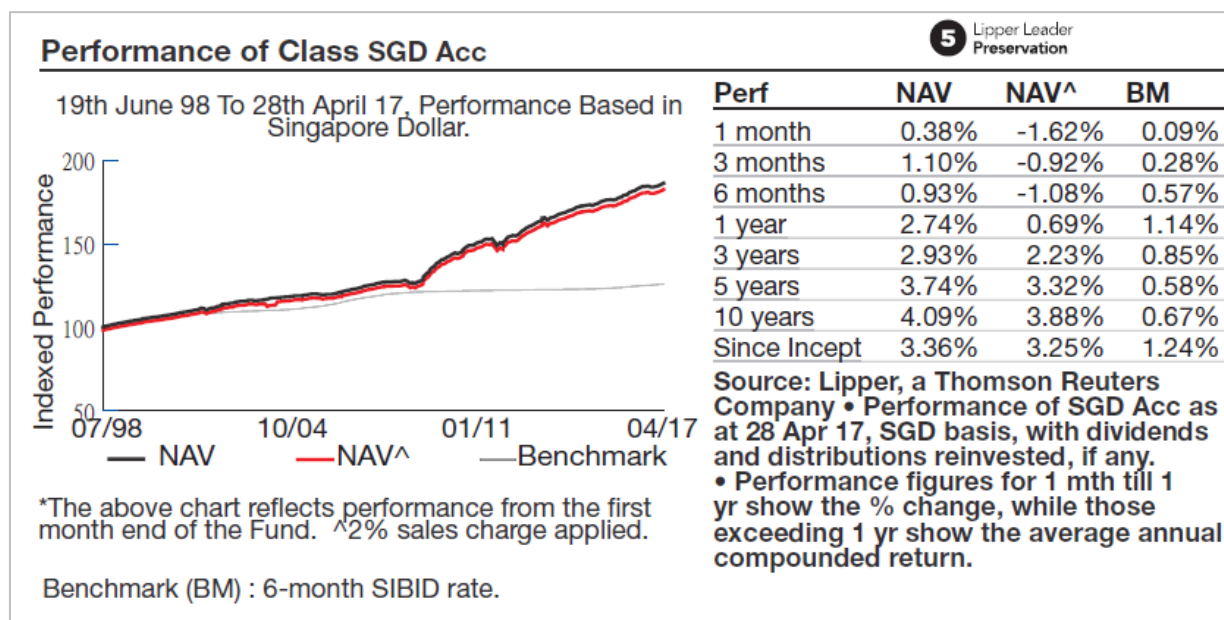


United SGD Fund

Fund Performance

The performance of the United SGD Fund Class A (Acc) SGD (the "Fund") advanced 0.38%¹ in the month of April 2017. The Fund's benchmark, the 6-month Singapore Interbank Bid Rate ("SIBID rate"), increased 0.09 %².



Market Review

The Fund had a NAV at \$1.836.

Increasing obstacles for US President Trump to deliver on campaign promises weighed on markets. Besides rising doubt on Trump's ability to deliver on his fiscal pledges, Trump's international position towards Syria, North Korea and Russia also spurred a strong risk-off sentiment as the 10-year US Treasuries (UST) yield hit year to date lows of 2.17%. Economic data was also weaker than expected, with 1Q17 GDP growing quarter-on-quarter at 0.7%, the slowest first quarter over the past 3 years, while consumer spending inched only 0.3% compared to 3.5% in 4Q16. 10 year UST yields recovered its footing to close the month at 2.28% (March figure was 2.39%) as estimates showed centrist Emmanuel Macron leading the polls in the French Presidential Election, and the US Treasury dropped hints on issuing long dated bonds.

Outlook and Strategy

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.

We are inclined to expect higher yields eventually on the back of the likely return of fiscal policy and tax reform that takes over from quantitative easing. Rising interest rates environment will benefit the performance of the Fund as

¹ Source: Lipper, Performance from 31 March 2017 to 28 April 2017 in SGD terms, on a NAV (Net Asset Value) basis, with dividends and distributions reinvested (if any).

² Source: Lipper, Performance from 31 March 2017 to 28 April 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 at 28 April 2017 unless otherwise stated

United SGD Fund

bonds are reinvested at higher interest rates which will limit negative impact into portfolio due to low portfolio duration.

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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