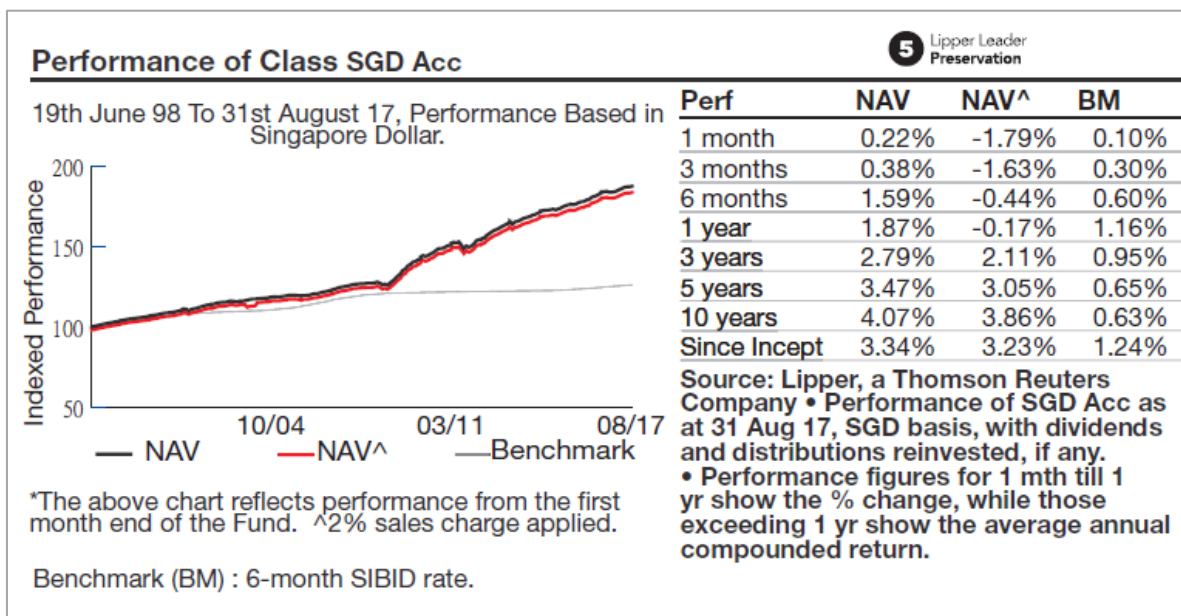


United SGD Fund

Fund Performance

The performance of the United SGD Fund Class A (Acc) SGD (the "Fund") was up by 0.22%¹ in the month of August 2017. The Fund's benchmark, the 6-month Singapore Interbank Bid Rate ("SIBID rate"), increased 0.10%².



Market Review

The Fund had a NAV at \$1.85 in August 2017.

A meeting of central bankers at Jackson Hole revealed little from US Federal Reserve (Fed) Chair Janet Yellen with regards to future rate hikes. The market is now focused on the Federal Open Market Committee meeting in September where balance sheet tapering plans are expected to be announced. Elsewhere, market headlines were peppered with uncertainties from potential negative US-centric risks such as the decision over the debt ceiling, the lack of fiscal impetus and speculation that White House economic adviser Gary Cohn may resign. Investors also kept vigilant watch amidst tensions over North Korea and a terror attack in Barcelona. US\$14.5 billion of bonds were priced in the Asia ex-Japan dollar space, the lowest monthly issuance in 2017. Nonetheless, issuance for August still represents a 36.1% year-on-year increase, which brings issuance to date to US\$193.8 billion, surpassing 2016's entire issuance of US\$183 billion.

Outlook and Strategy

Going into September, geopolitical and political concerns may continue to weigh on risk-sentiments. The threat of a missile strike on Guam appears to be only the start, as North Korea has further escalated

¹ Source: Lipper, Performance from 31 July 2017 to 31 August 2017 in SGD terms, on a NAV (Net Asset Value) basis, with dividends and distributions reinvested (if any).

² Source: Lipper, Performance from 31 July 2017 to 31 August 2017 in SGD terms.

Fund Awards include: The Edge Lipper SGD Fund Awards (2010-2011, 2013-2015), SG Inv Fund Awards (2000-2001)

All statistics quoted in the write-up are sourced from Bloomberg as 31 August 2017 unless otherwise stated

United SGD Fund

tensions with a missile launch over Japan and reportedly testing its most powerful nuclear bomb. We maintain our defensive positioning with preference for quality credits with leading market share, of systemic importance, in defensive sectors and which are professionally managed. We continue to invest up the credit rating scale and increase exposure to developed markets, to insulate the portfolio against spurts of volatility. The upward pressure on US Treasury yields from the Fed's unwinding of the balance sheet may be offset by weak inflation data and disappointment in fiscal policies from the Trump administration.

The Fund will continue to buy fairly priced bonds and sell/take-profit on expensive bonds based on relative value. We will focus on companies that have good access to capital markets and have defensive business models. We will also continue to invest in bonds that are maturing, callable or puttable up to 3 years to enhance overall return. The Fund will maintain 3% to 5% in cash for liquidity purposes and hedge foreign currency risk to the Singapore dollar.

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