August 2026

United Asian High Yield Bond Fund

UOB Asset Management

Why Invest?

• **Flexible duration:** The United Asian High Yield Bond Fund – A SGD Dist Hedged (the "Fund") maintains a nimble effective duration of 2.99 years as of August 2026. This allows the Fund to be more resilient to interest rate changes and policy repercussions.

• **Attractive dividend payout:** For Class SGD Dist, the current distribution policy is 7.0 per cent per annum, paid out monthly, which may be suitable for investors who are seeking regular income[1].

• **China's fading dominance:** The proportion of Mainland China-based issues is around a fifth of the Asian high-yield market in July 2024, compared to when Chinese property high yields comprised a third of the market, and China overall made up over half the market in 2019.

• **Diversification opportunities:** Currently, the geographic spread has widened considerably, with markets like Hong Kong, Mongolia, Sri Lanka and the Philippines featuring more prominently among the Top 10 largest Asian issuers of high-yield bonds.

August 2026 Portfolio Performance

The United Asian High Yield Bond Fund – A SGD Dist (Hedged)	+1.02 per cent[2]
Benchmark: J.P. Morgan Asia Credit Index (JACI) Non-Investment Grade Total Return Index	+0.15 per cent

Source: Morningstar, Performance from 31 July 2026 to 31 August 2026 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 returned 1.25 per cent (Class USD Acc) for August 2026 versus the benchmark of 1.08 per cent (in USD).

The outperformance was due to credit selection, especially in China.

Portfolio Positioning

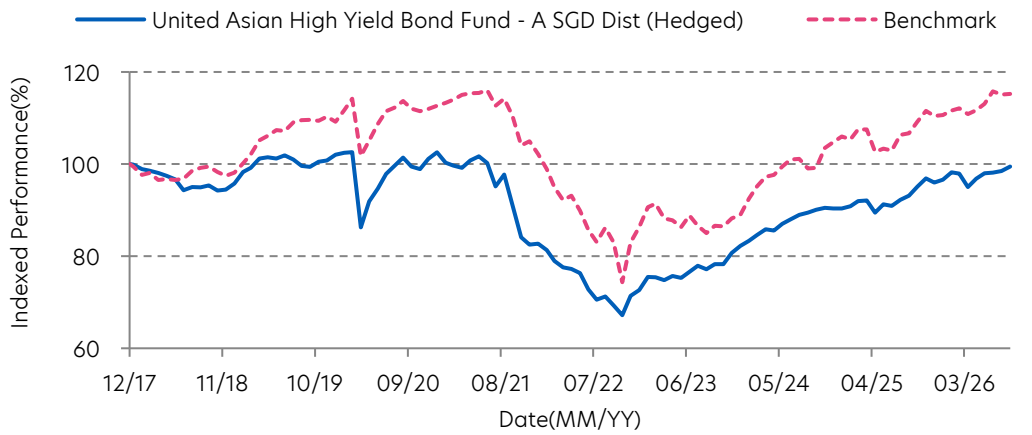
We continue to prioritise coupon returns while aiming to diversify across various markets and continue to favour higher-quality, more liquid credits with strong balance sheets, predictable cash flows, and reliable access to capital markets.

The Fund will continue to: 1) Be prudent when deploying cash, overweighting shorter-dated high-yielding papers with more certainty of refinancing/repayment; 2) Focus on companies/industries that have good access to the capital market and better fundamentals; 3) Have a 60/40 approach, where 60 per cent of the portfolio is buy and hold and 40 per cent is for tactical allocation; and 4) Strategic positioning for the years ahead is to ensure stable, risk-adjusted returns.

[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 Dist (Hedged))

Fund Performance Since Inception[3] in Base Currency



Past performance is not necessarily indicative of future performance.

Fund performance is calculated on a NAV to NAV basis.

Benchmark: J.P. Morgan Asia Credit Index (JACI) Non-Investment Grade Total Return Index.

Source: Morningstar. Performance as at 31 August 2026, SGD basis, with dividends and distributions reinvested, if any.

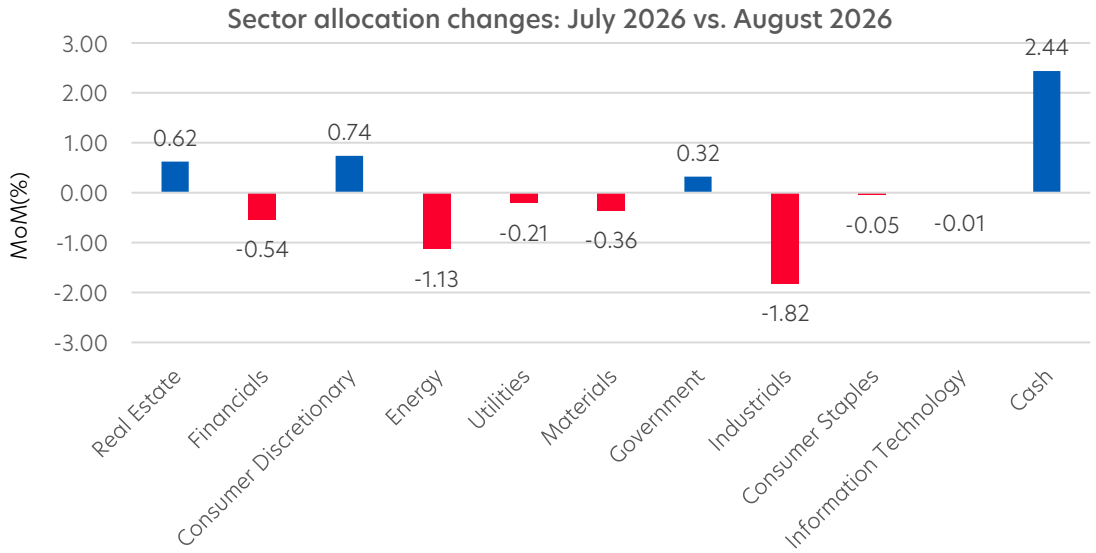
	Cumulative Performance (%)	Annualised Performance (%)			
	1 month	1 Year	3 Years	5 Years	Since Inception
Fund NAV to NAV	1.02	6.85	8.83	0.35	-0.06
Fund (Charges applied^)	-2.02	3.65	7.73	-0.26	-0.41
Benchmark	0.15	8.02	10.67	0.18	1.65

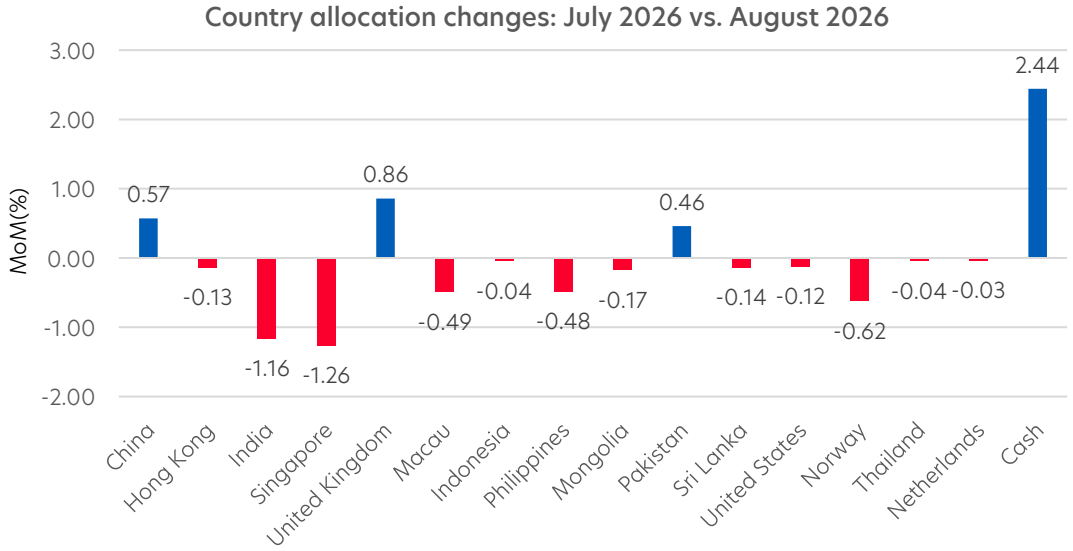
Source: Morningstar. Performance as at 31 August 2026, SGD basis, with dividends and distributions reinvested, if any. Performance figures for 1 month till 1 year show the per cent change, while performance figures above 1 year show the average annual compounded returns. Benchmark: J.P. Morgan Asia Credit Index (JACI) Non-Investment Grade Total Return 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.

[3] The United Asian High Yield Bond Fund- SGD Dist (ISIN Code: SG9999010029), SGD Acc (ISIN code: SG9999010011), A SGD Acc (Hedged) (ISIN Code: SG9999017628) and A SGD Dist (Hedged) (ISIN Code: SG9999017636) were incepted on 2 April 2013, 19 May 2015, 26 January 2018 and 18 December 2017 respectively.

All statistics quoted in the write-up are sourced from Bloomberg as at 31 August 2026 unless otherwise stated.

Portfolio Changes





Source: UOBAM

Portfolio Review

Analyst Insights

The new positions we added to the portfolio in August 2026 were Corporate Credit in the Quasi-sovereign, Consumer, Utilities, and Industrial sectors. Meanwhile, we sold positions in the Sovereign, Metals and Mining, and Oil and Gas sectors.

As shown in the charts on the left, the largest increase was in Consumer Discretionary (+0.74 per cent), whereas the biggest decrease was in Industrials (-1.82 per cent). In terms of country allocation, the Fund has the biggest decrease in Singapore (-1.26 per cent) and the biggest increase in the United Kingdom (+0.86 per cent) for August 2026.

Market Review

US Treasuries (UST) bear-flattened (short-term interest rates rose faster than long-term rates) in August 2026, driven by higher-than-expected core Personal Consumption Expenditures Price Index (PCE) prints for July 2026 and Federal Reserve Chair Warsh's hawkish comments at the Jackson Hole Symposium. The long end of the yield curve fared better, aided by the plans from the US Department of the Treasury to increase buybacks of 10- to 30-year bonds by at least twofold. By the end of August 2026, 2-year and 10-year UST yields had risen to 4.34 per cent (+5 basis points (bps)) and 4.75 per cent (+2 bps), respectively. The **JPMorgan Asia Credit Index** (JACI) **Investment Grade spreads** tightened by 4 bps to 94 bps, partially offsetting the UST sell-off.

The **JACI Non-Investment Grade Index** delivered a 1.08 per cent return in August 2026, continuing to outperform its Investment Grade counterpart. Market conditions were marked by heightened volatility, driven by increasingly hawkish global monetary policy expectations and ongoing geopolitical tensions in the Middle East. Nevertheless, resilient regional corporate earnings and net negative primary issuance offered a supportive backdrop from both fundamental and technical perspectives, allowing Asian High Yield credits to generate superior risk-adjusted returns relative to the broader emerging markets universe.

Asia ex-Japan G3 bond issuance picked up modestly in August 2026, with US$17.9 billion priced, compared with US$16.3 billion in July 2026 and US$13.2 billion in August 2025. This brought year-to-date issuance to US$154.9 billion, surpassing the US$141.1 billion recorded over the same period in 2025. August (2026) primary market activity was led by Indian financial institutions as lenders seek to capitalise on a Reserve Bank of India facility that reduces the cost of hedging foreign-currency borrowings. Notable transactions include those from Bank Mandiri and Pakistan Sovereign, which performed relatively well because of limited supply.

Investment Objective

The investment objective of the United Asian High Yield Bond Fund is to seek to achieve a total return consisting of high income and capital appreciation by investing primarily in high yield fixed income or debt securities (including money market instruments) issued by Asian corporations, financial institutions, governments and their agencies.

Fund Information

Base Currency	Fund Size	Fund Manager
SGD	SGD 54.00 mil	Melvin Chan

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

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