

May 2025

# United SGD Money Market Fund



## Why Invest?

- **Alternative to deposits:** The United SGD Money Market Fund – A1 SGD (“the Fund”) invests in liquid and high-quality, short-term debt securities and money market instruments. It aims to provide a return that is comparable to that of Singapore dollar short-term deposits but has higher liquidity. As of May 2025, the Fund’s weighted average yield to maturity is 2.05 per cent.
- **Award-winning expertise:** The Fund is managed by UOBAM’s award-winning fixed-income team in Singapore, which also manages the flagship United SGD Fund, which has clinched over 20 awards<sup>1</sup>.
- **Minimal currency risk:** The Fund invests in higher-yielding foreign currency securities, but hedges any foreign currency exposure back to the Singapore Dollar to minimise any currency risks.
- **Consistent performance since inception:** The Fund has generated an annualised return of 1.77 per cent since its inception in 2019.

## May 2025 Portfolio Performance

The United SGD Money Market Fund- A1 SGD	+0.17 per cent <sup>2</sup>
Benchmark: 3-month Compounded Singapore Overnight Rate Average	+0.20 per cent

Source: Morningstar, Performance from 30 April 2025 to 31 May 2025 in SGD terms

<sup>2</sup> Fund performance is on a Net Asset Value (“NAV”) basis, with dividends and distributions reinvested (if any).

## Performance Review

Returns came predominantly from sovereign and quasi-sovereign bills. The SGD benchmark yield curve has experienced a strong bull-steepening pressure year to date (YTD) as front-end yields have come rapidly lower. Holdings of short-dated corporate papers continue to remain minimal.

As 2025 progresses, monthly returns have continued to decline (April 2025: +0.20 per cent), and we expect the monthly returns to go lower progressively. Cut-off yields of the Monetary Authority of Singapore Bills (MASBs) opened 2025 at 3.20 per cent to 3.40 per cent but are now at 2.20 per cent by the end of May 2025 (versus 2.40 per cent in end-April 2025) as USDSGD remained firm.

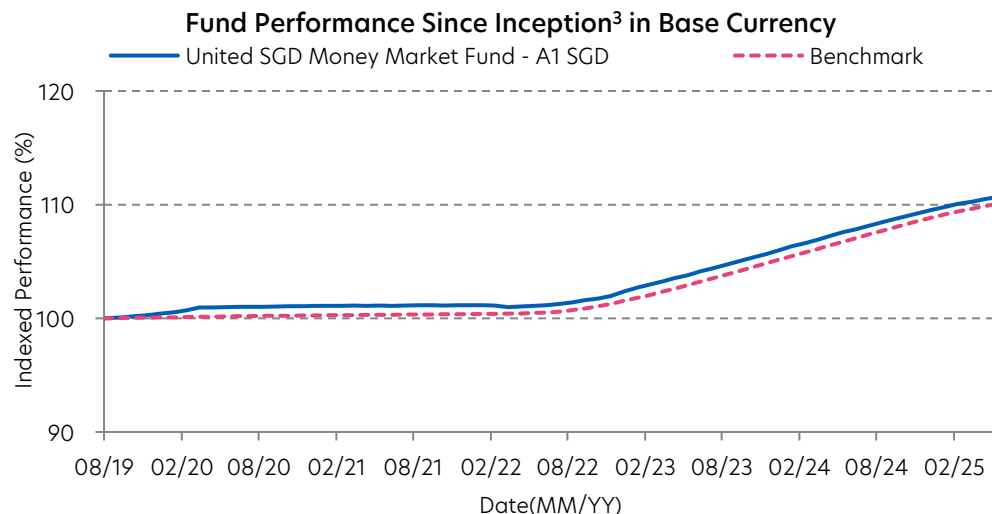
## Portfolio Positioning

We continue to stay up in credit quality, maintaining our preference for defensive sectors with resilient balance sheets, credits with leading market shares and of systemic importance.

The Fund will continue to: 1) Focus on companies that have good access to capital markets and have defensive business models; 2) Invest up to 50 per cent of the Fund in corporate bonds for the purposes of enhancing return to the portfolio; 3) Maintain the average duration of the Fund at six months; 4) Keep 3-5 per cent cash for liquidity; and 5) Hedge foreign currency risk to Singapore Dollar.

<sup>1</sup> Please visit [www.uobam.com.sg/awards](http://www.uobam.com.sg/awards) for a recent list of awards by UOBAM

## Performance (Class A1 SGD)



Past performance is not necessarily indicative of future performance.

Fund performance is calculated on a NAV to NAV basis.

Benchmark: Since inception – 7 April 2022: 3M Bank Deposit Rate; 8 April 2022 to Present: 3-month Compounded Singapore Overnight Rate Average.

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

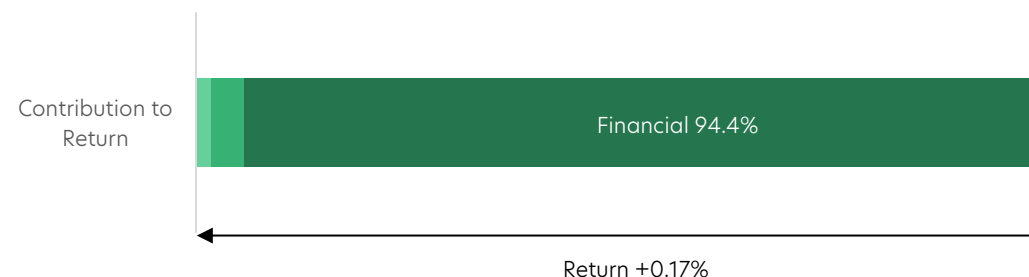
<sup>3</sup> The United SGD Money Market Fund – A1 SGD (ISIN Code: SGXZ56370984) was inceptioned on 19 August 2019.

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

	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	0.17	2.89	3.07	1.85	1.77
Fund (Charges applied^)	0.17	2.89	3.06	1.85	1.77
Benchmark	0.20	3.13	3.09	1.90	1.67

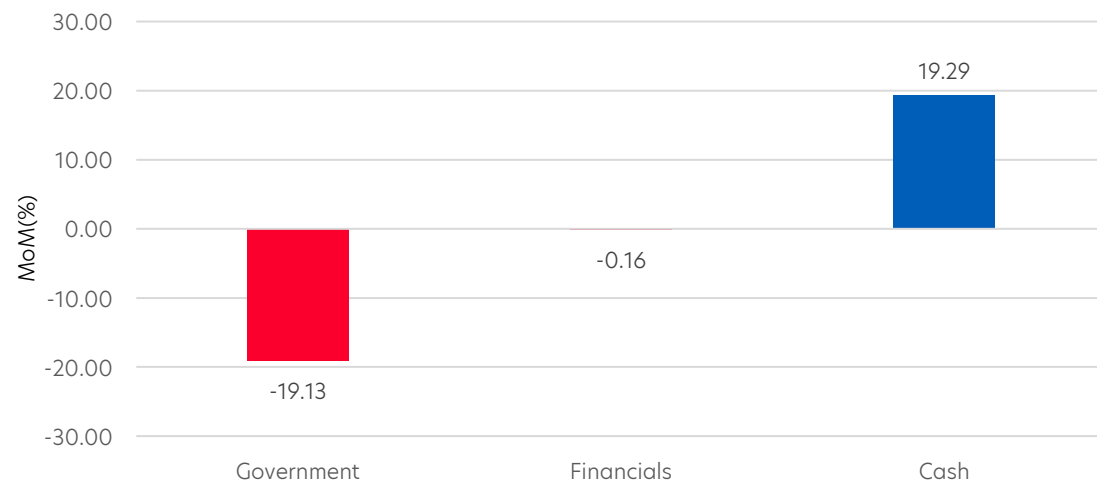
Source: Morningstar. Performance as at 31 May 2025, SGD basis, with dividends and distributions reinvested, if any. Performance figures for 1 month till 1 year show the per cent change, while performance figures above 1 year show the average annual compounded returns. Benchmark: Since inception – 7 April 2022: 3M Bank Deposit Rate; 8 April 2022 to Present: 3-month Compounded Singapore Overnight Rate Average. Past performance is not necessarily indicative of future performance. <sup>^</sup>Includes the effect of the current subscription fee that is charged, which an investor might or might not pay.

## Performance Contributors/Detractors: May 2025

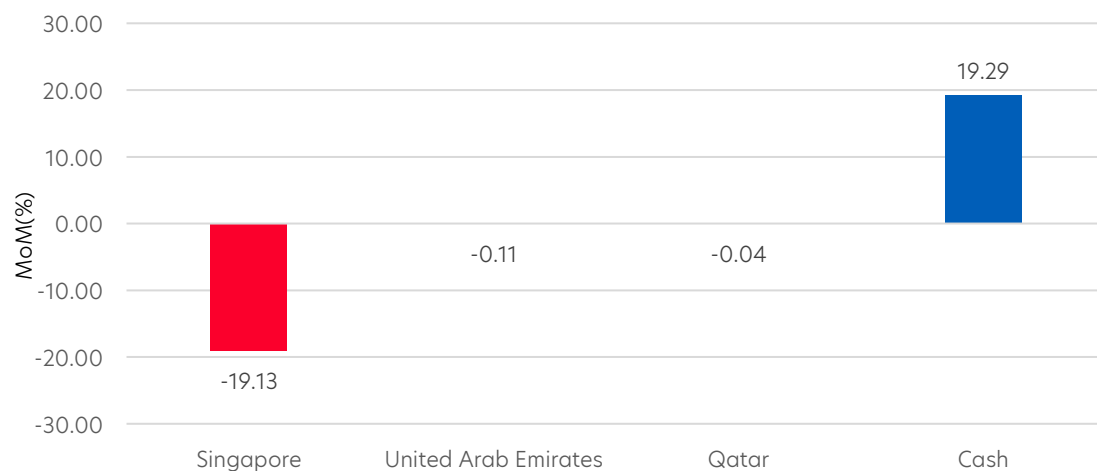


## Portfolio Changes

Sector allocation changes: April 2025 vs. May 2025



Country allocation changes: April 2025 vs. May 2025



## Portfolio Review

### Analyst Insights

The new positions we added to the portfolio in May 2025 were Monetary Authority of Singapore (MAS) Bills that mature in the next 3 months.

As shown in the left charts, the biggest decrease in the sector allocation changes for May 2025 was in Government (-19.13 per cent). In terms of country allocation changes, the Fund had the most decrease in Singapore (-19.13 per cent).

## Market Review

**Government bond** yields jumped across many markets (not for the Singapore Government Securities (SGS) bond market, though), as US fiscal concerns, resilient US data, and the patient stance from the US Federal Reserve (Fed) overshadowed the prospect of Supplementary Leverage Ratio (SLR) relaxation for US banks. The 2-year and 10-year US Treasuries (USTs) yields closed at 3.9 per cent (+29 basis points (bps)) and 4.4 per cent (+24bps) respectively in May 2025. The Federal fund futures now price in two rate cuts in 2025, from up to four cuts in April 2025.

Investors' sentiment improved on the back of easing trade/tariff concerns, decent US technology earnings, and People's Bank of China (PBOC) policy easing. The JP Morgan Asia Credit Index (JACI) Investment Grade credit spread tightened to 118bps (-15bps) as investors added to positions.

The primary activity of Asia G3 currency bond picked up slightly, with US\$13 billion (April 2025: US\$12 billion, May 2024: US\$16 billion) bonds priced. This brings year-to-date supply to US\$94 billion (+39 per cent). The biggest issuers in May 2025 were China Construction Bank Corporation (CCB, US\$1.5 billion), Industrial and Commercial Bank of China Limited, Singapore Branch (ICBCAS, US\$1.3 billion) and PT Pertamina Hulu Energi (PERHUL, US\$1 billion).

Tariff headlines will continue to be a major factor affecting the direction of Asia credit spreads, though market focus will likely gradually shift towards economic data. Any potential retreat of global risk sentiment in a scenario of weakened US growth or a stagflation scenario is likely to present the biggest risk to credit markets currently. That said, coupon carry across Asia credit remains reasonable.

## Investment Objective

The investment objective of the United SGD Money Market Fund is to provide a return which is comparable to that of Singapore dollar short-term deposits.

## Fund Information

Base Currency	Fund Size	Fund Manager
SGD	SGD 584.42 mil	Joyce Tan



### Important Notice and Disclaimers

Distributions will be made in respect of the Distribution Classes of the Fund. Distributions are based on the NAV per unit of the relevant Distribution Class as at the last business day of the calendar month or quarter. The making of distributions is at the absolute discretion of UOBAM and that distributions are not guaranteed. The making of any distribution shall not be taken to imply that further distributions will be made. UOBAM reserves the right to vary the frequency and/or amount of distributions. Distributions from a fund may be made out of income and/or capital gains and (if income and/or capital gains are insufficient) out of capital. Investors should also note that the declaration and/or payment of distributions (whether out of income, capital gains, capital or otherwise) may have the effect of lowering the net asset value (NAV) of the relevant fund. Moreover, distributions out of capital may amount to a reduction of part of your original investment and may result in reduced future returns. Please refer to the Fund's prospectus for more information.

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