



# United Liquidity Solutions Portfolios

➤ **United SGD Money  
Market Fund**

**Annual Report**

for the financial year ended  
31 December 2020



**United Liquidity Solutions Portfolios**  
(Constituted under a Trust Deed in the Republic of Singapore)

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**MANAGER**

UOB Asset Management Ltd

Registered Address:

80 Raffles Place

UOB Plaza

Singapore 048624

Company Registration No. : 198600120Z

Tel: 1800 22 22 228

**DIRECTORS OF UOB ASSET MANAGEMENT LTD**

Lee Wai Fai

Eric Tham Kah Jin

Peh Kian Heng

Thio Boon Kiat

**TRUSTEE**

State Street Trust (SG) Limited

168 Robinson Road

#33-01, Capital Tower

Singapore 068912

**CUSTODIAN / ADMINISTRATOR / REGISTRAR**

State Street Bank and Trust Company, acting through its Singapore Branch

168 Robinson Road

#33-01, Capital Tower

Singapore 068912

**AUDITOR**

PricewaterhouseCoopers LLP

7 Straits View, Marina One

East Tower, Level 12

Singapore 018936

**United SGD Money Market Fund**  
(Constituted under a Trust Deed in the Republic of Singapore)

**A) Fund Performance**

**Class B SGD**

<b>Fund Performance/ Benchmark Returns</b>	<b>3 mth % Growth</b>	<b>6 mth % Growth</b>	<b>1 yr % Growth</b>	<b>3 yr Ann Comp Ret</b>	<b>5 yr Ann Comp Ret</b>	<b>10 yr Ann Comp Ret</b>	<b>Since Inception 20 September 2018 Ann Comp Ret</b>
United SGD Money Market Fund	0.06	0.15	0.83	N/A	N/A	N/A	1.13
Benchmark	0.03	0.07	0.18	N/A	N/A	N/A	0.18

Source: Morningstar.

Note: The performance returns of the Fund are in Singapore Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.

The benchmark of the Fund: 3M Bank Deposit Rate.

**Class Z SGD**

<b>Fund Performance/ Benchmark Returns</b>	<b>3 mth % Growth</b>	<b>6 mth % Growth</b>	<b>1 yr % Growth</b>	<b>3 yr Ann Comp Ret</b>	<b>5 yr Ann Comp Ret</b>	<b>10 yr Ann Comp Ret</b>	<b>Since Inception 7 June 2018 Ann Comp Ret</b>
United SGD Money Market Fund	0.11	0.22	0.99	N/A	N/A	N/A	1.59
Benchmark	0.03	0.07	0.18	N/A	N/A	N/A	0.18

Source: Morningstar.

Note: The performance returns of the Fund are in Singapore Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.

The benchmark of the Fund: 3M Bank Deposit Rate.

**United SGD Money Market Fund**  
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**A) Fund Performance** (continued)

**Class Z USD (Hedged)**

<b>Fund Performance/ Benchmark Returns</b>	<b>3 mth % Growth</b>	<b>6 mth % Growth</b>	<b>1 yr % Growth</b>	<b>3 yr Ann Comp Ret</b>	<b>5 yr Ann Comp Ret</b>	<b>10 yr Ann Comp Ret</b>	<b>Since Inception 7 June 2018 Ann Comp Ret</b>
United SGD Money Market Fund	0.34	0.50	2.57	N/A	N/A	N/A	2.41
Benchmark	3.32	5.63	1.92	N/A	N/A	N/A	0.50

Source: Morningstar.

Note: The performance returns of the Fund are in United States Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.  
The benchmark of the Fund: 3M Bank Deposit Rate.

**Class A1 SGD**

<b>Fund Performance/ Benchmark Returns</b>	<b>3 mth % Growth</b>	<b>6 mth % Growth</b>	<b>1 yr % Growth</b>	<b>3 yr Ann Comp Ret</b>	<b>5 yr Ann Comp Ret</b>	<b>10 yr Ann Comp Ret</b>	<b>Since Inception 19 August 2019 Ann Comp Ret</b>
United SGD Money Market Fund	0.03	0.08	0.67	N/A	N/A	N/A	0.79
Benchmark	0.03	0.07	0.18	N/A	N/A	N/A	0.18

Source: Morningstar.

Note: The performance returns of the Fund are in Singapore Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.  
The benchmark of the Fund: 3M Bank Deposit Rate.

**United SGD Money Market Fund**  
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**A) Fund Performance** (continued)

**Class A2 SGD Acc**

Fund Performance/ Benchmark Returns	3 mth % Growth	6 mth % Growth	1 yr % Growth	3 yr Ann Comp Ret	5 yr Ann Comp Ret	10 yr Ann Comp Ret	Since Inception 12 October 2020 Ann Comp Ret
United SGD Money Market Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benchmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Morningstar.

Note: The performance returns of the Fund are in Singapore Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.  
The benchmark of the Fund: 3M Bank Deposit Rate.

For the year ended 31 December 2020, Class B SGD, Class Z SGD and Class A1 SGD of the Fund **rose 0.83%, 0.99% and 0.67%** respectively on a net-asset-value basis, outperforming the benchmark 3-Month Bank Deposit Rate that returned 0.18%. Class Z USD (Hedged) of the Fund **rose 2.57%** on a net-asset-value basis, outperforming the benchmark that returned 1.92%. The Fund outperformed due to the *overweight* in corporate credits that provided yield enhancement.

As at 31 December 2020, 28.82% of the Fund was invested in corporate bonds, 66.71% invested in MAS Bills and the balance in cash and cash equivalents. The Fund had a yield-to-maturity of 0.62% and a weighted average maturity of 68 Days.

**Economic and Market Review**

Financial markets experienced multiple firsts and historic moments during an eventful year marked by heightened volatility. US Treasuries (UST) hit all-time lows with the 2y-UST falling to 0.11% in end July and the 10y-UST to 0.51% in early August. The 2y-UST ended the year at 0.12% (2019: 1.57%) while the 10y-UST closed at 0.91% (2019: 1.92%). The JP Morgan Asia Credit Index (JACI) Investment Grade (IG) Corporate Spread widened to a high of 309 basis points (bps) in late March 2020 before tightening to end the year at 235 bps (2019: 194 bps).

**Outlook and Fund Strategy**

As global vaccination efforts kick off against a backdrop of continuing rises in coronavirus (COVID-19) cases across the globe and news of new virus variants, investor optimism is being tempered by elements of caution which also includes policy direction from the new **US** administration and inflation outlook.

While global monetary policies are expected to remain accommodative in 2021, the low absolute yields in Asia IG, Sino-US tensions stemming from security restrictions and expected persistent volatility in credit markets will continue to pose challenges to investors.

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**A) Fund Performance** (continued)

Credit differentiation remains paramount in 2021. We expect to maintain our buy-and-hold strategy with a preference for quality credits with strong liquidity, minimal downgrade risk and attractive valuations.

**Disclosures**

As the Fund is in SGD and invests in non-SGD denominated securities, the Fund uses financial derivatives such as FX Forward contracts for hedging purposes. The Fund uses Commitment Approach with Netting Arrangements in determining compliance with the CIS (in respect of clause 8.4 of Appendix 1) to calculate global exposure. This is done by adding the exposure of each financial derivative (for those with and without netting arrangement) and cash collateral values under certain cases.

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**B) Investments at fair value and as a percentage of net asset value (“NAV”) as at 31 December 2020 under review classified by**

**i) Country**

	Fair Value (S\$)	% of NAV
China	71,995,856	16.76
Hong Kong	17,417,232	4.05
Luxembourg	4,057,056	0.94
Qatar	9,314,626	2.17
Singapore	301,479,627	70.18
South Korea	2,655,155	0.62
United Arab Emirates	3,467,433	0.81
Accrued interest receivable on quoted bonds	<u>975,293</u>	<u>0.23</u>
Portfolio of investments	411,362,278	95.76
Other net assets/(liabilities)	<u>18,202,836</u>	<u>4.24</u>
<b>Total</b>	<b><u>429,565,114</u></b>	<b><u>100.00</u></b>

**ii) Industry**

	Fair Value (S\$)	% of NAV
Communication Services	3,807,509	0.89
Consumer Discretionary	9,711,856	2.26
Energy	6,620,641	1.54
Financials	70,270,390	16.36
Government	289,192,562	67.32
Industrials	11,038,948	2.57
Real Estate	11,653,884	2.71
Utilities	8,091,195	1.88
Accrued interest receivable on quoted bonds	<u>975,293</u>	<u>0.23</u>
Portfolio of investments	411,362,278	95.76
Other net assets/(liabilities)	<u>18,202,836</u>	<u>4.24</u>
<b>Total</b>	<b><u>429,565,114</u></b>	<b><u>100.00</u></b>

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**B) Investments at fair value and as a percentage of net asset value (“NAV”) as at 31 December 2020 under review classified by (continued)**

**iii) Asset Class**

	Fair Value (S\$)	% of NAV
Quoted bonds	410,386,985	95.53
Accrued interest receivable on quoted bonds	975,293	0.23
Other net assets/(liabilities)	<u>18,202,836</u>	<u>4.24</u>
<b>Total</b>	<b><u>429,565,114</u></b>	<b><u>100.00</u></b>

**iv) Credit rating of quoted bonds by Moody’s**

	Fair Value (S\$)	% of NAV
A1	31,233,323	7.27
A2	64,050,197	14.91
A3	16,618,700	3.87
Aa2	2,000,684	0.46
Aa3	2,650,953	0.62
Aaa	286,537,407	66.70
Non-rated	<u>7,295,721</u>	<u>1.70</u>
<b>Total</b>	<b><u>410,386,985</u></b>	<b><u>95.53</u></b>

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**C) Top Ten Holdings**

10 largest holdings as at 31 December 2020

	<b>Fair Value (S\$)</b>	<b>Percentage of total net assets attributable to unitholders %</b>
MAS BILLS 22/01/21 0.00000 (SERIES 32)	34,991,826	8.15
MAS BILLS 19/03/21 0.00000	34,966,327	8.14
MAS BILLS 22/01/21 0.00000 (SERIES 84)	29,992,993	6.98
SINGAPORE TREASURY BILLS 01/21 0.00000	29,991,437	6.98
MAS BILLS 04/01/21 0.00000 (SERIES 87)	22,000,000	5.12
MAS BILLS 04/01/21 0.00000 (SERIES 31)	22,000,000	5.12
MAS BILLS 29/01/21 0.00000	21,992,864	5.12
MAS BILLS 26/02/21 0.00000	21,984,878	5.12
MAS BILLS 05/02/21 0.00000	16,992,943	3.96
MAS BILLS 08/01/21 0.00000 (SERIES 84)	11,999,377	2.79

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**C) Top Ten Holdings** (continued)

10 largest holdings as at 31 December 2019

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
MONETARY AUTHORITY OF SINGAPORE BILLS 03/01/20 0.00000	18,999,063	15.57
MONETARY AUTHORITY OF SINGAPORE BILLS 27/03/20 0.00000	9,461,050	7.76
SINGTEL GROUP TREASURY PTE LTD COMPANY GUARANT 04/20 3.4875	7,034,608	5.77
NATIONAL UNIVERSITY OF SINGAPORE SR UNSECURED REGS 05/20 2.2	6,514,143	5.34
HONGKONG LAND TREASURY SERVICE COMPANY GUARANT 05/20 3.43	5,525,671	4.53
KUNLUN ENERGY CO LTD SR UNSECURED REGS 05/20 2.875	5,402,037	4.43
ICBCIL FINANCE CO LTD SR UNSECURED REGS 04/20 3 GUANGZHOU METRO INVESTMENT FINANCE COMPANY GUARANT REGS 12/20 3.375	5,147,581	4.22
CCBL CAYMAN CORP LTD COMPANY GUARANT REGS 07/20 3.25	5,146,689	4.22
BANK OF CHINA HONG KONG LTD SUBORDINATED REGS 02/20 5.55	5,132,056	4.21
	5,125,765	4.20

**D) Maturity profile of investments**

Maturity profile of underlying investments	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
Up to 30 days	223,258,302	51.97
31 - 90 days	99,588,623	23.18
91 - 180 days	40,050,605	9.32
181 - 365 days	47,489,455	11.06
Non-interest bearing	975,293	0.23
<b>Total</b>	<b>411,362,278</b>	<b>95.76</b>

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**E) Exposure to derivatives**

The global exposure relating to derivative instruments is calculated using the commitment approach:

- (i) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- (ii) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- (iii) the sum of the values of cash collateral received under certain cases.

i) Fair value of derivative contracts and as a percentage of NAV as at 31 December 2020

	<b>Contract or underlying principal amount</b>	<b>Positive fair value</b>	<b>% of NAV</b>	<b>Negative fair value</b>	<b>% of NAV</b>
	\$	\$		\$	
Foreign currency contracts	122,217,558	2,911,572	0.68	136,665	0.03

- ii) There was a net realised gain of SGD 1,411,705 on derivative contracts during the financial year ended 31 December 2020.
- iii) There was a net unrealised gain of SGD 2,774,907 on outstanding derivative contracts marked to market as at 31 December 2020.

**F) Amount and percentage of NAV invested in other schemes as at 31 December 2020**

N/A

**G) Amount and percentage of borrowings to NAV as at 31 December 2020**

N/A

**H) Amount of redemptions and subscriptions for the financial year ended 31 December 2020**

Total amount of redemptions	SGD 247,023,836
Total amount of subscriptions	SGD 552,205,062

**I) The amount and terms of related-party transactions for the financial year ended 31 December 2020**

Please refer to Note 9 of the Notes to the Financial Statements.

**J) Expense ratios**

Please refer to Note 10 of the Notes to the Financial Statements.

**K) Turnover ratios**

Please refer to Note 10 of the Notes to the Financial Statements.

**L) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts**

N/A

**M) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme (“the underlying scheme”)<sup>1</sup> should be disclosed as well**

i) Top 10 holdings at fair value and as percentage of NAV as at 31 December 2020 and 31 December 2019

N/A

ii) Expense ratios for the financial year ended 31 December 2020 and 31 December 2019

N/A

iii) Turnover ratios for the financial year ended 31 December 2020 and 31 December 2019

N/A

<sup>1</sup> *Where the underlying scheme is managed by a foreign manager which belongs to the same group of companies as, or has a formal arrangement or investment agreement with, the Singapore manager, the above information should be disclosed on the underlying scheme. In other cases, such information on the underlying scheme should be disclosed only if it is readily available to the Singapore manager.*

**N) Soft dollar commissions/arrangements**

UOB Asset Management has entered into soft dollars arrangements with selected brokers from whom products and services are received from third parties. The products and services relate essentially to computer hardware and software to the extent that they are used to support the investment decision making process, research and advisory services, economic and political analyses, portfolio analyses including performance measurements, market analyses, data and quotation services, all of which are believed to be helpful in the overall discharge of UOB Asset Management’s duties to clients. As such services generally benefit all of UOB Asset Management’s clients in terms of input into the investment decision making process, the soft credits utilised are not allocated on a specific client basis. The Manager confirms that trades were executed on a best execution basis and there was no churning of trades.

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- O) Where the scheme offers pre-determined payouts, an explanation on the calculation of the actual payouts received by participants and any significant deviation from the pre-determined payouts**

N/A

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**REPORT OF THE TRUSTEE**

The Trustee is under a duty to take into custody and hold the assets of the sub-fund of United Liquidity Solutions Portfolios, namely United SGD Money Market Fund (the "Sub-Fund") in trust for the unitholders. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Sub-Fund during the financial year covered by these financial statements, set out on pages 19 to 57, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee  
STATE STREET TRUST (SG) LIMITED

Authorised signatory  
25 March 2021

**United Liquidity Solutions Portfolios**  
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**STATEMENT BY THE MANAGER**

In the opinion of UOB Asset Management Ltd, the accompanying financial statements set out on pages 19 to 57, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and portfolio holdings of the sub-fund of United Liquidity Solutions Portfolios, namely United SGD Money Market Fund (the "Sub-Fund") as at 31 December 2020, and the financial performance and movements of unitholders' funds for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Sub-Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager  
UOB ASSET MANAGEMENT LTD

THIO BOON KIAT  
Authorised signatory  
25 March 2021

## **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE SUB-FUND OF UNITED LIQUIDITY SOLUTIONS PORTFOLIOS**

### ***Our Opinion***

In our opinion, the accompanying financial statements of the sub-fund of United Liquidity Solutions Portfolios, namely United SGD Money Market Fund (the "Sub-Fund"), are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Sub-Fund as at 31 December 2020, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

### ***What we have audited***

The financial statements of the Sub-Fund comprise:

- the Statement of Total Return for the financial year ended 31 December 2020;
- the Statement of Financial Position as at 31 December 2020;
- the Statement of Movements of Unitholders' Funds for the financial year ended 31 December 2020;
- the Statement of Portfolio as at 31 December 2020; and
- the Notes to the Financial Statements, including a summary of significant accounting policies.

### ***Basis for Opinion***

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Independence***

We are independent of the Sub-Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

## **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE SUB-FUND OF UNITED LIQUIDITY SOLUTIONS PORTFOLIOS**

### ***Other Information***

The Sub-Fund's Manager (the "Manager") is responsible for the other information. The other information comprises all sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of the Manager for the Financial Statements***

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Sub-Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Sub-Fund or to cease the Sub-Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Sub-Fund's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE SUB-FUND OF UNITED LIQUIDITY SOLUTIONS PORTFOLIOS**

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE SUB-FUND OF UNITED LIQUIDITY SOLUTIONS PORTFOLIOS**

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 25 March 2021

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**STATEMENT OF TOTAL RETURN**

For the financial year ended 31 December 2020

	Note	United SGD Money Market Fund	
		2020	2019
		\$	\$
<b>Income</b>			
Interest		<u>46,115</u>	99,512
<b>Total</b>		<u>46,115</u>	<u>99,512</u>
<b>Less: Expenses</b>			
Management fee	9	434,369	113,654
Trustee fee	9	108,908	33,435
Audit fee		18,197	17,988
Registrar fee	9	25,000	113,748
Valuation fee	9	146,693	119,841
Administration fee	9	147,365	47,936
Custody fee	9	38,826	13,380
Other expenses		<u>98,123</u>	29,294
<b>Total</b>		<u>1,017,481</u>	<u>489,276</u>
<b>Net income/(losses)</b>		<u>(971,366)</u>	<u>(389,764)</u>
<b>Net gains/(losses) on value of investments and financial derivatives</b>			
Net gains/(losses) on investments		(762,535)	643,086
Net gains/(losses) on financial derivatives		4,186,612	1,179,900
Net foreign exchange gains/(losses)		<u>(45,112)</u>	145,832
		<u>3,378,965</u>	<u>1,968,818</u>
<b>Total return/(deficit) for the financial year</b>		<u>2,407,599</u>	<u>1,579,054</u>

The accompanying notes form an integral part of these financial statements.

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**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2020

		<b>United SGD Money Market Fund</b>	
		<b>2020</b>	<b>2019</b>
<b>Note</b>		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
	Portfolio of investments	<b>411,362,278</b>	129,093,822
	Receivables	4 <b>1,494,402</b>	23,895
	Cash and bank balances	<b>14,251,416</b>	1,146,883
	Financial derivatives at fair value	6 <b>2,911,572</b>	<u>1,703,621</u>
	<b>Total assets</b>	<b><u>430,019,668</u></b>	<u>131,968,221</u>
<b>Liabilities</b>			
	Purchases awaiting settlement	-	9,461,050
	Payables	5 <b>317,889</b>	202,927
	Financial derivatives at fair value	6 <b>136,665</b>	<u>327,955</u>
	<b>Total liabilities</b>	<b><u>454,554</u></b>	<u>9,991,932</u>
<b>Equity</b>			
	<b>Net assets attributable to unitholders</b>	7 <b><u>429,565,114</u></b>	<u>121,976,289</u>

*The accompanying notes form an integral part of these financial statements.*

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**STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS**

For the financial year ended 31 December 2020

		<b>United SGD Money Market Fund</b>	
	<b>Note</b>	<b>2020 \$</b>	<b>2019 \$</b>
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		<b>121,976,289</b>	57,405,019
<b>Operations</b>			
Change in net assets attributable to unitholders resulting from operations		<b>2,407,599</b>	1,579,054
<b>Unitholders' contributions/(withdrawals)</b>			
Creation of units		<b>552,205,062</b>	120,594,431
Cancellation of units		<b>(247,023,836)</b>	(57,602,215)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		<b>305,181,226</b>	62,992,216
Total increase/(decrease) in net assets attributable to unitholders		<b><u>307,588,825</u></b>	<u>64,571,270</u>
<b>Net assets attributable to unitholders at the end of the financial year</b>	<b>7</b>	<b><u>429,565,114</u></b>	<u>121,976,289</u>

*The accompanying notes form an integral part of these financial statements.*

**United Liquidity Solutions Portfolios**  
(Constituted under a Trust Deed in the Republic of Singapore)

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**STATEMENT OF PORTFOLIO**

As at 31 December 2020

**United SGD Money Market Fund**

	Holdings at 31 December 2020	Fair value at 31 December 2020 \$	Percentage of total net assets attributable to unitholders at 31 December 2020 %
<b>By Geography - Primary</b>			
<b>Quoted bonds</b>			
<b>CHINA</b>			
ANHUI PROVINCIAL INVESTMENT SR UNSECURED REGS 10/21 4.875	2,000,000	2,721,291	0.63
AZURE NOVA INTERNATIONAL COMPANY GUARANT REGS 11/21 2.625	3,000,000	4,010,666	0.93
AZURE ORBIT IV INTERNATIONAL FINANCE COMPANY GUARANT REGS 01/21 3.5	2,000,000	2,647,043	0.62
CCBL CAYMAN 1 CORP COMPANY GUARANT REGS 05/21 2.75	3,355,000	4,460,364	1.04
CDBI TREASURE I LTD COMPANY GUARANT REGS 08/21 2.25	3,500,000	4,648,678	1.08
CDBL FUNDING TWO COMPANY GUARANT REGS 07/21 VAR	4,350,000	5,746,304	1.34
CHINA STATE CONSTRUCTION ENGINEERING CORP FINANCE CAYMAN II COMPANY GUARANT REGS 06/21 2.7	2,200,000	2,927,016	0.68
CNOOC FINANCE 2011 LTD COMPANY GUARANT REGS 01/21 4.25	5,000,000	6,620,641	1.54
CSSC CAPITAL ONE LTD SR UNSECURED REGS 09/21 4.125	3,000,000	4,042,207	0.94
EASTERN CREATION II INVESTMENT COMPANY GUARANT REGS 12/21 4.15	3,000,000	4,069,725	0.95
GUANGZHOU METRO FINANCE BVI COMPANY GUARANT REGS 12/21 4.3	2,700,000	3,668,086	0.86
HORSE GALLOP FINANCE COMPANY GUARANT REGS 06/21 VAR	4,000,000	5,286,415	1.23
LTC GB LTD SR UNSECURED REGS 05/21 2.75	2,500,000	3,322,479	0.77
PING AN LIFE INSURANCE SR UNSECURED REGS 01/21 2.875	980,000	1,295,949	0.30

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**United Liquidity Solutions Portfolios**  
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**STATEMENT OF PORTFOLIO**

As at 31 December 2020

**United SGD Money Market Fund**

	Holdings at 31 December 2020	Fair value at 31 December 2020 \$	Percentage of total net assets attributable to unitholders at 31 December 2020 %
<b>By Geography - Primary (continued)</b>			
<b>Quoted bonds</b>			
<b>CHINA (continued)</b>			
SIHC INTERNATIONAL CAPITAL COMPANY GUARANT REGS 09/21 3.95	3,000,000	4,032,841	0.94
SPIC 2016 US DOLLAR BOND COMPANY GUARANT REGS 12/21 3	3,000,000	4,034,139	0.94
ZHONGYUAN SINCERE INVESTMENT COMPANY GUARANT REGS 01/21 3.75	6,400,000	<u>8,462,012</u>	<u>1.97</u>
<b>TOTAL CHINA</b>		<u><b>71,995,856</b></u>	<u><b>16.76</b></u>
<b>HONG KONG</b>			
BOSC INTERNATIONAL BVI SR UNSECURED REGS 01/21 3.125	6,250,000	8,265,475	1.92
ICBCIL FINANCE CO LTD SR UNSECURED REGS 05/21 2.75	3,000,000	3,989,856	0.93
ICBCIL FINANCE CO LTD SR UNSECURED REGS 05/21 VAR	2,000,000	2,642,044	0.61
SUN HUNG KAI PROPERTIES (CAP) COMPANY GUARANT REGS 05/21 3.25	2,500,000	<u>2,519,857</u>	<u>0.59</u>
<b>TOTAL HONG KONG</b>		<u><b>17,417,232</b></u>	<u><b>4.05</b></u>
<b>LUXEMBOURG</b>			
SPIC LUXEMBOURG LATIN AMERICA RENEWABLE ENERGY COMPANY GUARANT REGS 10/21 4.25	3,000,000	4,057,056	0.94
<b>QATAR</b>			
ABQ FINANCE COMPANY GUARANT REGS 04/21 3.625	5,000,000	6,663,673	1.55

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**United Liquidity Solutions Portfolios**  
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**STATEMENT OF PORTFOLIO**

As at 31 December 2020

**United SGD Money Market Fund**

	Holdings at 31 December 2020	Fair value at 31 December 2020 \$	Percentage of total net assets attributable to unitholders at 31 December 2020 %
<b>By Geography - Primary (continued)</b>			
<b>Quoted bonds</b>			
<b>QATAR (continued)</b>			
QNB FINANCE LTD COMPANY GUARANT REGS 09/21 2.125	1,985,000	<u>2,650,953</u>	<u>0.62</u>
<b>TOTAL QATAR</b>		<u><b>9,314,626</b></u>	<u><b>2.17</b></u>
<b>SINGAPORE</b>			
ASCENDAS REAL ESTATE INVESTMENT SR UNSECURED REGS 04/21 2.655	4,750,000	4,779,147	1.11
CAPITALAND INTEGRATED SR UNSECURED REGS 02/21 3.08	4,341,000	4,354,880	1.01
DBS GROUP HOLDINGS LTD SR UNSECURED 01/21 2.78	2,000,000	2,000,684	0.46
MAS BILLS 04/01/21 0.00000 (SERIES 31)	22,000,000	22,000,000	5.12
MAS BILLS 04/01/21 0.00000 (SERIES 87)	22,000,000	22,000,000	5.12
MAS BILLS 05/02/21 0.00000	17,000,000	16,992,943	3.96
MAS BILLS 05/03/21 0.00000	11,000,000	10,991,418	2.56
MAS BILLS 08/01/21 0.00000 (SERIES 28)	11,000,000	10,999,429	2.56
MAS BILLS 08/01/21 0.00000 (SERIES 84)	12,000,000	11,999,377	2.79
MAS BILLS 12/03/21 0.00000	7,642,000	7,635,343	1.78
MAS BILLS 15/01/21 0.00000 (SERIES 84)	10,000,000	9,998,572	2.33
MAS BILLS 19/03/21 0.00000	35,000,000	34,966,327	8.14
MAS BILLS 22/01/21 0.00000 (SERIES 32)	35,000,000	34,991,826	8.15
MAS BILLS 22/01/21 0.00000 (SERIES 84)	30,000,000	29,992,993	6.98
MAS BILLS 26/02/21 0.00000	22,000,000	21,984,878	5.12
MAS BILLS 29/01/21 0.00000	22,000,000	21,992,864	5.12
SINGAPORE TREASURY BILLS 01/21 0.00000	30,000,000	29,991,437	6.98

The accompanying notes form an integral part of these financial statements.

**United Liquidity Solutions Portfolios**  
(Constituted under a Trust Deed in the Republic of Singapore)

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**STATEMENT OF PORTFOLIO**

As at 31 December 2020

**United SGD Money Market Fund**

	Holdings at 31 December 2020	Fair value at 31 December 2020 \$	Percentage of total net assets attributable to unitholders at 31 December 2020 %
<b>By Geography - Primary (continued)</b>			
<b>Quoted bonds</b>			
<b>SINGAPORE (continued)</b>			
SINGTEL GROUP TREASURY PTE LTD COMPANY GUARANT REGS 09/21 2.72	3,750,000	<u>3,807,509</u>	<u>0.89</u>
<b>TOTAL SINGAPORE</b>		<u><b>301,479,627</b></u>	<u><b>70.18</b></u>
<b>SOUTH KOREA</b>			
KOREA RESOURCES CORP SR UNSECURED REGS 04/21 2.25	2,000,000	2,655,155	0.62
<b>UNITED ARAB EMIRATES</b>			
DIB SUKUK LTD SR UNSECURED REGS 03/21 3.6	2,000,000	2,662,834	0.62
EI SUKUK CO LTD SR UNSECURED REGS 05/21 3.542	600,000	<u>804,599</u>	<u>0.19</u>
<b>TOTAL UNITED ARAB EMIRATES</b>		<u><b>3,467,433</b></u>	<u><b>0.81</b></u>
<b>Accrued interest receivable on quoted bonds</b>		<u><b>975,293</b></u>	<u><b>0.23</b></u>
<b>Total Bonds</b>		<u><b>411,362,278</b></u>	<u><b>95.76</b></u>
<b>Portfolio of investments</b>		<u><b>411,362,278</b></u>	<u><b>95.76</b></u>
<b>Other net assets/(liabilities)</b>		<u><b>18,202,836</b></u>	<u><b>4.24</b></u>
<b>Net assets attributable to unitholders</b>		<u><b>429,565,114</b></u>	<u><b>100.00</b></u>

The accompanying notes form an integral part of these financial statements.

**United Liquidity Solutions Portfolios**  
(Constituted under a Trust Deed in the Republic of Singapore)

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**STATEMENT OF PORTFOLIO**

As at 31 December 2020

	<b>United SGD Money Market Fund</b>	
	<b>Percentage of total net assets attributable to unitholders at 31 December 2020 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2019 %</b>
<b>By Geography - Primary (Summary)</b>		
<b>Quoted bonds</b>		
China	<b>16.76</b>	35.50
Hong Kong	<b>4.05</b>	12.40
Luxembourg	<b>0.94</b>	-
Malaysia	-	5.79
Qatar	<b>2.17</b>	2.21
Singapore	<b>70.18</b>	45.64
South Korea	<b>0.62</b>	-
United Arab Emirates	<b>0.81</b>	3.71
Accrued interest receivable on quoted bonds	<b>0.23</b>	0.59
<b>Portfolio of investments</b>	<b>95.76</b>	105.84
<b>Other net assets/(liabilities)</b>	<b>4.24</b>	(5.84)
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	100.00

*The accompanying notes form an integral part of these financial statements.*

**United Liquidity Solutions Portfolios**  
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**STATEMENT OF PORTFOLIO**

As at 31 December 2020

**United SGD Money Market Fund**

	Fair value at 31 December 2020 \$	Percentage of total net assets attributable to unitholders at 31 December 2020 %	Percentage of total net assets attributable to unitholders at 31 December 2019 %
<b>By Industry - Secondary</b>			
<b>Quoted bonds</b>			
Communication Services	3,807,509	0.89	5.77
Consumer Discretionary	9,711,856	2.26	5.34
Energy	6,620,641	1.54	8.02
Financials	70,270,390	16.36	39.03
Government	289,192,562	67.32	30.01
Industrials	11,038,948	2.57	8.42
Real Estate	11,653,884	2.71	8.66
Utilities	8,091,195	1.88	-
Accrued interest receivable on quoted bonds	<u>975,293</u>	<u>0.23</u>	<u>0.59</u>
<b>Portfolio of investments</b>	<b>411,362,278</b>	<b>95.76</b>	<b>105.84</b>
<b>Other net assets/(liabilities)</b>	<b><u>18,202,836</u></b>	<b><u>4.24</u></b>	<b><u>(5.84)</u></b>
<b>Net assets attributable to unitholders</b>	<b><u>429,565,114</u></b>	<b><u>100.00</u></b>	<b><u>100.00</u></b>

The accompanying notes form an integral part of these financial statements.

# United Liquidity Solutions Portfolios

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## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### 1 General

United Liquidity Solutions Portfolios is a Singapore-registered umbrella fund, which offers one sub-fund, namely United SGD Money Market Fund (the “Sub-Fund”). The Sub-Fund is constituted under a Trust Deed in Singapore dated 7 September 2017 between UOB Asset Management Ltd (the “Manager”) and State Street Trust (SG) Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore. The global custodian of the Sub-Fund is State Street Bank and Trust Company, Singapore Branch.

The investment objective of the Sub-Fund is to provide a return which is comparable to that of Singapore dollar short-term deposits.

The following classes of units have been established within the Sub-Fund:

- Class A USD (Hedged)
- Class A1 SGD
- Class B SGD
- Class B USD (Hedged)
- Class SSGA SGD
- Class Z SGD
- Class Z USD (Hedged)
- Class A2 SGD Acc

“Acc” refers to Accumulation classes which do not declare or pay distributions but accumulate investment gains and income in their net assets values.

Hedged classes allow the Manager to adopt currency hedging strategies and use currency hedging transactions to reduce the effect of exchange rate fluctuations between the currency in which the relevant Hedged classes is denominated against the currency in which the underlying investments are denominated. The costs and expenses associated with the hedging transactions and any benefits of the hedging transactions will accrue to the hedged classes only.

Classes designated “A” are available for subscription by all investors.

## **NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

### **1 General (continued)**

Classes designated “B” are only available for subscription by institutional clients and such other persons as we may from time to time determine in our sole discretion.

Classes designated “SSGA” and “Z” are only available for subscription by such persons as we may from time to time determine in our sole discretion.

Class A1 and Class A2 units are subject to management fee of 0.25% and 0.08% per annum respectively. Class B and Class SSGA units are subject to management fee of 0.15% per annum. Class Z does not subject to any management fee.

Class A SGD of the Sub-Fund terminated with effect from 19 August 2019. Net proceeds of termination from Class A SGD will be used to subscribe for units in a new Class A1 SGD established within the Sub-Fund, at the issue price of SGD 1.00 per unit. Aside from the price per unit, all features of Class A SGD and Class A1 SGD will be the same.

Subscriptions and redemptions of the units are denominated in the Singapore Dollar and the United States Dollar.

As at 31 December 2020, the Sub-Fund has issued Class B SGD, Class Z SGD, Class Z USD (Hedged), Class A1 SGD and Class A2 SGD Acc units.

### **2 Significant accounting policies**

#### **(a) Basis of preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets held at fair value through profit or loss, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Singapore Chartered Accountants.

#### **(b) Recognition of income**

Interest income is recognised on a time proportion basis using the effective interest method.

#### **(c) Investments**

Investments are classified as financial assets at fair value through profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

### **2 Significant accounting policies** (continued)

#### **(c) Investments** (continued)

##### *(i) Initial recognition*

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

##### *(ii) Subsequent measurement*

Investments are subsequently carried at fair value. Net changes in fair value on investments are included in the Statement of Total Return in the year in which they arise.

##### *(iii) Derecognition*

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sale of investments are computed on the basis of the difference between the weighted average cost and selling price gross of transaction costs, and are taken up in the Statement of Total Return.

#### **(d) Basis of valuation of investments**

The fair value of financial assets and liabilities traded in active markets is based on market mid prices for the quoted debt securities on the financial year end date. Accrued interest or discount or premium on debt securities at financial year end date is included in the fair value of debt securities. Interest income on debt securities is presented within "Net gains/losses on investments" on the Statement of Total Return.

#### **(e) Foreign currency translation**

##### *(i) Functional and presentation currency*

The performance of the Sub-Fund is measured and reported to the investors in the Singapore Dollar. The Manager considers the Singapore Dollar as the currency of the primary economic environment in which the Sub-Fund operates. The financial statements are presented in the Singapore Dollar, which is the Sub-Fund's functional and presentation currency.

##### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Total Return. Translation differences on non-monetary financial assets and liabilities are also recognised in the Statement of Total Return within "Net gains/losses on investments".

## **NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

### **2 Significant accounting policies (continued)**

#### **(f) Receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

#### **(g) Sales and purchases awaiting settlement**

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Financial Position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

#### **(h) Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

#### **(i) Payables**

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

#### **(j) Financial derivatives**

Financial derivatives including forwards and swaps may be entered into for the purposes of efficient portfolio management, tactical asset allocation or specific hedging of financial assets held as determined by the Manager and in accordance with the provision of the Trust Deed and the Code on Collective Investment Schemes.

Financial derivatives outstanding on the financial year end date are valued at the forward rate or at the current market prices using the “mark-to-market” method, as applicable, and the resultant gains and losses are taken up in the Statement of Total Return.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

### 2 Significant accounting policies (continued)

#### (k) Distributions

The Manager has the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account, to be paid out on the distribution date. The amount shall not be treated as part of the property of the Sub-Fund. Distributions are accrued for at the financial year end date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

#### (l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Sub-Fund or the counterparty.

### 3 Income tax

The Trustee of the Sub-Fund has assessed and is satisfied that the Sub-Fund has met the requisite conditions under the Designated Unit Trust (“DUT”) Scheme for the current financial year. The Trustee of the Sub-Fund will ensure that the Sub-Fund fulfills its reporting obligations under the DUT Scheme.

Under the DUT Scheme, subject to certain conditions and reporting obligations being met, certain income of the DUT Fund is not taxable in accordance with Sections 35(12) and 35(12A) of the Income Tax Act. Such income includes:

- (i) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (ii) interest (other than interest for which tax has been deducted under Section 45 of the Income Tax Act);
- (iii) dividends derived from outside Singapore and received in Singapore;
- (iv) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (v) discount, prepayment fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (vi) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

**United Liquidity Solutions Portfolios**  
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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**3 Income tax** (continued)

The Sub-Fund was not exposed to any income tax as of 31 December 2020 and 2019.

**4 Receivables**

	<b>United SGD Money Market Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Amounts receivable for creation of units	<b>1,478,858</b>	-
Other receivables	<u><b>15,544</b></u>	<u>23,895</u>
	<u><b>1,494,402</b></u>	<u>23,895</u>

**5 Payables**

	<b>United SGD Money Market Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Amounts payable for cancellation of units	<b>18,232</b>	355
Amount due to the Manager	<b>177,755</b>	105,480
Amount due to Trustee	<b>36,668</b>	12,516
Other creditors and accrued expenses	<u><b>85,234</b></u>	<u>84,576</u>
	<u><b>317,889</b></u>	<u>202,927</u>

**United Liquidity Solutions Portfolios**  
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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**6 Fair value of financial derivatives**

Financial derivatives contracts comprise of foreign currency contracts for the sale and purchase of foreign currencies. The contract or underlying principal amounts of these financial derivatives and their corresponding gross positive or negative fair values at the financial year end date are analysed below.

<b>United SGD Money Market Fund</b>			
<b>2020</b>			
	<b>Contract or underlying principal amount</b>	<b>Positive fair value</b>	<b>Negative fair value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Foreign currency contracts	<b>122,217,558</b>	<b>2,911,572</b>	<b>136,665</b>
<b>2019</b>			
	<b>Contract or underlying principal amount</b>	<b>Positive fair value</b>	<b>Negative fair value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Foreign currency contracts	108,550,463	1,703,621	327,955

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**7 Units in issue**

During the financial years ended 31 December 2020 and 2019, the numbers of units issued, redeemed and outstanding were as follows:

	<b>United SGD Money Market Fund</b>			
	<b>Class A SGD**</b>		<b>Class B SGD</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
Units at the beginning of the financial year	-	96,476	<b>93,446,690</b>	6,995,071
Units created	-	493,153	<b>453,058,862</b>	112,360,444
Units cancelled	-	(589,629)	<b>(184,283,880)</b>	(25,908,825)
Units at the end of the financial year	-	-	<b>362,221,672</b>	93,446,690
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders (SGD equivalent)	-	-	<b>371,610,406</b>	95,071,733
Net assets value per unit (SGD equivalent)	-	-	<b>1.0259</b>	1.0173
Net assets attributable to unitholders (Class Currency)	-	-	<b>371,610,406</b>	95,071,733
Net assets value per unit (Class Currency)	-	-	<b>1.0259</b>	1.0173

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**7 Units in issue** (continued)

	<b>United SGD Money Market Fund</b>			
	<b>Class Z SGD</b>		<b>Class Z USD (Hedged)</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
Units at the beginning of the financial year	<b>543,365</b>	7,415,005	<b>16,484,955</b>	31,071,429
Units created	<b>54,162,203</b>	2,702,535	<b>9,832,805</b>	-
Units cancelled	<b>(19,454,452)</b>	(9,574,175)	<b>(16,970,015)</b>	(14,586,474)
Units at the end of the financial year	<b><u>35,251,116</u></b>	<u>543,365</u>	<b><u>9,347,745</u></b>	<u>16,484,955</u>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders (SGD equivalent)	<b>36,707,178</b>	560,220	<b>13,120,924</b>	22,949,355
Net assets value per unit (SGD equivalent)	<b>1.0413</b>	1.0310	<b>1.4036</b>	1.3921
Net assets attributable to unitholders (Class Currency)	<b>36,707,178</b>	560,220	<b>9,927,684</b>	17,067,159
Net assets value per unit (Class Currency)	<b>1.0413</b>	1.0310	<b>1.0620</b>	1.0353

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**7 Units in issue** (continued)

	<b>United SGD Money Market Fund</b>		
	<b>Class A1 SGD**</b>		<b>Class A2 SGD Acc*</b>
	<b>2020</b>	2019	<b>2020</b>
Units at the beginning of the financial year	<b>3,379,371</b>	-	-
Units created	<b>14,304,950</b>	3,565,716	<b>3,355,587</b>
Units cancelled	<b>(12,929,777)</b>	(186,345)	<b>(39,995)</b>
Units at the end of the financial year	<b>4,754,544</b>	<u>3,379,371</u>	<b>3,315,592</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders (SGD equivalent)	<b>4,809,065</b>	3,394,981	<b>3,317,541</b>
Net assets value per unit (SGD equivalent)	<b>1.0114</b>	1.0046	<b>1.0005</b>
Net assets attributable to unitholders (Class Currency)	<b>4,809,065</b>	3,394,981	<b>3,317,541</b>
Net assets value per unit (Class Currency)	<b>1.0114</b>	1.0046	<b>1.0005</b>

\* Current year disclosure for Class A2 SGD Acc is covering the period from 12 October 2020 (date of inception) to 31 December 2020.

\*\* Prior year disclosure for Class A SGD is covering the period from 1 January 2019 to 18 August 2019 (date of termination) and for Class A1 SGD is covering the period from 19 August 2019 (date of inception) to 31 December 2019.

From 19 August 2019, the issue and realisation prices per unit in all classes of the Sub-Fund shall be ascertained by determining the net assets value per unit pursuant to the provisions of the Deed and truncating the resultant amount to 4 decimal places (instead of 3 decimal places). This is to more accurately reflect the value of units in the Sub-Fund.

As at reporting date, there is no unitholder (2019: 1 unitholder) holding more than 50% of the units in issue of the Sub-Fund.

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**7 Units in issue** (continued)

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the financial year end date is prepared below:

	<b>United SGD Money Market Fund</b>			
	<b>Class A SGD**</b>		<b>Class B SGD</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
	\$	\$	\$	\$
Net assets attributable to unitholders per financial statements per unit	-	-	<b>1.0259</b>	1.0173
Effect of preliminary expenses	-	-	-	0.0002
Net assets attributable to unitholders for issuing/redeeming per unit	-	-	<b>1.0259</b>	1.0175
Net assets attributable to unitholders for issuing/redeeming per unit (Class Currency)	-	-	<b>1.0259</b>	1.0175

	<b>United SGD Money Market Fund</b>			
	<b>Class Z SGD</b>		<b>Class Z USD (Hedged)</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
	\$	\$	\$	\$
Net assets attributable to unitholders per financial statements per unit	<b>1.0413</b>	1.0310	<b>1.4036</b>	1.3921
Effect of preliminary expenses	-	0.0001	-	0.0002
Net assets attributable to unitholders for issuing/redeeming per unit	<b>1.0413</b>	1.0311	<b>1.4036</b>	1.3923
Net assets attributable to unitholders for issuing/redeeming per unit (Class Currency)	<b>1.0413</b>	1.0311	<b>1.0620</b>	1.0354

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**7 Units in issue** (continued)

	<b>United SGD Money Market Fund</b>		
	<b>Class A1 SGD**</b>		<b>Class A2 SGD Acc*</b>
	<b>2020</b>	2019	<b>2020</b>
	\$	\$	\$
Net assets attributable to unitholders per financial statements per unit	<b>1.0114</b>	1.0046	<b>1.0005</b>
Effect of preliminary expenses	-	0.0001	-
Net assets attributable to unitholders for issuing/redeeming per unit	<u><b>1.0114</b></u>	<u>1.0047</u>	<u><b>1.0005</b></u>
Net assets attributable to unitholders for issuing/redeeming per unit (Class Currency)	<u><b>1.0114</b></u>	<u>1.0047</u>	<u><b>1.0005</b></u>

\* Current year disclosure for Class A2 SGD Acc is covering the period from 12 October 2020 (date of inception) to 31 December 2020.

\*\* Prior year disclosure for Class A SGD is covering the period from 1 January 2019 to 18 August 2019 (date of termination) and for Class A1 SGD is covering the period from 19 August 2019 (date of inception) to 31 December 2019.

**8 Financial risk management**

The Sub-Fund's activities expose it to a variety of market risk (including foreign exchange risk and interest rate risk), liquidity risk and credit risk. The Sub-Fund's overall risk management programme seeks to minimise potential adverse effects on the Sub-Fund's financial performance. The Sub-Fund may use financial futures contracts, financial options contracts and/or foreign currency contracts subject to the terms of the Trust Deed to moderate certain risk exposures. Specific guidelines on exposures to individual securities and certain industries are in place for the Sub-Fund at any time as part of the overall financial risk management to reduce the Sub-Fund's risk exposures.

The Sub-Fund's assets principally consist of financial instruments such as fixed interest investments and cash. They are held in accordance with the published investment policies of the Sub-Fund. The allocation of assets between the various types of investments is determined by the Manager to achieve its investment objectives.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

### **8 Financial risk management** (continued)

#### **(a) Market risk**

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as interest rates, credit spreads, exchange rates, and others that may be only indirectly observable such as volatilities and correlations. Market risk includes such factors as changes in economic environment, consumption pattern and investor's expectation etc. which may have significant impact on the value of the investments. The Sub-Fund's investments are substantially dependent on changes in market prices and are monitored by the Manager on a regular basis so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the asset value of the Sub-Fund. Guidelines are set to reduce the Sub-Fund's risk exposures to market volatility such as diversifying the portfolio by investing across various geographies, alternatively, the Sub-Fund may be hedged using derivative strategies.

#### *(i) Foreign exchange risk*

The Sub-Fund has monetary financial assets and liabilities denominated in currencies other than the Singapore Dollar and it may be affected favourably or unfavourably by exchange rate regulations or changes in the exchange rates between the Singapore Dollar and such other currencies. The Manager may at his discretion, implement a currency management strategy either to reduce currency volatility or to hedge the currency exposures of the Sub-Fund.

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**8 Financial risk management** (continued)

**(a) Market risk** (continued)

*(i) Foreign exchange risk (continued)*

The tables below summarise the Sub-Fund's exposures to foreign currencies at the end of the financial year.

**United SGD Money Market Fund**  
**As at 31 December 2020**

	SGD \$	USD \$	Total \$
<b>Assets</b>			
Portfolio of investments	304,147,672	107,214,606	411,362,278
Receivables	1,362,132	132,270	1,494,402
Cash and bank balances	<u>14,154,991</u>	<u>96,425</u>	<u>14,251,416</u>
<b>Total Assets</b>	<u>319,664,795</u>	<u>107,443,301</u>	<u>427,108,096</u>
<b>Liabilities</b>			
Payables	<u>317,889</u>	-	<u>317,889</u>
<b>Total Liabilities</b>	<u>317,889</u>	-	<u>317,889</u>
<b>Net Assets</b>			
Foreign currency contracts (notional value)	<u>96,218,098</u>	<u>(96,218,098)</u>	
<b>Net currency exposure</b>	<u>415,565,004</u>	<u>11,225,203</u>	

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**NOTES TO THE FINANCIAL STATEMENTS**

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**8 Financial risk management** (continued)

**(a) Market risk** (continued)

*(i) Foreign exchange risk (continued)*

United SGD Money Market Fund  
As at 31 December 2019

	SGD \$	USD \$	Total \$
<b>Assets</b>			
Portfolio of investments	54,440,452	74,653,370	129,093,822
Receivables	23,895	-	23,895
Cash and bank balances	<u>1,140,379</u>	<u>6,504</u>	<u>1,146,883</u>
<b>Total Assets</b>	<u>55,604,726</u>	<u>74,659,874</u>	<u>130,264,600</u>
<b>Liabilities</b>			
Purchases awaiting settlement	9,461,050	-	9,461,050
Payables	<u>202,927</u>	<u>-</u>	<u>202,927</u>
<b>Total Liabilities</b>	<u>9,663,977</u>	<u>-</u>	<u>9,663,977</u>
<b>Net Assets</b>			
Foreign currency contracts (notional value)	<u>45,940,749</u>	<u>74,659,874</u>	
	<u>52,913,799</u>	<u>(52,913,799)</u>	
<b>Net currency exposure</b>	<u>98,854,548</u>	<u>21,746,075</u>	

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**8 Financial risk management** (continued)

**(a) Market risk** (continued)

*(i) Foreign exchange risk (continued)*

Investments, which is the significant item in the Statement of Financial Position, is exposed to foreign exchange risk and interest rate risk. Foreign exchange risk sensitivity analysis is prepared and disclosed only for monetary assets and liabilities. The table below summarises the sensitivity of the Sub-Fund's monetary assets and liabilities to changes in foreign exchange movements at 31 December 2020 and 2019. The analysis is based on the assumptions that the functional currency increased/decreased to the relevant foreign exchange rates as disclosed below. This represents the Manager's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

**United SGD Money Market Fund**

Currency	2020		2019	
	Volatility %	Net impact to net assets attributable to unitholders \$	Volatility %	Net impact to net assets attributable to unitholders \$
USD	4	449,008	4	869,843

*(ii) Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow. The Sub-Fund holds interest bearing securities that expose the Sub-Fund to fair value interest rate risk. The Sub-Fund holds securities of varying maturities and interest rate sensitivities. Movement in market interest rates will affect the valuation of the Sub-Fund's securities by varying degrees. The Sub-Fund's policy requires the Manager to manage this risk by measuring the mismatch of the interest rate sensitivity gap of financial assets and liabilities and calculating the average duration of the portfolio of fixed interest securities. The average effective duration of the Sub-Fund's portfolio is a measure of the sensitivity of the fair value of the Sub-Fund's fixed interest securities to changes in market interest rates.

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**8 Financial risk management** (continued)

**(a) Market risk** (continued)

*(ii) Interest rate risk (continued)*

The tables below summarise the Sub-Fund's exposure to interest rate risks. They include the Sub-Fund's assets and trading liabilities at fair value, categorised by interest rate types.

	<b>United SGD Money Market Fund</b>			
	<b>Variable rates</b>	<b>Fixed rate</b>	<b>Non-interest bearing</b>	<b>Total</b>
	\$	\$	\$	\$
<b>As at 31 December 2020</b>				
<b>Assets</b>				
Portfolio of investments	13,674,763	396,712,222	975,293	411,362,278
Receivables	-	-	1,494,402	1,494,402
Cash and bank balances	14,251,416	-	-	14,251,416
Financial derivatives at fair value	-	-	<u>2,911,572</u>	<u>2,911,572</u>
<b>Total Assets</b>	<u>27,926,179</u>	<u>396,712,222</u>	<u>5,381,267</u>	<u>430,019,668</u>
<b>Liabilities</b>				
Payables	-	-	317,889	317,889
Financial derivatives at fair value	-	-	<u>136,665</u>	<u>136,665</u>
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>454,554</u>	<u>454,554</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**8 Financial risk management** (continued)

**(a) Market risk** (continued)

*(ii) Interest rate risk (continued)*

	United SGD Money Market Fund			Total \$
	Variable rates \$	Fixed rate \$	Non-interest bearing \$	
As at 31 December 2019				
<b>Assets</b>				
Portfolio of investments	-	128,372,956	720,866	129,093,822
Receivables	-	-	23,895	23,895
Cash and bank balances	1,146,883	-	-	1,146,883
Financial derivatives at fair value	-	-	<u>1,703,621</u>	<u>1,703,621</u>
<b>Total Assets</b>	<u>1,146,883</u>	<u>128,372,956</u>	<u>2,448,382</u>	<u>131,968,221</u>
<b>Liabilities</b>				
Purchases awaiting settlement	-	-	9,461,050	9,461,050
Payables	-	-	202,927	202,927
Financial derivatives at fair value	-	-	<u>327,955</u>	<u>327,955</u>
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>9,991,932</u>	<u>9,991,932</u>

As at 31 December 2020 and 2019, should interest rates have lowered or risen by the respective basis points ("bps") as disclosed below with all other variables remaining constant, the increase or decrease in net assets attributable to unitholders for the year/period would be as follows:

	2020		2019	
	Volatility bps	Net impact to net assets attributable to unitholders \$	Volatility bps	Net impact to net assets attributable to unitholders \$
<b>United SGD Money Market Fund</b>	<b>50</b>	<b>343,537</b>	50	253,768

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

### **8 Financial risk management** (continued)

#### **(a) Market risk** (continued)

##### *(ii) Interest rate risk (continued)*

The Sub-Fund has direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets and liabilities. However, it may also be indirectly affected by the impact of changes on the earnings of certain companies in which the Sub-Fund invests and impact on the valuation of certain over-the-counter derivative products that use market interest rates as an input. Therefore, the above sensitivity analysis may not fully indicate the total effect on the Sub-Fund's net assets attributable to unitholders of future movements in interest rates.

The COVID-19 pandemic continues to evolve and develop. The situation is dynamic with various cities and countries around the world responding in different ways to address the pandemic. As a result of the COVID-19 pandemic, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the impact or duration of the volatility on the portfolio of the Sub-Fund. The Manager is closely monitoring the development of the COVID-19 pandemic and its related impact.

#### **(b) Liquidity risk**

The Sub-Fund is exposed to daily cash redemptions and disbursements for the settlements of purchases. The Manager therefore ensures that the Sub-Fund maintains sufficient cash and cash equivalents and that they are able to obtain cash from the sale of investments held to meet its liquidity requirements. Reasonable efforts will be taken to invest in securities which are traded in a relatively active market and which can be readily disposed of.

The Sub-Fund's investments in quoted securities are considered to be readily realisable as they are quoted on established regional stock exchanges.

The Manager may from time to time employ derivatives to implement a portfolio strategy to reduce risk or for the purpose of efficient portfolio management. Market liquidity of complex derivatives are significantly less than traditional investment instruments and such positions may therefore require a longer time to reverse than would typically be expected for traditional investment instruments.

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**NOTES TO THE FINANCIAL STATEMENTS**

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**8 Financial risk management** (continued)

**(b) Liquidity risk** (continued)

The tables below analyse the Sub-Fund's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	<b>United SGD Money Market Fund</b>		
	<b>Less than 3 months</b>	<b>3 months to 1 year</b>	<b>Over 1 year</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 31 December 2020</b>			
Payables	317,889	-	-
Financial derivatives at fair value			
- Foreign currency contracts	136,665	-	-
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
<b>As at 31 December 2019</b>			
Purchases awaiting settlement	9,461,050	-	-
Payables	202,927	-	-
Financial derivatives at fair value			
- Foreign currency contracts	327,955	-	-

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**NOTES TO THE FINANCIAL STATEMENTS**

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**8 Financial risk management** (continued)

**(b) Liquidity risk** (continued)

The tables below analyse the Sub-Fund's derivatives financial instruments in a loss position that will be settled on a gross basis into relevant maturity groups based on the remaining period at the Statement of Financial Position date to the contractual maturity date.

	<b>United SGD Money Market Fund</b>		
	<b>Less than 3 months</b>	<b>3 months to 1 year</b>	<b>Over 1 year</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 31 December 2020</b>			
Financial derivatives at fair value			
- Foreign currency contracts			
- inflow	<b>12,999,730</b>	-	-
- outflow	<b>(13,136,395)</b>	-	-
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 31 December 2019</b>			
Financial derivatives at fair value			
- Foreign currency contracts			
- inflow	27,818,332	-	-
- outflow	(28,146,287)	-	-

**(c) Credit risk**

Credit risk is the risk that a counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

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**NOTES TO THE FINANCIAL STATEMENTS**

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**8 Financial risk management** (continued)

**(c) Credit risk** (continued)

As such, the Sub-Fund does not have a concentration of credit risk that arises from an exposure to a single counterparty. Furthermore, the Sub-Fund does not have a material exposure to group of counterparties which are expected to be affected similarly by changes in economic or other conditions.

The table below analyses the Sub-Fund's investments by credit ratings as rated by Moody's expressed as a percentage of net assets attributable to unitholders. The credit ratings are reviewed regularly.

<b>United SGD Money Market Fund</b>				
<b>Debt securities</b>				
	<b>2020</b>		<b>2019</b>	
	<b>Fixed Rate securities</b>	<b>Floating Rate securities</b>	<b>Fixed Rate securities</b>	<b>Floating Rate securities</b>
A1	<b>7%</b>	-	6%	-
A2	<b>12%</b>	<b>3%</b>	38%	-
A3	<b>4%</b>	-	14%	-
Aa2	-*	-	-	-
Aa3	<b>1%</b>	-	2%	-
Aaa	<b>67%</b>	-	31%	-
Non-rated	<b>2%</b>	-	14%	-

\* denotes amount less than 1%

All transactions in listed securities are settled/paid upon delivery and transacted with approved counterparties using an approved list of brokers that is regularly assessed and updated by the Manager. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

In order to monitor the credit quality of the Non-rated underlying debt securities, the Manager, on the basis of internal research, prepares its own shadow ratings for the various instruments for which publicly available credit ratings are not available. The non-rated securities comprise mainly of corporate bonds issued by Chinese companies.

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**NOTES TO THE FINANCIAL STATEMENTS**

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**8 Financial risk management** (continued)

**(c) Credit risk** (continued)

Credit risk also arises from cash and bank balances and derivative positions held with financial institutions. The table below summarises the credit rating of banks and custodians in which the Sub-Fund's assets are held as at 31 December 2020 and 2019.

The credit ratings are based on the Viability ratings published by Fitch.

**United SGD Money Market Fund**

	<b>Credit rating as at 31 December 2020</b>	Credit rating as at 31 December 2019
<b>Bank and custodian</b>		
State Street Bank and Trust Company	<b>aa-</b>	aa-
<b>Counterparties of foreign currency contracts</b>		
Australia and New Zealand Banking Group	<b>a+</b>	aa-
BNP Paribas	<b>a+</b>	n/a*
State Street Bank and Trust Company	<b>aa-</b>	aa-
United Overseas Bank Limited	<b>aa-</b>	aa-
Westpac Banking Corporation	<b>a+</b>	aa-

\* *The Sub-Fund has no exposure to the counterparties as at 31 December 2019.*

The maximum exposure to credit risk at the financial year end date is the carrying amount of the portfolio of investments and cash and bank balances as presented in Statement of Financial Position.

**(d) Capital management**

The Sub-Fund's capital is represented by the net assets attributable to unitholders. The Sub-Fund strives to invest the subscriptions of redeemable participating units in investments that meet the Sub-Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

## **NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

### **8 Financial risk management** (continued)

#### **(e) Fair value estimation**

The Sub-Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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**8 Financial risk management** (continued)

**(e) Fair value estimation** (continued)

The following tables analyse within the fair value hierarchy, the Sub-Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2020 and 2019:

<b>United SGD Money Market Fund</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	\$	\$	\$	\$
<b>As at 31 December 2020</b>				
<b>Assets</b>				
Portfolio of investments				
- Quoted bonds	-	411,362,278	-	411,362,278
Financial derivatives at fair value	-	<u>2,911,572</u>	-	<u>2,911,572</u>
<b>Total</b>	-	<u>414,273,850</u>	-	<u>414,273,850</u>
<b>Liabilities</b>				
Financial derivatives at fair value	-	<u>136,665</u>	-	<u>136,665</u>
<b>Total</b>	-	<u>136,665</u>	-	<u>136,665</u>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	\$	\$	\$	\$
<b>As at 31 December 2019</b>				
<b>Assets</b>				
Portfolio of investments				
- Quoted bonds	-	129,093,822	-	129,093,822
Financial derivatives at fair value	-	<u>1,703,621</u>	-	<u>1,703,621</u>
<b>Total</b>	-	<u>130,797,443</u>	-	<u>130,797,443</u>
<b>Liabilities</b>				
Financial derivatives at fair value	-	<u>327,955</u>	-	<u>327,955</u>
<b>Total</b>	-	<u>327,955</u>	-	<u>327,955</u>

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include grade corporate bonds and over-the-counter derivatives.

Except for cash and bank balances which are classified as Level 1, the Sub-Fund's assets and liabilities not measured at fair value at 31 December 2020 and 2019 have been classified as Level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the financial year end date.

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**NOTES TO THE FINANCIAL STATEMENTS**

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**8 Financial risk management (continued)**

**(f) Offsetting financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the Statement of Financial Position are disclosed in the first three columns of the tables below.

**United SGD Money Market Fund**

Financial assets	Effects of offsetting on the Statement of Financial Position			Related amounts not offset		
	Gross amounts of financial assets	Statement of Financial Position	Net amount of financial assets set off in the Statement of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
<b>31 December 2020</b>						
Derivative financial instruments	2,911,572	-	2,911,572	(136,665)	-	2,774,907
<b>Total</b>	<b>2,911,572</b>	<b>-</b>	<b>2,911,572</b>	<b>(136,665)</b>	<b>-</b>	<b>2,774,907</b>
<b>31 December 2019</b>						
Derivative financial instruments	1,703,621	-	1,703,621	(182,148)	-	1,521,473
<b>Total</b>	<b>1,703,621</b>	<b>-</b>	<b>1,703,621</b>	<b>(182,148)</b>	<b>-</b>	<b>1,521,473</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**8 Financial risk management** (continued)

**(f) Offsetting financial assets and financial liabilities** (continued)

**United SGD Money Market Fund**

Financial liabilities	Effects of offsetting on the Statement of Financial Position			Related amounts not offset		
	Gross amounts of financial liabilities	Statement of Financial Position	Net amount of financial liabilities presented in the Statement of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
<b>31 December 2020</b>						
Derivative financial instruments	136,665	-	136,665	(136,665)	-	-
<b>Total</b>	<b>136,665</b>	<b>-</b>	<b>136,665</b>	<b>(136,665)</b>	<b>-</b>	<b>-</b>
<b>31 December 2019</b>						
Derivative financial instruments	327,955	-	327,955	(182,148)	-	145,807
<b>Total</b>	<b>327,955</b>	<b>-</b>	<b>327,955</b>	<b>(182,148)</b>	<b>-</b>	<b>145,807</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**9 Related party transactions**

(a) The Manager and the Trustee of the Sub-Fund are UOB Asset Management Ltd and State Street Trust (SG) Limited respectively. The Manager is a subsidiary of United Overseas Bank Limited while the Trustee is a subsidiary of State Street Bank and Trust Company.

Management fee, valuation fee and administration fee are paid to the Manager for the financial year. Trustee fee is paid to the Trustee while registrar fee and custody fee are paid to State Street Bank and Trust Company, Singapore Branch.

These fees paid or payable by the Sub-Fund shown in the Statement of Total Return and in the respective Notes to the Financial Statements are on terms set out in the Trust Deed. All other related party transactions are shown elsewhere in the financial statements.

(b) As at the end of the financial year, the Sub-Fund maintained the following accounts with its related parties:

	<b>United SGD Money Market Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>State Street Bank and Trust Company, Singapore Branch</b>		
Cash and bank balances	<b>14,251,416</b>	1,146,883

(c) The following transactions took place during the financial year between the Sub-Fund and related parties at terms agreed between the parties:

	<b>United SGD Money Market Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>State Street Bank and Trust Company, Singapore Branch</b>		
Interest income	<b>46,115</b>	99,512
<b>United Overseas Bank Limited</b>		
Bank charges	<b>20,561</b>	2,028

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**10 Financial ratios**

Current year disclosure for Class A2 SGD Acc is covering the period from 12 October 2020 (date of inception) to 31 December 2020.

Prior year disclosure for Class A SGD is covering the period from 1 January 2019 to 18 August 2019 (date of termination) and for Class A1 SGD is covering the period from 19 August 2019 (date of inception) to 31 December 2019.

	<b>United SGD Money Market Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Class A SGD</b>		
Total operating expenses	-	1,685
Average daily net asset value	<u>-</u>	<u>320,355</u>
Expense ratio (annualised) <sup>1</sup>	<u>-</u>	<u>0.83%</u>
<b>Class B SGD</b>		
Total operating expenses	<b>933,659</b>	319,572
Average daily net asset value	<b><u>264,848,697</u></b>	<u>55,008,665</u>
Expense ratio <sup>1</sup>	<b><u>0.35%</u></b>	<u>0.58%</u>
<b>Class Z SGD</b>		
Total operating expenses	<b>27,302</b>	10,272
Average daily net asset value	<b><u>17,843,715</u></b>	<u>2,529,017</u>
Expense ratio <sup>1</sup>	<b><u>0.15%</u></b>	<u>0.41%</u>
<b>Class Z USD (Hedged)</b>		
Total operating expenses	<b>32,135</b>	150,962
Average daily net asset value	<b><u>9,289,486</u></b>	<u>37,452,062</u>
Expense ratio <sup>1</sup>	<b><u>0.35%</u></b>	<u>0.40%</u>
<b>Class A1 SGD</b>		
Total operating expenses	<b>23,920</b>	6,785
Average daily net asset value	<b><u>4,296,570</u></b>	<u>2,386,469</u>
Expense ratio (annualised) <sup>1</sup>	<b><u>0.56%</u></b>	<u>0.77%</u>

<sup>1</sup> The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the Sub-Fund's expense ratio at financial year end was based on total operating expenses divided by the average net asset value respectively for the financial year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Sub-Fund does not pay any performance fee. The average net asset value is based on the daily balances.

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2020

**10 Financial ratios (continued)**

	<b>United SGD Money Market Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Class A2 SGD Acc</b>		
Total operating expenses	<b>465</b>	-
Average daily net asset value	<b>816,841</b>	-
Expense ratio (annualised) <sup>1</sup>	<b>0.26%</b>	-
Lower of total value of purchases or sales	<b>958,256,997</b>	253,132,776
Average daily net assets value	<b>297,095,309</b>	97,696,568
Turnover ratio <sup>2</sup>	<b>322.54%</b>	259.10%

1 The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the Sub-Fund's expense ratio at financial year end was based on total operating expenses divided by the average net asset value respectively for the financial year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Sub-Fund does not pay any performance fee. The average net asset value is based on the daily balances.

2 The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments divided by the average daily net asset value.

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