

## Investment Scenario & Strategy (2nd Quarter, 2004)

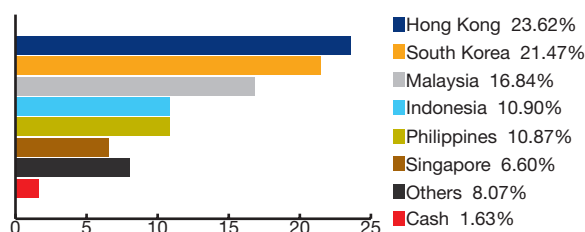
- For the quarter, the Fund outperformed the benchmark, returning 1.79% against 1.56% on a bid-to-bid basis. The performance was mainly attributable to an underweight in Philippines sovereigns which underperformed the benchmark.
- Other than the Philippines, credit spreads in Asia were range-bound and return was mainly attributable to lower US Treasury yields.
- Stable credit fundamentals and high liquidity in the region should continue to support credit spreads though we do not foresee significant tightening. For investment grade bonds, a larger impact is expected from the movement in US Treasury yields. Volatility in non-investment grade sovereign bonds is expected to continue given the upcoming elections in Indonesia and the Philippines. High yield corporate bonds with improving credit profile and low liquidity should continue to provide good carry with stable prices.

## 投资环境与策略 (2004年第二季)

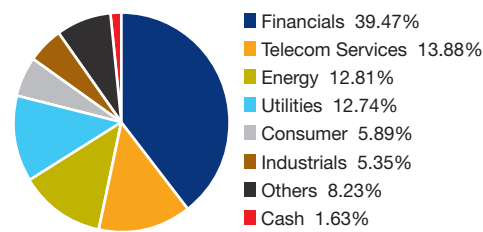
- 此基金在第1季度的表现超越指标；基金取得的增幅为1.79%(根据买价与买价的比较)，其指标的升幅则为1.56%。基金的较佳表现，主要可归因于对表现低于指标表现的菲律宾国家债券采取了减码策略。
- 除菲律宾外，其他亚洲国家的信贷差幅都维持在一定范围内，其收益表现主要可归因于较低的美国政府国库券收益率。
- 区域内的平稳信贷基本面及高度流动性，应可继续支撑信贷差幅，虽然我们并不认为会出现显著紧缩的情况。对投资级债券来说，更大的冲击预料来自美国政府国库券收益率的变动。非投资级国家债券的波动情况预料将持续，主要因为印尼和菲律宾的大选即将来临。收益率高、信贷情况改善且流动性低的企业债券，应可继续提供良好的差幅，同时保有稳定的价格。

## Asset Allocation (As at 31 Mar 2004)

### By Country



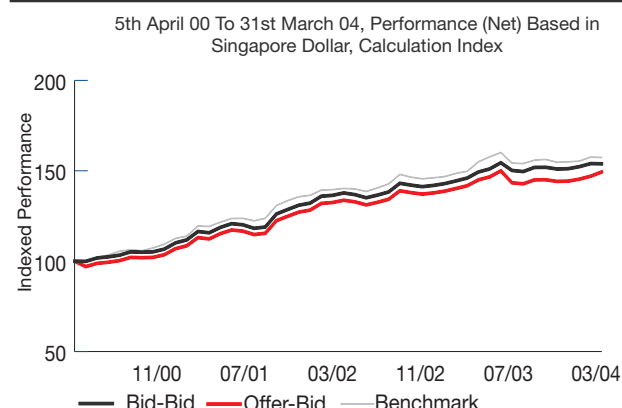
### By Sector



## Top Holdings (As at 31 Mar 2004)

PETROLIAM NASIONAL BHD 7% 22/05/2012  
 HUTCHISON WHAMPOA 6.25% 24/01/2014  
 EON BANK BHD 5.375% 21/01/2014  
 PCCW-HKTC CAPITAL LTD 7.75% 15/11/2011  
 KOREA HYDRO&NUCLEAR PWR 4.25% 29/01/2008

## Performance



Performance	Bid-Bid	Offer-Bid	Benchmark
1 month	-0.08%	-2.99%	-0.14%
3 months	1.79%	-1.17%	1.56%
6 months	1.30%	-1.65%	0.94%
1 year	5.39%	2.33%	5.10%
3 years	9.72%	8.63%	9.60%
Since Inception	11.35%	10.53%	12.03%

Source: Lipper, Bloomberg • Performance are in SGD as at 31 Mar 04 • Performance figures for 1 mth till 1 yr show the % change, those exceeding 1 yr show the annual compounded return  
 Benchmark : Apr 00 - Jul 03 : JP Morgan Emerging Mkts Bond Index Global Constrained Asia; Aug 03 - Present : JP Morgan Asia Bond Total Return Composite.

## Fund Info

### Fund Objective

The Fund's objective is to provide high current income and capital appreciation by investing in high-yielding debt securities issued by Asian corporations, governments and their agencies. The list of Asian countries which the Fund will invest include but are not exclusive to the countries of Singapore, Malaysia, Thailand, Indonesia, Philippines, Hong Kong, South Korea, Taiwan, China, Australia, New Zealand and Japan.

### Fund Awards

The Edge-Lipper SG UT Fund Awards 03  
 SG Inv. Fund Award 02  
 SG Inv. Fund Award 01  
 SG Inv. Fund Award 00

## Fund Details

LAUNCH DATE  
**March 2000**

FUND SIZE  
**\$S\$14.57 million**

BID/OFFER PRICE  
**\$S\$1.4658/1.5098 (as at 31 Mar 04)**

SUBSCRIPTION  
**Cash**

INITIAL INVESTMENT  
**\$S\$1,000**

SUB INVESTMENT  
**\$S\$500**

MANAGEMENT FEE  
**1.00% p.a.**

SUBSCRIPTION FEE  
**3.0%**

MINIMUM RSP  
**\$S\$100/month, \$S\$500/quarter**

TRUSTEE  
**Citicorp Trustee**

## Contact Details

Visit our website  
[www.uobam.com.sg](http://www.uobam.com.sg)  
 Call our 24hr hotline  
**1800 22 22 228**

Copies of the prospectus of the funds (the "Funds") are available and may be obtained from the Manager or any of its appointed distributors. Investors should read the relevant prospectus before deciding to purchase units in the Funds. All applications for units in the Funds must only be made on application forms accompanying the relevant prospectus. Past performance and any forecasts made are not necessarily indicative of future or likely performance of the Funds. The value of the units and the income from the Funds may fall as well as rise. The above information is strictly for information purposes only and should not be construed as an offer or solicitation to deal in the Funds. Reference to individual companies is for illustration only and is not a recommendation to buy or sell. Investment in unit trusts are not obligations of, deposits in, guaranteed or insured by United Overseas Bank Limited, UOB Asset Management Limited, any of its affiliates or distributors. An investment in unit trusts is subject to investment risk and foreign exchange risks, including the possible loss of the principal amount invested. Investors may wish to seek advice from a financial advisor before making a commitment to invest in units of the Funds. In the event an investor chooses not to seek advice from a financial advisor, the investor should consider whether the Funds are suitable for him.