

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

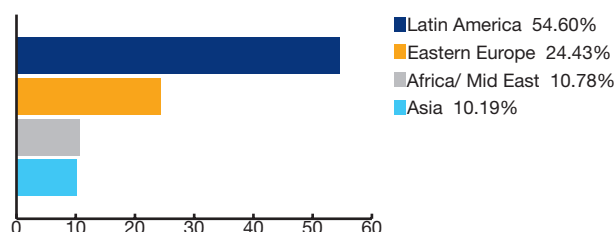
- The fund gained 2.33% for the quarter, against the benchmark return of 2.41% on a bid-bid basis.
- Fears of higher US interest rates and a political scandal in Brazil has caused spreads in Emerging Markets to widen in late January 2004. Towards the end of the quarter, firm oil prices, benign inflation, high liquidity coupled with low issuance helped spreads of the JP Morgan EMBI- Global Diversified to recover to 430, back to where it started at the beginning of the year.
- Brazilian President Lula's approval rating fell less than expected and is still high by comparison while inflation remains on track and has allowed the central bank to lower interest rates to 16.25%. Russia's President Putin announced formerly unknown Mikhail Fradkov as the new Prime Minister while his own re-election held no surprises. Turkey headed towards the final stage of the UN-led Cyprus talks whereby the final version of the package will be voted on a public referendum for both sides on 24 April. Venezuela was firm despite slimming chances of a recall –referendum in August due to delaying tactics.
- The portfolio continues to be positioned for spread compression although higher US interest rates may present some risk.

### 投资环境与策略 (2004年第二季)

- 此基金在第1季度攀高2.33%(根据买价与买价的比较), 其指标则上涨2.41%。
- 在市场担心美国利率可能上升, 加上巴西出现政治丑闻的情形下, 新兴市场的价差在1月底扩大。在步入第1季度末时, 持稳的石油价格、呈良性的通货膨胀情况、高资金流动、以及低债务工具发行量, 推动JP Morgan EMBI- Global Diversified的价差回复到年初的430水平。
- 在巴西, 由于总统卢拉的支持率比预期中下滑的少, 但其支持率仍相对为高, 再加上通货膨胀情况仍处于良性范围内, 巴西央行因此得以把利率下调至16.25%。俄罗斯方面, 总统普京宣布提名鲜为人知的弗拉德科夫为新总理, 其总统选举结果没有出现意外。另外, 土耳其在联合国主持的塞浦路斯会谈中, 朝最后阶段更进一步: 土、希两族将于4月24日就最后统一方案举行全民公投。在另一厢, 委内瑞拉对举行公投的立场坚定, 虽然在有关方面的延迟策略下, 定于8月份对总统查韦斯的统治举行全民公投的可能性不大。
- 基金组合对价差收窄的可能性做好了准备, 虽然美国利率可能上升而带来一些风险。

### Asset Allocation (As at 31 Mar 2004)

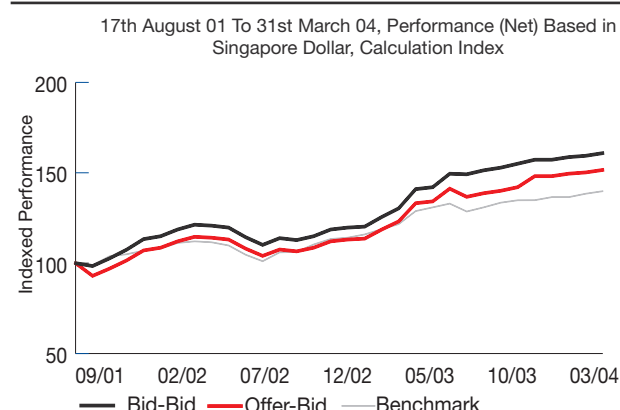
#### By Country



### Top Holdings (As at 31 Mar 2004)

RUS STEP '30  
 BRAZIL '40  
 UMS '31  
 COLOMBIA '20  
 UKRAINE '13

### Performance



Performance	Bid-Bid	Offer-Bid	Benchmark
1 month	0.92%	-4.35%	1.01%
3 months	2.33%	-2.65%	2.41%
6 months	5.26%	0.00%	4.76%
1 year	23.44%	16.91%	14.97%
Since Inception	19.40%	16.96%	14.19%

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 : JP Morgan EMBI Global Div Index.

### Fund Info

#### Fund Objective

The fund seeks to maximise returns, with high yields and capital appreciation over the longer term in primarily Emerging Markets debt investments and products.

### Fund Awards

The Edge-Lipper SG UT Fund Awards 03

### Fund Details

#### LAUNCH DATE

July 2001

#### FUND SIZE

**S\$87.13 million**

#### BID/OFFER PRICE

**S\$1.1000/1.1600**  
 (as at 31 Mar 04)

#### SUBSCRIPTION

**Cash**

#### INITIAL INVESTMENT

**S\$1,000**

#### SUB INVESTMENT

**S\$500**

#### MANAGEMENT FEE

**1.75% p.a.**

#### SUBSCRIPTION FEE

**5.0%**

#### MINIMUM RSP

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

#### TRUSTEE

**Dexia Trust**

### 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.