

Investment Scenario & Strategy (2nd Quarter, 2004)

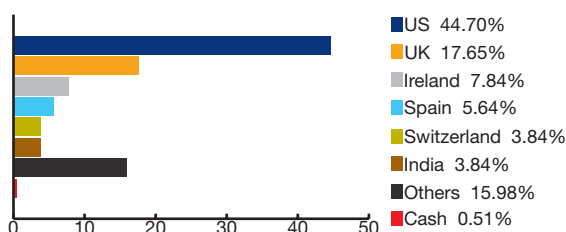
- For the quarter the Fund rose 1.9% against the benchmark return of 3.36% on a bid-bid basis.
- Performance during the quarter was disappointing, adversely affected by our decision not to invest in Japanese banks, a view we maintain based on a careful analysis of underlying capital positions and the hostile operating conditions evident in Japan. We added to our UK & Irish exposures, where valuations and growth prospects stack up favorably, and we increased our exposure to institutions with market sensitive revenues.
- Our core approach of holding high shareholder value added companies should return to favour in the current year. We expect share price performance to correlate more closely with core earnings growth and less by recovery prospects (as was the case during the second half of 2003). Operating conditions remain favorable for continued albeit more moderate performance in the year ahead.

投资环境与策略 (2004年第二季)

- 此基金在季度中上升1.9%(根据买价与买价的比较), 其指标则上涨3.36%。
- 基金在季度中的表现令人失望, 主要因为我们决定不投资于日本银行。这个决策给基金的表现带来了负面影响。我们是针对日本银行的基本资产状况, 以及当地明显不利的运作环境作出周详分析后, 才下此决策的。在季度中, 我们扩大了在英国和爱尔兰市场的布局。这两地股市的估值及成长前景有利, 我们增加了那些收入跟市场变动紧密挂钩的企业的持股。
- 我们的主要投资策略是买进在股东价值上取得高增值的公司。这个策略在今年应该可以再次有所收获。我们预期, 股票价格的表现同企业主要收益成长的互动关系将变得更密切, 而经济复苏前景对股价的影响则比前者的小(经济复苏前景是2003下半年主导股票表现的因素)。此外, 目前的营运情况将有利于在未来一年里取得持续而适度的表现。

Asset Allocation (As at 31 Mar 2004)

By Country

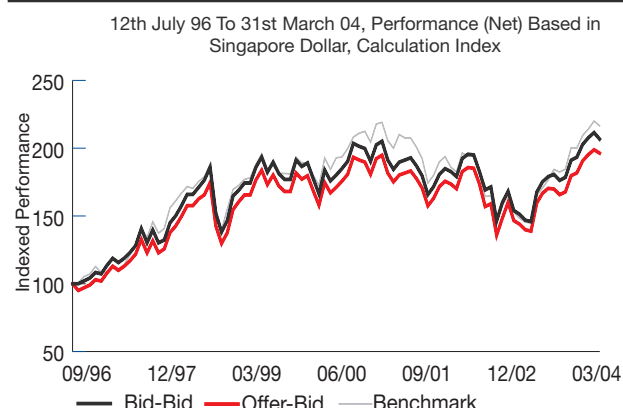


Top Holdings (As at 31 Mar 2004)

BANK OF AMERICA
 BANK IRELAND IE
 MBNA CORP
 BARCLAYS
 ROY B OF SCOT

NORTHERN ROCK
 BANCO POP ESPAN
 US BANCORP
 FANNIE MAE
 COMPASS BANCS

Performance



Performance	Bid-Bid	Offer-Bid	Benchmark
1 month	-2.34%	-7.18%	-1.65%
3 months	1.90%	-3.10%	3.36%
6 months	15.74%	9.97%	17.26%
1 year	41.65%	34.40%	49.44%
3 years	3.85%	2.13%	2.66%
5 years	2.12%	1.05%	2.83%
Since Inception	9.85%	8.98%	10.51%

Source: Lipper • 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 : July 96 - Mar 01 : MSCI WRLD Finance Comp Grs; Apr 01 - Present : MSCI WRLD Financials Grs USD.

Fund Info

Fund Objective

The fund aims to achieve long-term capital growth through investment in global banks and financial institutions and other companies carrying on business in financial services.

Fund Awards

SG S&P Inv. Funds Awards 04
 The Edge-Lipper SG UT Fund Awards 03
 SG Inv. Fund Awards 01
 SG Inv. Fund Awards 99
 SG Fund of the Year Awards 97

Fund Details

LAUNCH DATE
 June 1996

FUND SIZE
 S\$42.47 million

BID/OFFER PRICE
 S\$1.8750/1.9700
 (as at 31 Mar 04)

SUBSCRIPTION
 Cash & CPF-OA
 INITIAL INVESTMENT
 S\$1,000

SUB INVESTMENT
 S\$500

MANAGEMENT FEE
 1.50% p.a.

SUBSCRIPTION FEE
 5.0%

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

TRUSTEE
 Bermuda Trust

Contact Details

Visit our website
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.