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UOB Asset Management launches its first retail multi-asset fund to help investors seize opportunities from changing market trends

Singapore, 2 July 2014 – UOB Asset Management Ltd (UOBAM), an award-winning fund manager in Singapore, has launched its first multi-asset fund, the United Global Asset Rotator, for retail investors to tap on investment opportunities arising from changing market trends. Trading of the fund started on 1 July 2014.

The fund invests in a diversified portfolio of exchange-traded funds (ETFs) selected from a wide range of asset classes such as equities, fixed income, cash, commodities, foreign exchange and money market instruments across different geographies and sectors.

Mr Chong Jiun Yeh, Chief Investment Officer of Fixed Income and Structured Investments, UOBAM, said that the United Global Asset Rotator adopts a flexible asset-allocation approach that allows for funds to be moved among different asset classes quickly. This would mitigate the risk of losses incurred from volatile market conditions.

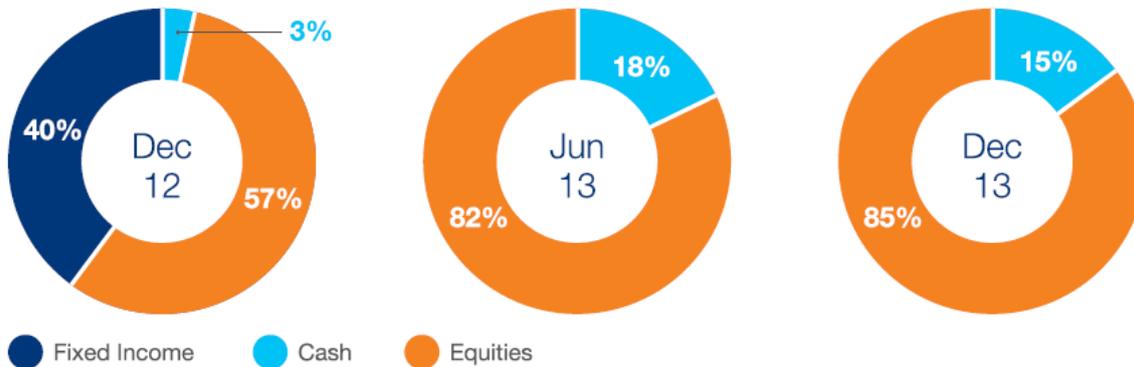
“Lessons from the past few years have shown that keeping to a static asset allocation strategy is not an ideal way of managing an investment portfolio. Typically, other funds are reviewed periodically. However we monitor market movements and trends and from there adjust our asset allocation of the United Global Asset Rotator accordingly on an ongoing basis. This allows us to help retail investors to seize the right market opportunities at the right time.”

For example, after the US Federal Reserve signalled its intention to taper its quantitative easing (QE) in May 2013, funds flowed out of fixed income in the second half of the year into equities. This resulted in an overall drop of 14 per cent in fixed income flows in 2013, while equities received 58 per cent of total funds flows for the year¹. In this scenario, the United Global Asset Rotator would have changed its strategy from fixed income ETFs to equity ETFs.

¹ 2013 Global Flows Report, Morning Star Global Fund Research, March 2014.

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Illustration of asset allocation to tap on the fund-flow trend in 2013²



In the second quarter of 2014, the US treasury interest rates tightened due to unexpected weak growth in the country. In this example, the United Global Asset Rotator would have reduced its investments in equity ETFs and allocated them to fixed income ETFs to capitalise on that market movement.

Retail investors can invest in the United Global Asset Rotator with a minimum of \$1,000.

Outlook on equities and fixed income for the second half of 2014

For the second half of 2014, UOBAM is positive on global equities in light of improving growth in the developed markets and healthy outlook for corporate earnings.

Mr Anthony Raza, Head of Multi-Asset Strategy, UOBAM, said, “While equities are likely to ride on accelerating economic growth in the developed markets, we believe the anticipation of rising long-term interest rates will continue to impact the appeal of fixed income.”

- Ends -

² Please note that the table is for illustration purposes only and is not an indication of the future or likely performance of the United Global Asset Rotator or UOBAM.

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About UOB Asset Management Ltd

UOB Asset Management Ltd (UOBAM) is a wholly-owned subsidiary of United Overseas Bank Limited. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for 28 years and as of 31 March 2014 manages about S\$14.2 billion in clients' assets out of Singapore. UOBAM manages 52 unit trusts in Singapore and is one of the largest unit trust managers in Singapore in terms of assets under management.

UOBAM has an extensive presence in Asia with regional business and investment offices in Malaysia, Thailand, Brunei, Taiwan and Japan. We have two joint ventures: Ping An-UOB Fund Management Company (China) and UOB-SM Asset Management Pte Ltd (Singapore). In addition, we forged a strategic alliance with UTI International (India).

Through our network, we offer a comprehensive suite of products to our client base of individuals, institutions and corporations. These products include but are not limited to retail unit trusts, exchange-traded funds and customised portfolio management services. We constantly strive to provide our clients with innovative investment solutions to meet their investment objectives.

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