the United SG Dynamic Income Fund is to achieve a total return consisting of income and capital appreciation by primarily investing in Singapore.

Fund Information

Base Currency
SGD

Fund Size
SGD 8.93 mil

Fund Manager
Paul Ho



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