Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

Global Balanced Strategy

Overview

Investors are faced with a serious question with equities soaring higher and government yields at all-time lows. Further, questions around virus mutation and an ongoing global recession have made it even more difficult for some investors to enter the markets.

That said, the past few months have again proven that time in the market trumps timing the market. In such an uncertain environment, we suggest that clients look at multi-asset funds that can help to ease into markets in a disciplined way. Investors can benefit from allocating to a diversified mix of assets, that are managed by professionals with the skill, and more importantly, the temperament to wisely invest over the market cycle.

So, what would be one of our top convictions in the global balanced fund space?

JPM Global Income ++++

What are the Key Characteristics of this fund?

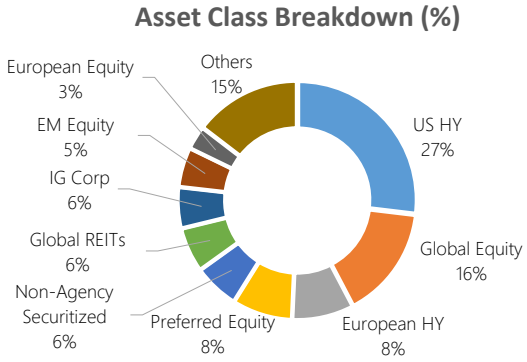
- A balanced fund with a neutral risk budget of 60% Bond / 40% Equity, that uses tactical allocation to tap onto market opportunities.
- Well-diversified and spread out over ~10 different asset classes to generate targeted income pay-out of about 4.5% p.a.
- Fund is run by co-PMs: Michael Schoenhaut and Eric Bernbaum who have combined industry experience of over 30 years.

Why this Fund? 3 Reasons:

1. Core Balanced Fund Solution: Its broad diversification in terms of asset class and holdings makes it an optimal choice for investors who are looking for a one-stop multi-asset solution.
2. Consistent and "Good" Income: Fund does not overstretch for yield and targets a consistent and attractive level of income with opportunity for capital appreciation.
3. Specialized Teams: PM team is responsible for asset allocation; the fund is supported by specialized investment teams for asset classes.

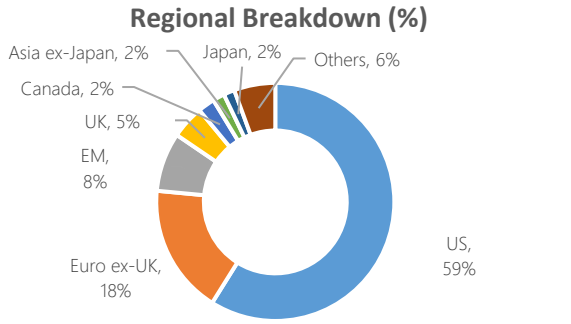
How is this fund positioned**?

- The fund is well diversified and is flexible to access the entire capital structure, which is extremely important in uncertain markets.



Source: JP Morgan, as of 30th November 2020

- The fund was positioned conservatively after the Covid-19 outbreak; however, they have turned risk-on with higher allocation to dividend paying equities and high yield credit.
- They also added an ELN covered call position on the US small cap index to capture the growth while generating income.
- In Bond Sleeve, they preferred HY Credit over IG Credit with an average credit rating of BB+.
- They maintained allocation to some short-term debt, alongside cash as dry powder to take advantage of any opportunities.
- Duration stands at 5.7 years as the team sees limited potential for a rate hike in near-term.



Source: JP Morgan, as of 30trh November 2020

- Geographically, the fund remains well diversified with a tilt towards DM markets.

MSCI ESG Rating:

Source: FactSet, MSCI as of 11th January 2020

**Funds are actively managed, positions may change.

MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks. Certain information ©2020 MSC ESG Research LLC. Reproduced by permission

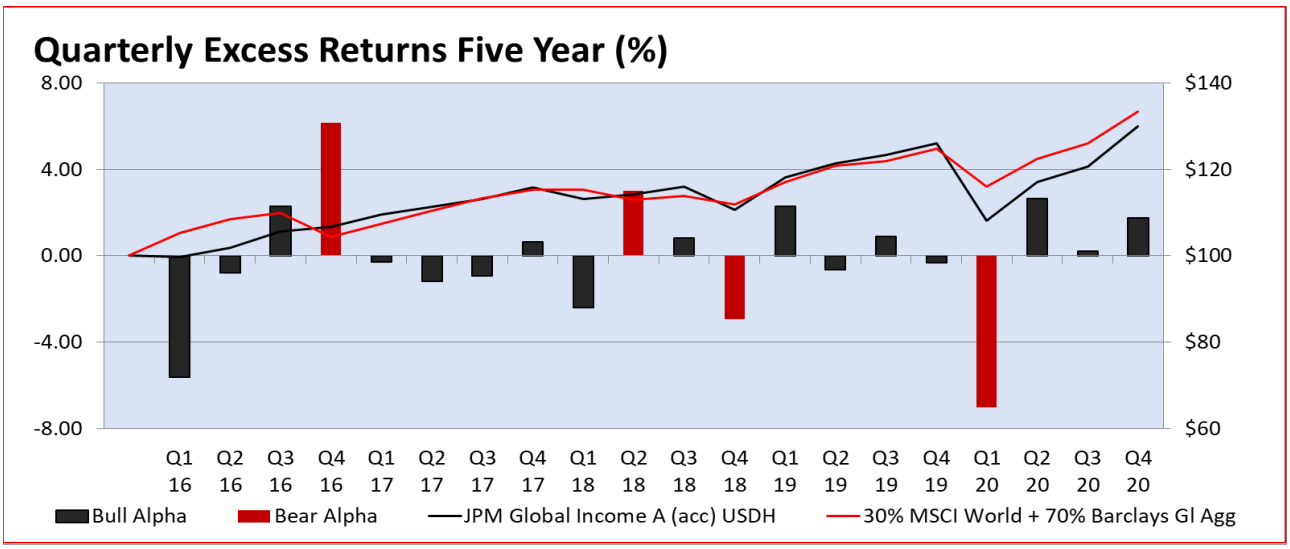
Important Notice and Disclaimer
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- Despite a dip in performance during March-2020, the fund has posted a strong recovery through opportunistic positioning.
- Over the long term, the dynamic, diversified and forward-looking nature of the fund's allocation can help investors add value to their overall portfolios.

Performance as of December 31st, 2020 in US$	1M	3M	6M	1YR	3YR^	5YR^
JPM Global Income	1.62	7.59	10.86	3.06	3.88	5.36
30% MSCI World + 70% Barclays Gl Agg	1.91	5.84	8.82	6.76	4.96	5.91

Source: Morningstar ^Annualized



Source: Morningstar / DBS. As of December 31st, 2020

What are the Key Risks of this fund?

- In the Fixed Income portion of the fund, the portfolio manager has discretion to invest in non-traditional asset classes which have both higher expected yield and higher potential credit risk.
- In the Equity portion of the fund, the portfolio manager has discretion to invest in Emerging Market Equities. These have higher potential risks compared to investing in Developed Market Equities.
- The fund is risk rated 3 on a 5-point scale. Risk rating 1-5 indicates the relative rating of potential loss; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus.

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of five professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each of the funds reviewed. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds. The team reviews and assigns a rating to each fund.

This rating reflects the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

Asian Multi-Asset Strategy

Overview

With interest rates remaining near historic lows, investors requiring income for their spending needs, especially those in or approaching their golden years, may be better served by pivoting away from low-yielding cash and deposits to stretch their retirement savings.

While global growth has taken a beating, Asia remains poised to continue its sustainable growth path once the COVID-19 pandemic abates, supported by trends like favourable demographics, a rising middle class and high digital adoption.

So, how can investors receive a sustainable income stream while at the same time get exposure to a range of growth themes across Asia?

Schroder Asia More+ +++

What are the Key Characteristics of this fund?

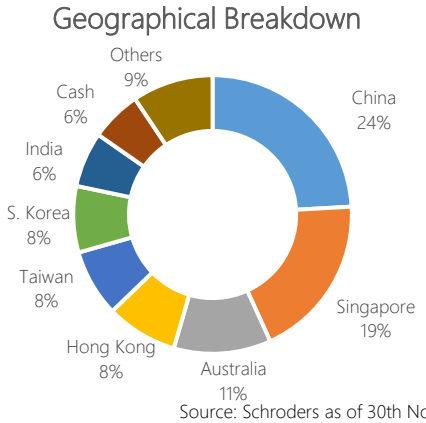
- This is an income-oriented, Asian multi-asset fund with modest capital appreciation potential.
- Designed with Singapore investors in mind: The fund invests in Singapore securities and hedges a portion of FX back to SGD.
- Fund targets 4-5% p.a. distribution (paid monthly). Decumulation and accumulation share classes are also available.

Why this Fund? 3 Reasons:

1. Schroders' core area of expertise: Schroders is an established Asian multi-asset manager with flagships in equities and multi-asset strategies.
2. Diversified and broad exposures to Asia: Investors gain access to a diversified portfolio comprising of the core asset classes of Asian Equities (including REITs) and Asian Fixed Income. The Income portion of the portfolio seeks to mitigate volatility and provide resilience over the long term.
3. Low-cost, one-stop barbell solution: The fund offers investors a relatively low-cost solution that caters to varying income needs of investors.

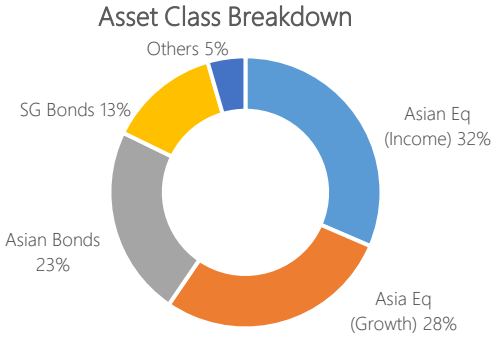
How is this fund positioned**?

- The fund invests across Asia Pacific (ex-Japan). Diversified with key allocations being Greater China, S. Korea, Singapore and Australia.



Source: Schroders as of 30th November 2020

- Fixed Income allocation is c.36%; Equities c.61%, of which 9% are REITs.
- The average credit rating of the Fixed Income sleeve is investment grade (BBB).
- Asian bonds form the ballast of the Fixed Income sleeve portfolio. The FX exposures arising from these are typically hedged to SGD.



Source: Schroders as 30th November 2020

Key portfolio exposures

- Currently, the main sectors within the equity sleeve are in IT (including electronics manufacturers like Samsung), REITS, Communications (Tencent), Financials and Consumer Discretionary (Alibaba).
- Within Fixed Income, Financials are the main issuers.

MSCI ESG Rating:

Not Available

Source: FactSet, MSCI as of 11th January 2021

**Funds are actively managed, positions may change.

MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks.

Certain information ©2020 MSCI ESG Research LLC. Reproduced by permission.

Important Notice and Disclaimer

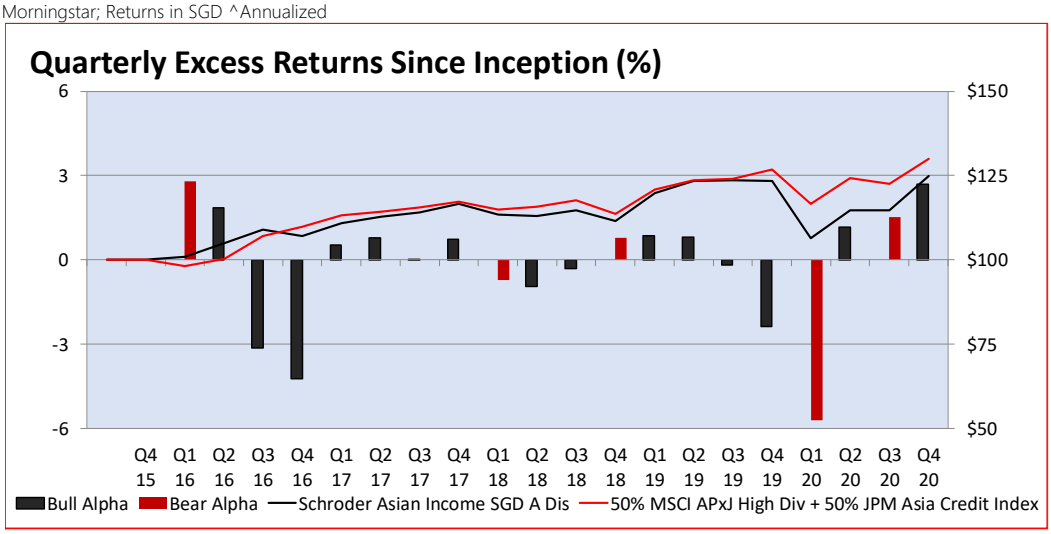
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- As the fund is recently incepted, we use the Schroder Asian Income fund as a proxy.
- While the strategy had fared well historically, the underweight to China and overweight to REITs had hurt performance in Q4 2019 and Q1 2020 respectively. We view this as a temporary setback and expect performance to recover.

As of December 31st, 2020	1M	3M	6M	1YR	3YR^	5YR^
Schroder Asia More+	3.86	9.10	NA	NA	NA	NA
Schroder Asian Income (proxy strategy)	3.77	8.87	8.98	1.21	2.33	4.55
50% MSCI APxJ High Div Yield + 50% JPM Asian Credit Index	1.33	6.17	4.67	2.53	3.51	5.39

Source: Morningstar; Returns in SGD ^Annualized



Source: Morningstar / DBS. As of December 31st, 2020

What are the Key Risks of this fund?

- Despite attractive past returns, Asia Pacific ex-Japan equities have historically been volatile (average standard deviation of 15%). Geopolitical risks like trade tensions as well as general economic slowdowns globally or even in Chinese economy could create headwinds.
- The fund is risk rated 3 on a five-point scale. Risk rating 1-5 indicates the relative rating of potential loss; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus.

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds. The team reviews and assigns an appropriate rating to these funds.

This rating reflects the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

**Funds are actively managed, positions may change.

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

DBS

Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK Analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

Asian High Yield Strategy

Overview

With the market value of negative yielding bonds at record highs and the actions from central banks backing corporate credits, High Yield (HY) bonds may appeal to investors searching for yield and potential price appreciation.

In this asset class, Asia HY stays attractive from fundamental and valuation perspectives. Asia has most effectively handled the virus crisis and it also has lower default rates projected by ratings agencies in comparison with US and European HY. Having said that, idiosyncratic risks remain with certain highly leveraged issuers, so diversification and credit selection are crucial.

So, what is our recommendation in this space?

HSBC GIF – Asia High Yield Bond Fund ++++

What are the Key Characteristics of this fund?

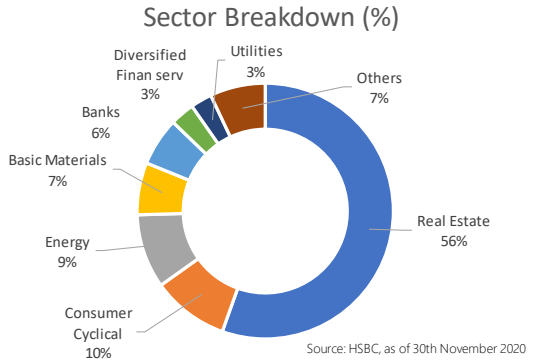
- A diversified portfolio predominantly invested in US$ Asian High Yield Corporate Bonds and up to 30% in sovereigns/ quasi-sovereigns.
- May tactically hold local currency and IG bonds.
- The mother strategy has over 9 years of history and over US$1bn in assets.
- Fund distributes ~6% p.a. on a monthly basis.

Why this Fund? 3 Reasons:

1. Experienced investment team: The lead PM has been running the mother strategy since its inception in 2011. He is supported by a well-resourced team comprising of over 30 investment professionals.
2. Zero default since inception: The strategy avoided defaults in the past 9 years given the team's considerable strength in credit selection and its robust risk management.
3. High income opportunity: The product offers an attractive annualised dividend yield of over 6%.

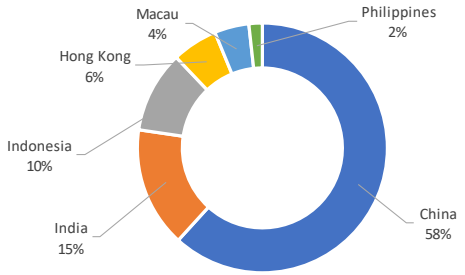
How is this fund positioned**?

- Majority of the portfolio is in HY corporate bonds. There is ~4% off-benchmark exposure in IG bonds, mainly in sovereigns/ quasi.



Source: HSBC, as of 30th November 2020

- China is the largest holding by geography, accounting for 58% of the fund. Much of these are in the property sector, but the PM is selective as he expects credit differentiation to increase.
- Indonesia is the largest overweight country. The PM prefers the utilities sector for its defensiveness and selected coal mining names.



Source: HSBC, as of 30th November 2020

- The fund is U/W lower-yielding markets like Hong Kong, Philippines and Korea.
- Duration of 2.5 years is in line with the JACI-non-IG benchmark as the PM expects UST yields to stay in range. YTM is 7.3% as of end of November 2020.

MSCI ESG Ratings:

Source: Factset, MSCI as of 11th January 2021

**Funds are actively managed, positions may change.

MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks.

Certain information ©2020 MSC ESG Research LLC. Reproduced by permission

Important Notice and Disclaimer

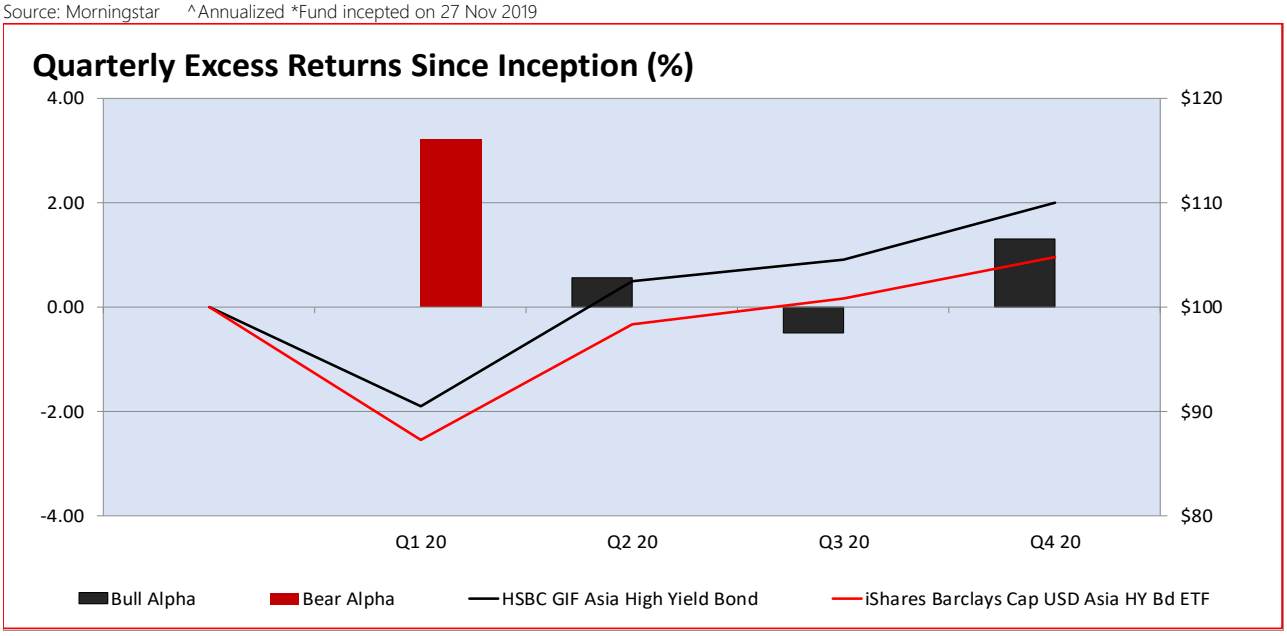
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- This vehicle is only launched in Nov 2019 but has delivered strong absolute and relative returns since. More recently, the fund benefited from its credit selection in Indonesia, India and Mainland China property as well as its exposure to RMB.

Performance as of December 31st, 2020	1M	3M	6M	1YR	SI^*
HSBC Asian High Yield Bond Fund	2.26	5.21	7.36	10.00	10.97
iShares Barclays Cap USD Asia HY Bd ETF	1.86	3.91	6.55	4.76	5.57

Source: Morningstar ^Annualized *Fund incepted on 27 Nov 2019



Source: Morningstar / DBS. As of December 31st 2020

What are the Key Risks of this fund?

- Portfolio invests mainly in non-investment grade assets that are subjected to credit risk and higher volatility. With some EM FX exposure, the fund is also susceptible to FX risk.
- The fund is risk rated 3 on a 5-point scale. Risk rating 1-5 indicates the relative rating of potential loss; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus.

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds.. The team will review and assign an appropriate rating to each fund.

This rating reflects the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

**Funds are actively managed, positions may change.

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

DBS

Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK Analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

Global Aggregate Bonds

Overview

For many investors, income continues to be sought-after. The income portion of the DBS Barbell Strategy advocates allocations to income-generating assets that can provide stability to portfolios, particularly so in this yield-starved environment that is expected to persist.

While market liquidity has returned after the double shocks of COVID-19 and oil price war in March 2020 and extreme levels of fear have dissipated, there remains some pockets of opportunities, particularly within non-traditional fixed income markets.

So, how can investors harvest non-traditional risk premiums to diversify their fixed income portfolios?

JPMorgan Income Fund ++++

What are the Key Characteristics of this fund?

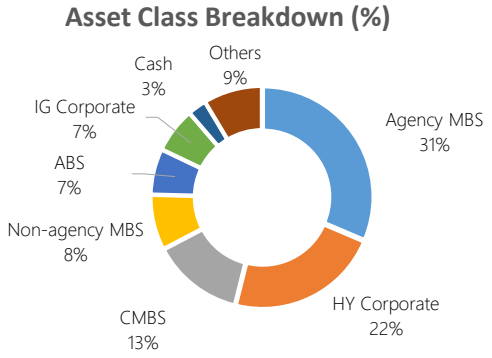
- Flexible fixed income fund with a broad mandate. Seeks to provide predictable income of c.4.5-5% p.a.
- 3 core Fixed Income sleeves: Securitized Credit, Corporate Credit and Emerging Markets (EMD). Securitized features prominently and offers diversification to traditional bond portfolios.
- Controlled risk profile, with the fund targeting an annual volatility of below 6%. Historically, the fund has managed to keep within this level (2020 being the exception).

Why this Fund? 3 Reasons:

1. Diversified Risk Premiums: The fund seeks to derive non-traditional risk premiums through exposures to US securitized credit. This offers investors diversification from traditional bonds.
2. Seasoned Managers: Veteran co-managers Drew Headley, Andrew Norelli and Tom Hauser all have extensive experience, with over 23 years of average experience.
3. JPM's Fixed Income capabilities: The fund leverages JPM's vast fixed income resources (over 150 investment professionals). Several sub-teams are also involved in running the JPM Global Income Fund ++++.

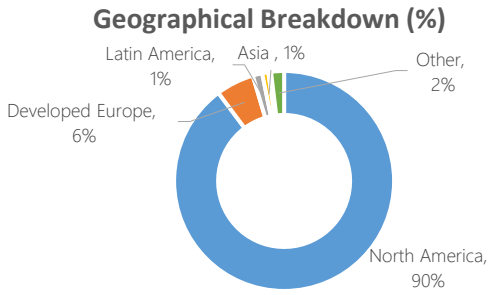
How is this fund positioned**?

- The fund typically allocates c.40-55% to Securitized Credits such as mortgage-backed securities (MBS), asset-backed securities (ABS), and commercial mortgage-backed securities (CMBS). Current exposure is c.60%.



Source: JP Morgan, as of 30th November 2020

- In terms of Corporate Credit, the fund has 7% in investment grade corporates, and 22% net exposure in high yield (HY). Fund has about 5% of HY hedges to reduce credit exposure.



Source: JP Morgan, as of 30th November 2020

- Geographically, the fund is anchored in the US but has flexibility to invest globally.
- Current portfolio's duration is 1.6 years and has a YTM of 4.3%. Average credit rating is BBB.

Some of the key investment themes**?

- Recovery Play: Focusing on allocating towards sectors that have not experienced as rapid a recovery as other risk assets (EMD, Securitized).
- Active Positioning and Duration Management: The team has bought duration down from 4.1 years in January 2020. Currently keeping duration subdued at 1.6 years and trimmed HY.

MSCI ESG Rating:

Not Available

Source: FactSet, MSCI as of 11th January 2021

**Funds are actively managed, positions may change.

MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks.

Certain information ©2020 MSCI ESG Research LLC. Reproduced by permission.

Important Notice and Disclaimer

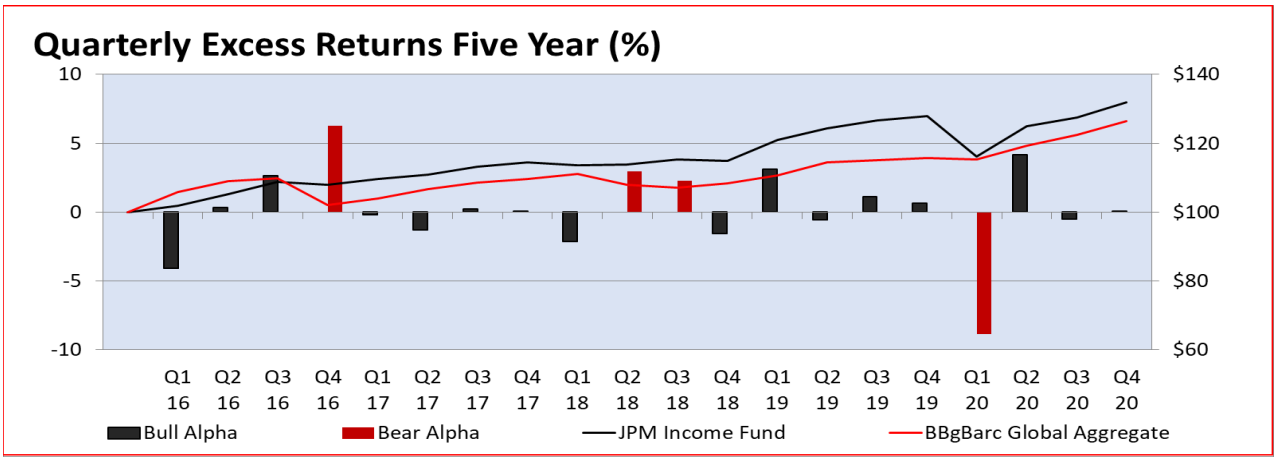
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- Despite a modestly higher volatility profile, the fund has managed to generate meaningful alpha against the index over most periods. Q1 2020 had been challenging as the fund held more credit.
- Nonetheless, we feel that JPM is a credible manager for this strategy and should recover.

Performance as of December 31st, 2020 in US$	1M	3M	6M	1YR	3YR^	5YR^
JPM Income Fund	1.30	3.32	5.55	3.01	4.82	5.68
BBgBarc Global Aggregate	1.34	3.28	6.03	9.20	4.85	4.79

Source: Morningstar ^Annualized



Source: Morningstar / DBS. As of December 31st, 2020

What are the Key Risks of this fund?

- Fixed-income securities are subject, among other things, to the risk of the issuers or a guarantor's inability to meet principal and interest payments on its obligations as well as to price volatility.
- The Fund may invest in EM, securitized and global debt securities issued by governments, government-related or corporate entities and may use derivatives. These have historically been subject to price movements, generally due to interest rates, currency and/or bond markets.
- The fund is risk rated 3 on a 5-point scale. Risk rating 1-5 indicates the relative loss potential; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus.

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds. The team reviews and assigns an appropriate rating to these funds.

This rating reflects the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

Global Aggregate Bonds

Overview

With yields from risk-free government bonds hovering near their historical lows, investors are increasingly searching for alternatives to "risk-free returns". As the closest alternative, global credit is poised to be the most immediate beneficiary. Today, IG credit offers additional yield for relatively low risks while EM and HY credit are prime avenues for diversified source of alpha.

To navigate in this constantly changing fixed income landscape, it is important to stay diversified and nimble to take advantage of opportunities in the market. So, what would be our top convictions in the global fixed income space?

PIMCO Diversified Income Fund ++++

What are the Key Characteristics of this fund?

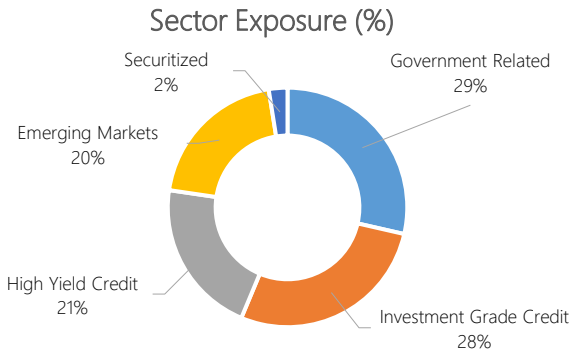
- Fund has a broader mandate relative to typical credit funds, which is important for a one-stop, diversified global credit solution.
- 3 core Fixed Income sleeves: Global Investment Grade (IG); Global High Yield (HY); Emerging Market (EM) Bonds. This potentially offers less-correlated fixed income exposure for investors.
- Targets higher returns relative to IG credit but less volatility than a pure high yield strategy.

Why this Fund? 3 Reasons:

- Unconstrained and Flexible: While the fund has 3 main alpha sleeves, the PMs have leeway to seek opportunities in other sub-asset classes (e.g. loans, securitized, municipals) to generate alpha and enhanced returns for clients.
- PIMCO's Fixed Income capabilities: The fund leverages on PIMCO's vast global credit resources (macro views and bottom-up credit selection) to flexibly and tactically access the broad global credit opportunity set.
- Total Return with income: Fund adopts a total return approach while providing a distribution of c.3.0% p.a. from the underlying bonds.

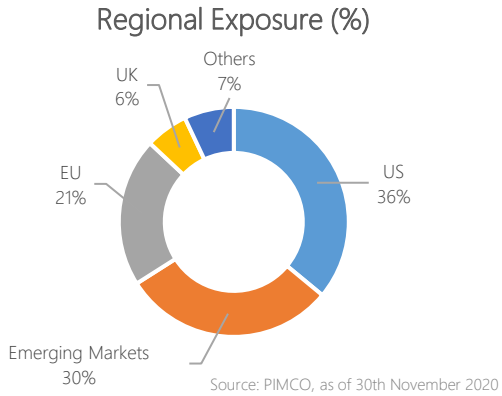
How is this fund positioned**?

- While the fund's neutral asset allocation is split equally between EM debt, HY and IG credits, the fund is not shy to allocate to other global opportunity sets, such as to government bonds and securitized (PIMCO's core expertise).



Source: PIMCO, as of 30th November 2020

- In terms of geographical allocation, the fund is more diverse compared to other fixed income funds which tend to be more US-centric.



Source: PIMCO, as of 30th November 2020

Some of the key investment themes**?

- Positive on IG & Financials: Focusing on senior bonds from UK Banks, select European bank capital and higher quality corporates.
- Selective on HY: Preference for senior secured bonds in non-cyclical and cash-rich industries.
- Cautious on EM: Favors Asian HY credit due to attractive valuations.

MSCI ESG Rating

Source: FactSet, MSCI as of 11th January 2021

**Funds are actively managed, positions may change.

MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks.

Certain information ©2020 MSCI ESG Research LLC. Reproduced by permission.

Important Notice and Disclaimer

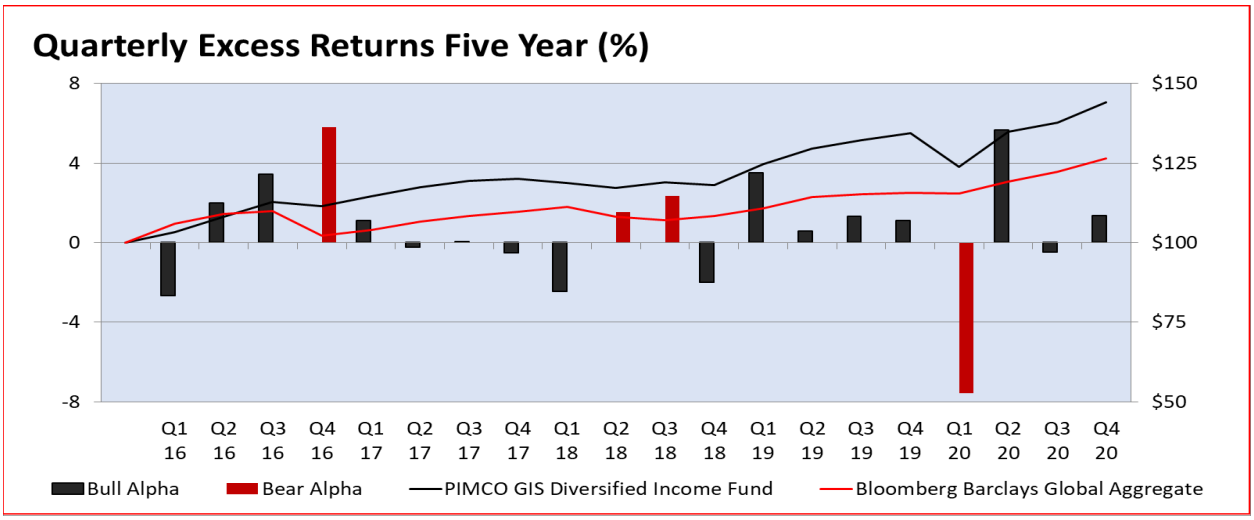
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- Despite a volatility profile like the index, the fund has managed to generate meaningful alpha against the index over most time periods. We feel that the diverse allocation has helped reduce cross-asset correlations to deliver a superior risk reward profile.

Performance as of December 31st, 2020 in US$	1M	3M	6M	1YR	3YR^	5YR^
PIMCO GIS Diversified Income Fund	1.38	4.64	6.95	7.34	6.28	7.59
BBgBarc Global Aggregate	1.34	3.28	6.03	9.20	4.85	4.79

Source: Morningstar ^Annualized



Source: Morningstar / DBS. As of December 31st, 2020

What are the Key Risks of this fund?

- Fixed-income securities are subject, among other things, to the risk of the issuers or a guarantor's inability to meet principal and interest payments on its obligations as well as to price volatility.
- The Fund may invest in EM and global debt securities issued by governments, government-related or corporate entities and may use derivatives. Such securities and derivatives have historically been subject to price movements, generally due to interest rates, currency or bond markets.
- The fund is risk rated 3 on a 5-point scale. Risk rating 1-5 indicates the relative loss potential; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds. The team reviews and assigns an appropriate rating to these funds.

This rating reflects the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

ASEAN Equity

Overview

Asia equities finished 2020 strongly, driven mainly by North Asian markets. In contrast, Southeast Asia lagged the overall market as the region was hit by multiple headwinds. Despite the turbulence, structural drivers in ASEAN remain intact and it trades at historical lows; ASEAN is at a discount as a laggard to its peers. Entering 2021, ASEAN markets should see rally broadening as economies and risk appetites recover. Rotation into value and cyclical sectors should lift ASEAN markets in the near term, with favorable demographics and supply chain shifts to benefit ASEAN in the long run. The JPM ASEAN Equity Fund is a quality offering for clients who are looking to tap into this laggard region.

JPMorgan ASEAN Equity Fund ++++

What are the Key Characteristics of this Fund?

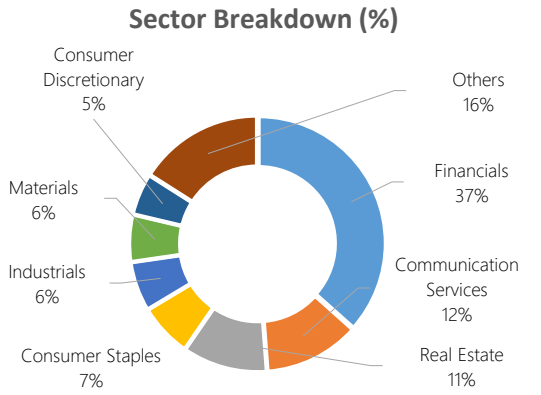
- Hybrid bottom-up & top-down approach to construct a diversified ASEAN portfolio with a long and credible track record.
- Select "best ideas" in single countries using fundamental analysis. Country allocations are managed based on macro views.
- Structured investment process: categorizing companies into "Premium", "Quality" and "Trading"; with respect to Economic, Duration and Governance views of the companies.

Why this Fund? Three Reasons:

1. Quality Focused: The Fund emphasizes on quality, domestic themes and largely invests in companies with strong fundamentals and market leadership.
2. Active Allocations: The Fund generates consistent alpha over market cycles by maintaining active allocations within countries and stocks.
3. Experienced Team: Led by Pauline Ng, the Fund is managed by a 5-member PM team of ASEAN experts, with over 14 years of average industry experience. The PMs also manage single country ASEAN Funds.

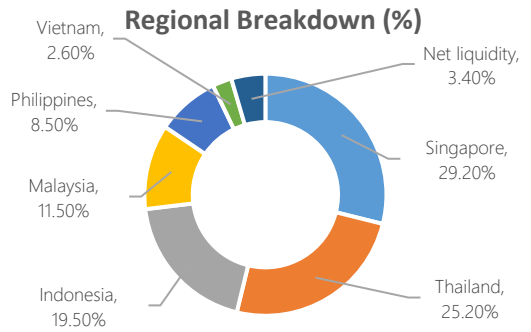
How is this fund positioned*?

- The Fund is a concentrated portfolio of 50-100 Small and Mid-cap companies. Active stock bets are limited to ± 5% of BM for risk management purposes.



Source: JP Morgan, as of 30th November 2020

- Financials are the largest sector, particularly within Banks. With low banking penetrations across ASEAN, the team believes this represents opportunities for long-term growth, particularly in Indonesia and Vietnam.
- The Fund also overweight the communications sector.



Source: JP Morgan, as of 30th November 2020

- The Fund invests across ASEAN countries, with actively managed country bets limited to ± 15% of BM.
- It favors Vietnam and Indonesia as potential beneficiaries of supply chain adjustments from favorable policies, and overall structural competitiveness.
- It underweights Malaysia given valuations and less-appealing bottom-up drivers.

MSCI ESG Rating

Source: FactSet, MSCI as of 11th January 2021

*Funds are actively managed, positions may change.
MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks.
Certain information ©2020 MSCI ESG Research LLC. Reproduced by permission.

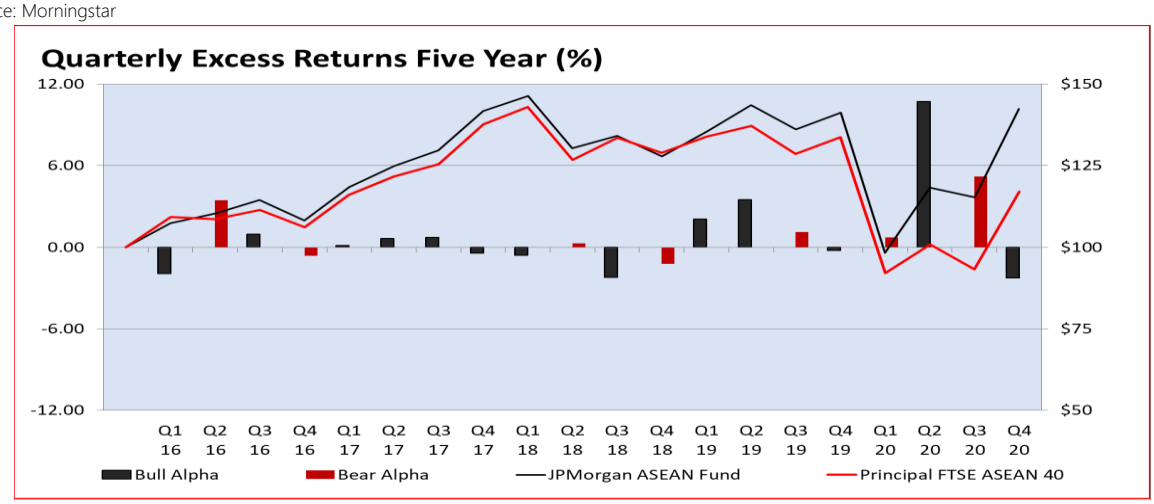
Important Notice and Disclaimer
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- The Fund has outperformed the benchmark in every period, reiterating the outstanding investment process of the team. Regional expertise and asset allocation play a crucial role in ASEAN from the mixture of economies; the Fund focuses on both these aspects, solidifying the team's capabilities within the ASEAN space.

Performance as of December 31st, 2020 in US$	1M	3M	6M	1YR	5YR
JPMorgan ASEAN Fund	4.78	23.45	20.45	0.81	7.33
MSCI AC ASEAN	3.77	20.82	15.11	-6.43	5.03

Source: Morningstar



Source: Morningstar / DBS. As of December 31st, 2020

What are some Key Risks of this fund?

- The strategy invests in emerging markets, which may involve increased risk and special considerations not associated with investments in developed markets. It may be subjected to a high degree of volatility.
- The fund is risk rated 4 on a 5-point scale. Risk rating 1-5 indicates the relative rating of potential loss; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus.

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds. The team reviews and assigns an appropriate rating to these funds.

This rating reflects the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

Global Thematic Equity

Overview

In this age of unprecedented innovation and digital disruption, a wealth of opportunities is emerging globally. Notwithstanding, investors seeking to capitalise on these trends through narrow themes or sectors may expose themselves to disappointing outcomes. Instead, a prudent manner would be to adopt a diversified, dynamic approach and investing in companies that are well-placed to capture growth and innovation in this evolving global economy while employing fundamental bottom-up research and strong valuation discipline.

So, what would be one of our top global equity convictions within the innovation space?

Capital Group New Economy Fund ++++

What are the Key Characteristics of this fund?

- Large-cap, growth-styled equity investing.
- Seeks to identify Successful, Innovative Businesses. There exists a positive link between companies that innovate and/or disrupt and profitability/growth.
- Invests in companies, not themes across all sectors and geographies to identify hidden opportunities in the evolving economy.

Why this Fund? 3 Reasons:

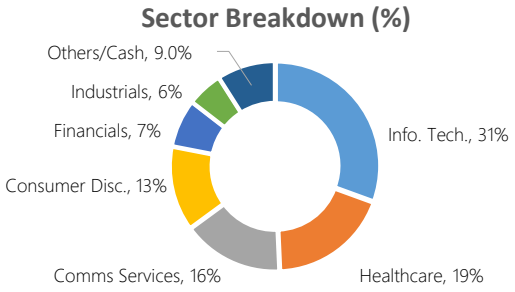
1. Building Block for the DBS Barbell Strategy: DBS Barbell Strategy advocates allocations to growth buckets, balanced with income-generating assets. The fund is compatible with the growth side of the Strategy.
2. The People: The fund is co-managed by seven portfolio managers with median experience of c. 23 years and a large pool of research analysts (who also invest). The investment team has experience investing through various market cycles.
3. Consistent track record: Since its launch in 1983, the strategy has returned 10.9% pa vs 9.5% p.a. for MSCI ACWI (as at 31 November 2020).

About Capital Group

The firm is a leading global active manager overseeing over US$2trn of assets.

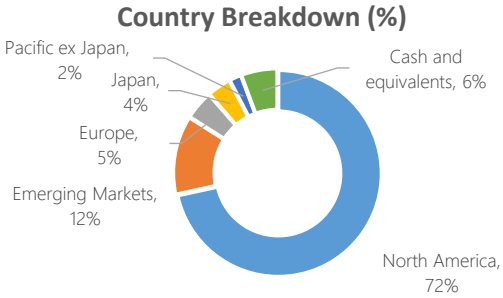
How is this fund positioned**?

- The top three sector overweights are to Information Technology, Health Care and Communication Services while the key underweights are to Financials, Materials and Consumer Staples.



Source: Capital Group; as of 30th November 2020

- Cash remains at c.6%. Some PMs can opt to use cash to reduce their beta exposure.
- In terms of geographical opportunity set, the fund has a global remit. US exposure is now overweight at the expense of Asia (including Japan) and Europe.

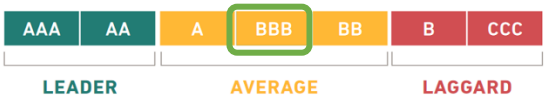


Source: Capital Group, as of 30th November 2020

Key investment themes**?

- Through the fund's bottom-up portfolio construction, several themes emerge. These are: Health-tech, E-commerce, Digital Data, Fintech and New Media / Entertainment.
- Within these themes, key holdings are companies such as Netflix, Amazon, Alphabet, Thermo Fisher, Abbott Laboratories and Broadcom.

MSCI ESG Rating



Source: FactSet, MSCI as of 11th January 2021

**Funds are actively managed, positions may change.

MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks. Certain information ©2020 MSC ESG Research LLC. Reproduced by permission

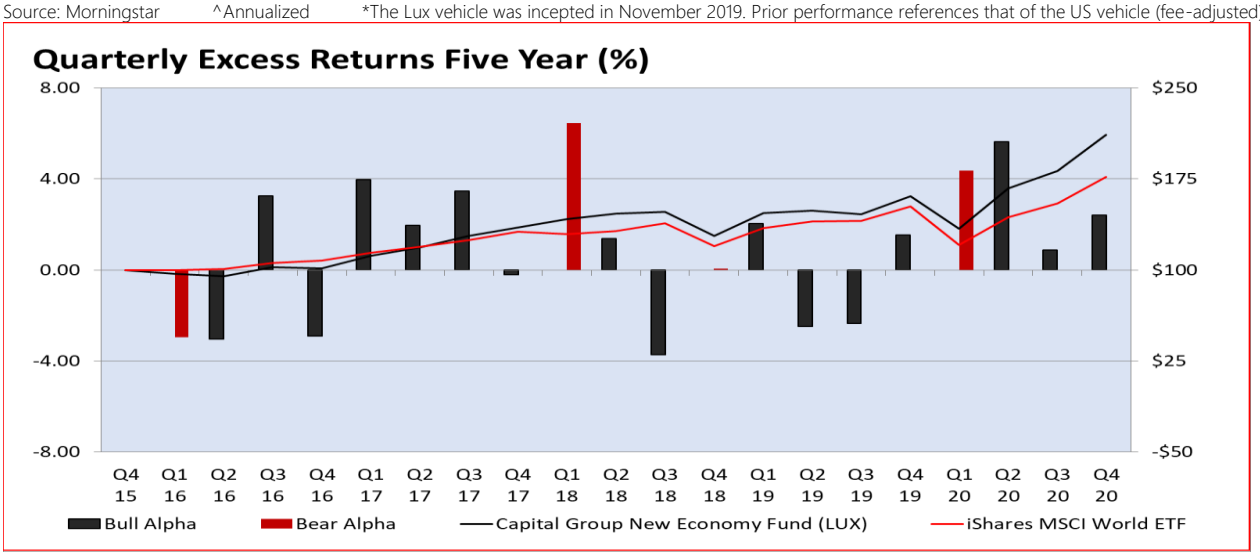
Important Notice and Disclaimer
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- Since the launch of the Luxembourg vehicle in Nov 2019, the fund has generated consistent alpha.
- The fund's strategy* also has an admirable track record of outperforming its benchmark over the long term.

Performance as of December 31st, 2020 in US$	1M	3M	6M	1YR	3YR^	5YR^
Capital Group New Economy Fund*	5.45	16.28	26.41	31.54	16.11	16.15
iShares MSCI World ETF	4.21	13.88	22.81	15.66	10.30	12.02

Source: Morningstar ^Annualized *The Lux vehicle was incepted in November 2019. Prior performance references that of the US vehicle (fee-adjusted)



Source: Morningstar / DBS. As of December 31st 2020

What are the Key Risks of this fund?

- The portfolio manager has discretion to invest in Emerging Market Equities. These have higher potential risks compared to investing in Developed Market Equities.
- The fund is risk rated 4 on a 5-point scale. Risk rating 1-5 indicates the relative rating of potential loss; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus.

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds. The team reviews and assigns an appropriate rating to these funds.

This rating reflects the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

**Funds are actively managed, positions may change.

MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks. Certain information ©2020 MSC ESG Research LLC. Reproduced by permission

DBS

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

Global Thematic Equities – Consumer

Overview

Over the last decade, consumers have evolved in their spending pattern with the key drivers being the increased digitalization, willingness to pay for ease, attention to personal wellbeing and care for environment. More recently, the Covid-19 pandemic turned the world upside-down triggering reliance on online channels like e-commerce, meal delivery, e-gaming, streaming & digital payments.

In this constantly evolving landscape, Millennials have been identified as the generation at the forefront of change.

So, what is a diversified approach to take advantage of this constantly evolving landscape?

GS Global Millennials Equity Portfolio ++++

What are the Key Characteristics of this fund?

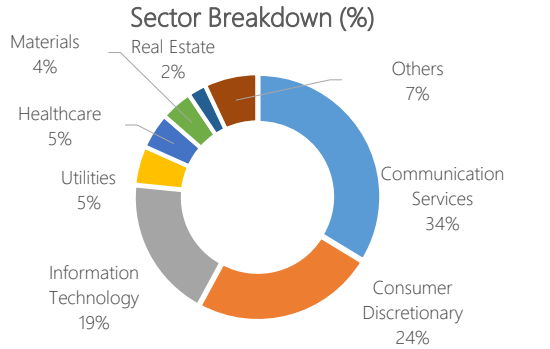
- Sector-agnostic multi-cap portfolio of 40-50 names focused on Millennials influenced convergence of technology and lifestyle
- Blended approach emphasising on selecting quality names within each of their investment themes
- Co-managed by a 3-member PM team that is supported by Goldman's pool of about 80 global equity analysts.

Why this Fund? 3 Reasons:

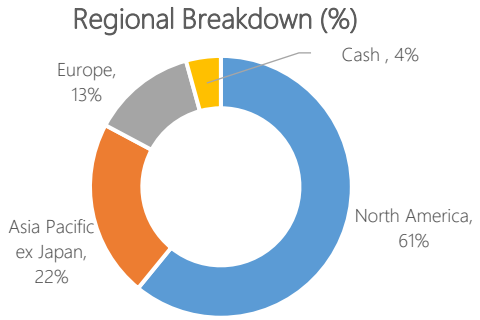
1. Millennial Managed: The lead PM Laura Destribats, a Millennial, transitioned their traditional global equity strategy to a Millennial thematic product in 2016.
2. Multi-theme: The fund looks at a mix of themes that arise from the tech-enabled consumption habits of the Millennials' generation.
3. Consumer Trends Approach: The fund evolves with the change in the spending pattern of Millennials providing access to evolving consumer spending pattern.

How is this fund positioned**?

- The fund approaches its investment universe by looking at most relevant themes from a Millennial's perspective.



Source: Goldman Sachs, as of 30th November 2020



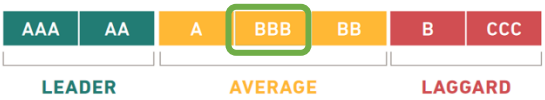
Source: Goldman Sachs, as of 30th November 2020

- Its consumer thematic approach results in a portfolio with key allocations to Communication Services, Consumer Discretionary and IT sectors.
- In terms of geographical opportunity set, the fund has a global remit with the largest allocation to North America, followed by Asia ex. Japan and Europe.

Key investment themes**?

- The fund's Millennial focus results in strong consumer centric themes like e-Commerce, Connected World, Social Media, Sustainable Living, Streaming & Gaming, and Healthy Living.
- The key holdings are market leaders in these respective themes like Amazon, Alphabet, Tencent, EDP, Spotify and Illumina.

MSCI ESG Rating:



Source: FactSet, MSCI as of 11th January 2021

**Funds are actively managed, positions may change.

MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks. Certain information ©2020 MSC ESG Research LLC. Reproduced by permission

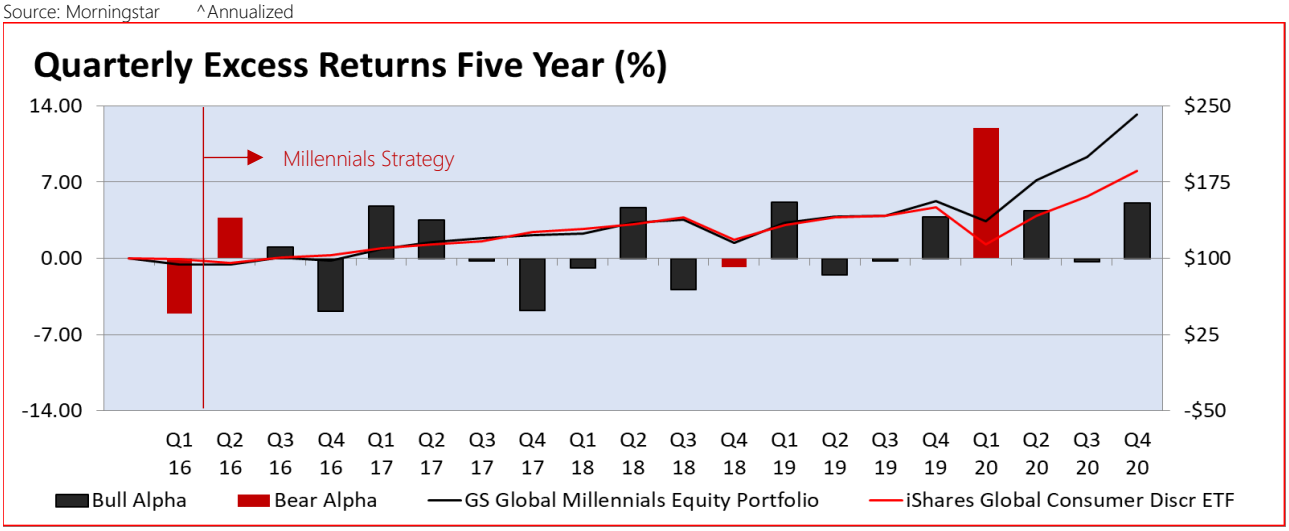
Important Notice and Disclaimer
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- The fund's relevant track record dates to Feb-2016, when they revamped the strategy from a global unconstraint equity to a global thematic strategy. Since then, it has added value over most periods.
- In 2020, the fund's blended investment approach, solid stock selection and sector allocations supported its strong outperformance as compared to the broader Consumer Discretionary sector.

Performance as of December 31st, 2020 in US$	1M	3M	6M	1YR	3YR^	5YR^
GS Global Millennials Equity Portfolio	5.45	20.74	36.68	54.70	25.14	19.27
iShares Global Consumer Disc ETF	4.34	15.62	31.27	23.89	13.86	13.25

Source: Morningstar ^Annualized



Source: Morningstar / DBS. As of December 31st, 2020

What are the Key Risks of this fund?

- The portfolio manager has discretion to invest in Emerging Market Equities. These have higher potential risks compared to investing in Developed Market Equities.
- The fund is risk rated 4 on a 5-point scale. Risk rating 1-5 indicates the relative rating of potential loss; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus.

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds. The team reviews and assigns an appropriate rating to these funds.

This rating reflects the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

**Funds are actively managed, positions may change.

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

Sector Asia Pacific REITs

Overview

This is a quality offering for clients who are looking to access the Asia Pacific ex-Japan property market for both income and potential upside opportunities. REITs allow investors the opportunity to obtain regular cash flows from a wide range of properties such as malls, offices, hotels or serviced apartments, managed by professionals. On top of income, exposure to real estate-related equities such as developers also allows for potential capital appreciation and diversification. The prospect for Asian REITs remains attractive through global economic recovery, catalyzed by vaccination rollouts; benefitting offices/malls as traffic and occupancy driven back to normalcy.

Manulife Asia Pacific REIT Fund +++

What are the Key Characteristics of this Fund?

- The fund will invest >70% of its net assets in Asian REITs to generate sustainable income.
- The rest can be invested in real estate-related equities (e.g. property developers) that offer exposure to commercial and residential spaces. This provides both income and potential price upside.
- Key markets: Singapore, Hong Kong and Australia.
- Despite the fund having a short track record, the co-PMs are experienced and today manage a separate pure-REIT offering.

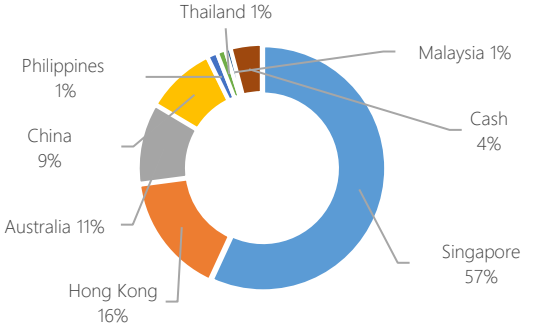
Why this Fund? Three Reasons:

1. Access to diversified and high-quality property portfolios: Asia Pacific offers a diverse mix of high-quality retail and commercial assets. This provides opportunities for income and capital appreciation.
2. Defensiveness in dovish rate environment: In periods of benign interest rate trajectories, REITS may exhibit defensiveness by virtue of investors' continued need for income/yield.
3. Sustainable Dividend Yield: Fund aims to invest in quality asset managers with diversified portfolios and strong balance sheets. This increases the potential to obtain good and sustainable dividend yields from high quality companies.

How is this fund positioned*?

- Industry allocation: The fund is heavily exposed to the Retail REITs sector which has been implicated by the lock-down across the region to combat Covid-19. Optimism around vaccination and economic recovery will help the sector to recover lost ground. The fund favours commercial REITs in SG, and retail REITs, which have shown faster recovery in tenant sales and foot traffic.
- Geographical allocation: Singapore accounts for over 50% of the portfolio, but 40% of their assets are invested overseas. The rest of the portfolio is largely in Hong Kong and Australia. The fund also has exposure to some asset-light Chinese property management companies.

Geographical Breakdown (%)



Source: Manulife, as of 30th November 2020

- Property developers: The off-benchmark sector accounts for c.6% for growth opportunities.

Some of the key investment themes**?

- Relative Income Attractiveness: Dividend yielding equities like REITs remain attractive as global government bond yields stay lower for longer.
- REITs Increasingly Relevant: REITs are becoming an increasingly important component of Asia's stock markets. S-REITs account for around 10% of the Singapore's stock market capitalisation.
- Potential Beneficiaries of Social Distancing easing: The managers have taken positions in names that could benefit from easing of Covid-19 measures (e.g. Diversified REITs and Retail REITs).

MSCI ESG Rating

Source: FactSet, MSCI as of 11th January 2021

*Funds are actively managed, positions may change.
MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks.
Certain information ©2020 MSCI ESG Research LLC. Reproduced by permission.

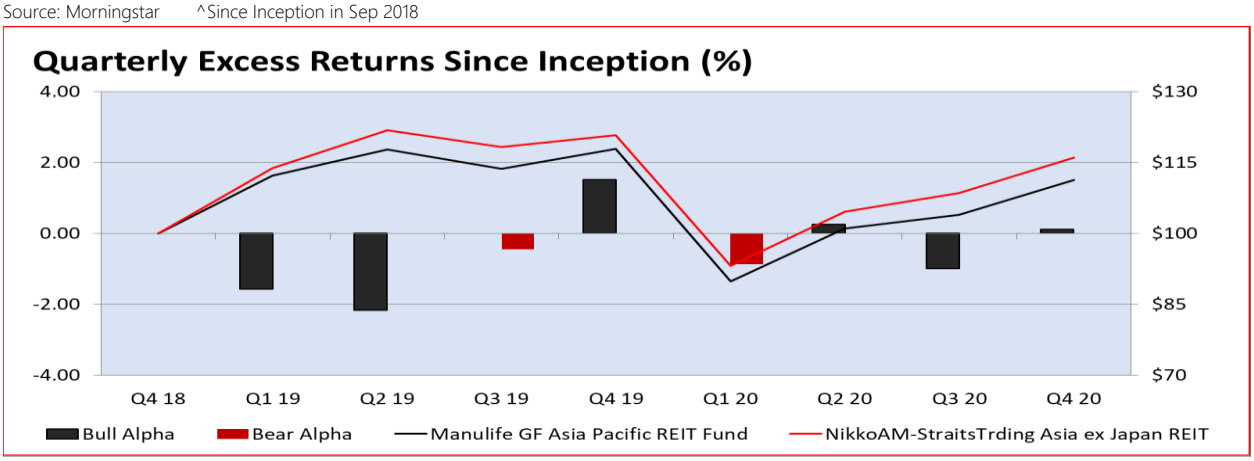
Important Notice and Disclaimer
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- Fund has delivered a stable and attractive yield since inception. On a total return basis, the Fund has underperformed the benchmark index; attributed by its Retail REITs and Non-REIT real estate exposure, as a direct result of Covid-19. Overall, the Fund offers diversified exposure into REITs, with exposure to structural trends (e.g. logistic warehousing, data centers) to divest risks.

Performance as of December 31st, 2020 in US$	1M	3M	6M	1YR	SI^
Manulife Investment Asia Pacific REIT	3.56	7.08	10.06	-5.57	4.52
NikkoAM-Straits Trading Asia ex Japan REIT	3.83	6.98	11.02	-3.89	7.22

Source: Morningstar ^Since Inception in Sep 2018



Source: Morningstar / DBS. As of December 31st, 2020

What are some Key Risks of this fund?

- The strategy may invest in securities of REITs, real estate companies and other entities affected by the risks associated with the direct ownership of real estate. The major risks can be attributed to a decline in real estate values, the possibility that the owners of real estate could default on mortgage payments resulting in the loss of property and environmental liability and rise of interest rates.
- The fund is risk rated 4 on a 5-point scale. Risk rating 1-5 indicates the relative rating of potential loss; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus.

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds. The team reviews and assigns an appropriate rating to these funds.

This rating reflects the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

DBS

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

Fund Selection Team
Kenneth Teow, CFA (SG analyst)
Ting Hock Kiat, CFA (SG analyst)
Dharit Shah (SG analyst)
Fabien Yip (HK analyst)
William Yu (HK analyst)
John Ng (Team lead)
This report has been prepared by the SG analysts and is issued by DBS SG

DBS Solutions Q1 2021: Fund Insights

Alternatives: Gold Equities

Overview

Although Gold prices have consolidated in 4Q2020 on the news of vaccines discovery for COVID-19 and outcomes of the US elections, we are still positive on Gold given the near-term uncertainties about post-Trump era US policies and new waves of COVID-19. Gold has proven to be an effective hedge during times of market volatility. Extremely low global bond yields, fears of potential rise in inflation, and accelerating demands for Gold from retail investors and central banks are other drivers that supports the price of Gold.

With expectations of Gold price to rise further, Gold Miners may offer rewarding returns.

So, what is a simple and diversified approach to obtain a broad exposure to Gold Equities?

Ninety One GSF Global Gold Fund ++++

What are the Key Characteristics of this fund?

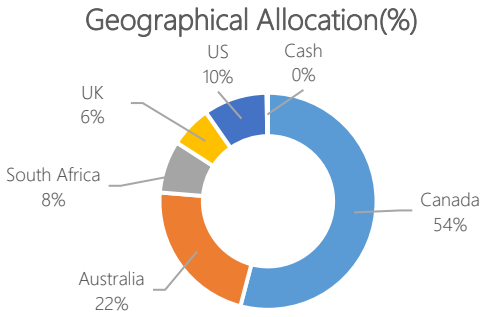
- This strategy invests in Gold Mining Stocks, with up to a third of the fund invested in other precious metals miners and Exchange Traded Commodity funds in Gold and Silver bullion.
- Concentrated fund with roughly 30 positions.
- When selecting securities, they consider medium term commodity prices and the company's ability to generate superior Return on Capital.

Why this Fund? 3 Reasons:

1. Portfolio diversifier: Historically, Gold prices are positively correlated to US inflation and tends to perform in periods of sustained volatility.
2. Experienced PM with specialized team: Ninety One is a leader in the space. Veteran George Cheveley manages the fund supported by 2 analysts, both with significant industry experience.
3. Actively managed: The team actively adjusts the portfolio: anticipating down markets, they will try and allocate more to royalty streamers and larger caps. With a bullish view they will favour higher beta junior miners which are more sensitive to rise in Gold prices.

How is this fund positioned**?

- Majority of the fund is in Gold miners (c.95%), with some tactical positions in other precious metals (e.g. silver) miners, royalty streamers and Exchange Traded Commodity funds. Recently, they have rotated out of royalty streamers into some second tier miners.
- Region wise, a significant proportion of the mines are in N.America, but they also invest in some companies mining in Australia and Africa. There is minimal exposure to Silver.



Source: Ninety One; as of 30th November 2020

- Fund size is at ~$800mn, allowing the PM to flexibly allocate across the the market cap, depending on where the best opportunities lie, including smaller cap juniors.

Some of the key investment themes**?

- The Majors: Major benchmark constituents like Newmont, Barrick and Agnico typically make up about 25% of the portfolio to provide cushion in down-turns. If the PM has a bearish view on Gold, this portion would typically be higher to dampen risks.
- The Juniors: There is roughly another one-third in smaller caps below US$3bn in market cap, mostly smaller operating miners and many of which operates in developing jurisdictions. These companies are very sensitive to rising Gold prices and may become targets for acquisition if Gold continues to rise.
- Bullish on Gold: The exposure to royalty companies is minimal currently, but this was at c.15% in Mar 2020 and did well to buffer for losses due to their diversified business model.

MSCI ESG Ratings:

Source: MSCI as of 11th January 2021

**Funds are actively managed, positions may change.

MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant Environment, Social and Governance (ESG) risks.

Certain information ©2020 MSCI ESG Research LLC. Reproduced by permission.

Important Notice and Disclaimer

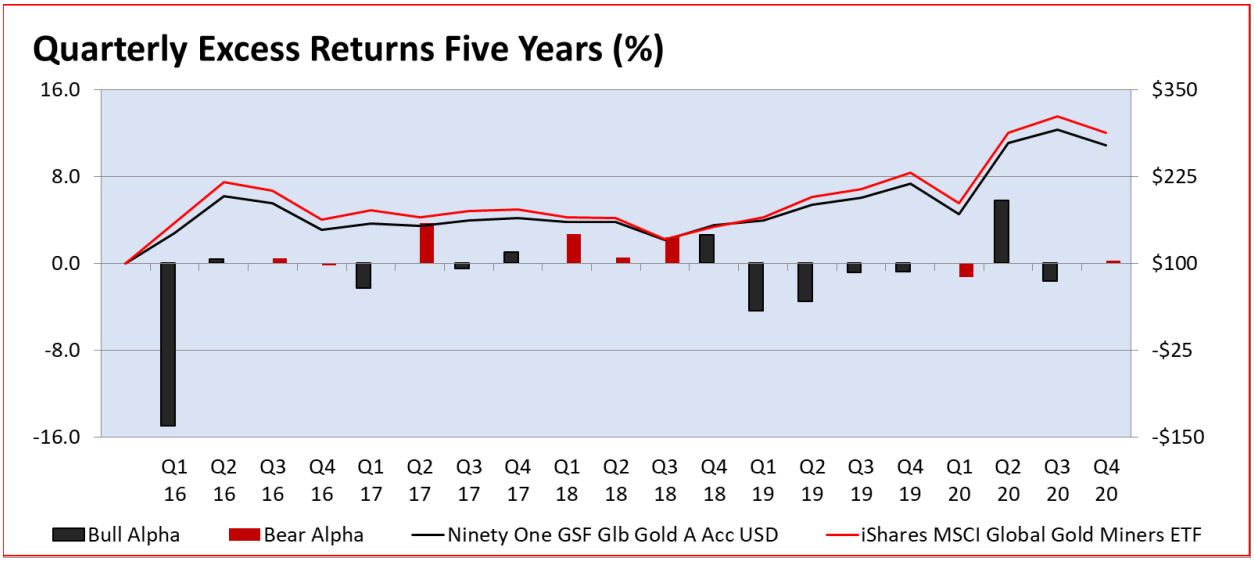
This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

How has the fund Performed?

- After a very strong recovery in Q2 and Q3 2020, the fund has experienced some corrections along with the consolidation of Gold prices. This may present an opportunity for investors to gain exposure to this asset class.

Performance as of December 31st, 2020 in US$	1M	3M	6M	1YR	3YR^	5YR^
Ninety One GSF Glb Gold A Acc USD	5.96	-7.36	-1.06	25.97	17.88	22.00
iShares MSCI Global Gold Miners ETF	5.96	-7.61	0.21	24.99	17.63	23.58

Source: Morningstar ^Annualized



Source: Morningstar / DBS. As of December 31st, 2020

What are some Key Risks of this fund?

- Investing primarily in a single sector, the fund is subjected to higher concentration risks.
- Commodity Equities have been a historically volatile asset class, mostly more volatile than their underlying commodities and less beneficial as diversifiers.
- The fund is risk rated 5 on a five-point scale. Risk rating 1-5 indicates the relative rating of potential loss; "1" being the lowest and "5" being the highest.
- For a comprehensive list of the fund's risks, please consult your RM or the fund's prospectus.

DBS Fund Selection Proposition

At DBS, our goal is to provide our clients with a holistic approach to managing your wealth. As investors seek to preserve, diversify and build their wealth, for many, mutual funds can be integral tools. Funds are diversified, efficient tools to access different global markets with the guidance of professional asset managers.

DBS Fund Selection Team (FST) is a dedicated group of professionals, committed to identifying high quality mutual funds which the team believes can add value for our clients. The team interviews the managers to form a research opinion on the funds and assigns a conviction rating to each. This is followed by on-going monitoring of the performance of the funds. The DBS FST Fund Rating encapsulates a qualitative assessment of the fund's competitive advantage relative to its peers.

DBS FST Fund Ratings

The DBS FST currently has research opinions on over 300 funds. The team will review and assign an appropriate rating to each fund.

This rating reflects the team's assessment of the fund's competitive advantage, and represents the level of conviction the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months.

Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's performance.

Conviction Level	Rating
Strong Positive	++++
Positive	+++
Neutral	++
Low Conviction	+

**Funds are actively managed, positions may change.

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.

Notes:

1. A qualitative approach is used to systematically analyse each fund's characteristics, risk and performance attributes to identify funds we believe could add value. Through interviews that we conduct with respective fund managers, 5 key areas are reviewed: People, Product, Process, Portfolio and Performance.
2. Fund performance are sourced from Morningstar Direct workstations and/or Bloomberg Terminals. 3-months, 6-months and 1-year performance returns are cumulative, while 3 and 5-years' performance returns are annualized. All data presented are as of 31st December 2020, or the closest available NAV date prior. Cumulative and annualized performance data are bid-to-bid, in USD terms, unless specified otherwise. The funds' relative performance against their appropriate benchmarks are provided, where applicable.
3. Standard deviation is a statistical measure of risk. The higher the standard deviation, the greater the volatility, therefore, the higher the potential risk. Approximately 68% of the annual total return of the fund is expected to range between +1 and –1 standard deviation from the annual average return, assuming a fund's return falls in a standard normal distribution.
4. Ratings assigned by DBS Fund Selection Team is on the basis of the team's assessment of the fund's competitive advantage and represents the level of conviction that the team has with respect to the fund performing well relative to its peers and its assigned asset class benchmark over the next 18 to 36 months. Investors should, however, note that the DBS FST Fund Rating is not a view on funds as an asset class nor is it a guarantee of a fund's future performance. A fund with high rating does not mean that it is suitable for all investors, and should not be considered as recommendations to buy or sell the relevant funds. Prospective investors should seek advice from a financial advisor regarding the suitability of the funds, taking into account their specific investment objectives, financial situation or particular needs before committing to invest in or purchase in any of the funds mentioned.

Disclaimers and Important Notes

The information herein is published by DBS Bank Ltd. ("DBS Bank") and is for general circulation only. This publication is intended for DBS Bank and its subsidiaries or affiliates (collectively "DBS") and DBS Treasures clients and may not be reproduced, transmitted or communicated to any other person without the prior written permission of DBS Bank.
This publication is and does not constitute or form part of any offer, recommendation, invitation or solicitation to subscribe to or to enter into any transaction; nor is it calculated to invite, nor does it permit the making of offers to the public to subscribe to or enter into, for cash or other consideration, any transaction, and should not be viewed as such. This publication is not intended to provide, and should not be relied upon for accounting, legal or tax advice or investment recommendations and is not to be taken in substitution for the exercise of judgment by the reader, who should obtain separate legal or financial advice. DBS does not act as an adviser and assumes no fiduciary responsibility or liability (to the extent permitted by law) for any consequences financial or otherwise.

This publication does not have regard to the specific investment objectives, financial situation or particular needs of any specific person. Before entering into any transaction or making a commitment to purchase any product mentioned in this publication, the reader should take steps to ensure that the reader understands the transaction and has made an independent assessment of the appropriateness of the transaction in the light of the reader's own objectives and circumstances and without relying in any way on DBS or any position that DBS may have expressed in this publication. In particular, the reader should read all relevant documentation pertaining to the product (including but not limited to product sheets, prospectuses or other similar or equivalent offer or issue documents, as the case may be) and may wish to seek advice from the reader's own independent financial or other professional adviser or make such independent investigations as the reader considers necessary or appropriate for such purposes. If the reader chooses not to do so, the reader should consider carefully whether any product mentioned in this publication is suitable for him.

The information and opinions contained in this publication has been obtained from sources believed to be reliable, but DBS makes no representation or warranty as to its adequacy, completeness, accuracy or timeliness for any particular purpose. Opinions and estimates are subject to change without notice. Any past performance, projection, forecast or simulation of results is not necessarily indicative of the future or likely performance of any investment. There is no assurance that the credit ratings of any securities mentioned in this publication will remain in effect for any given period of time or that such ratings will not be revised, suspended or withdrawn in the future if, in the relevant credit rating agency's judgment, the circumstances so warrant. The value of any product and any income accruing to such product may rise as well as fall.

Foreign exchange transactions involve risks. The reader should note that fluctuations in foreign exchange rates may result in losses in foreign exchange. To the extent permitted by law, DBS accepts no liability whatsoever for any direct indirect or consequential losses or damages arising from or in connection with the use or reliance of this publication or its contents. DBS or the directors and/or employees of DBS or persons/entities connected to them may have positions or other interests in, and may effect transactions in the product(s) mentioned in this publication. DBS may have alliances or other contractual agreements with the provider(s) of the product(s) to market or sell its product(s). Where DBS is the product provider, DBS may be receiving fees from investors. In addition, DBS or the directors and/or employees of DBS may also perform or seek to perform broking, investment banking and other banking or financial services to the companies or affiliates mentioned herein.

The information herein is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation.

Country Specific Disclaimer

Singapore: This publication is being provided to you in Singapore by DBS Bank Ltd (Company Registration. No.: 196800306E) which is an Exempt Financial Adviser as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore.

REGULATORY DISCLOSURES

Analyst Certification

1. The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst(s) primarily responsible for the content of this research report or his associate has financial interests[1] in relation to an issuer or a new listing applicant that the analyst reviews.
2. DBS Group has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the DBS Group and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of DBS Group's compensation to any specific investment banking function of the DBS Group.

Compensation for investment banking services

DBS Bank Ltd., its subsidiaries and/or other affiliates have received compensation, within the past 12 months, and within the next 3 months may receive or intend to seek compensation for investment banking services from The Goldman Sachs Group Inc, as of 31st December 2020.

DBS Bank Ltd., its subsidiaries and/or other affiliates have received compensation, within the past 12 months, and within the next 3 months may receive or intend to seek compensation for investment banking services from Manulife Financial Corp, as of 31st December 2020.

[1] Financial interest is defined as interests that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

DBS Bank Ltd, their subsidiaries and/or other affiliates have managed or co-managed a public offering of securities for Manulife Financial Corp in the past 12 months, as of 31st December 2020.

Disclosure of previous investment recommendation produced

DBS Bank Ltd may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the analyst listed to view previous investment recommendations published by DBS Bank Ltd in the preceding 12 months.

Additional Disclaimer if MSCI ESG Data is Used

MSCI ESG Research LLC and its affiliates make no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI ESG data contained herein. The MSCI ESG data may only be used for your internal use, may not be further redistributed or used as a basis for any financial products or indexes. None of the MSCI ESG data can in and of itself be used to determine which securities to buy or sell or when to buy or sell them.

Important Notice and Disclaimer

This document is for your information and for discussion purposes only. It does not constitute an offer, an invitation or a recommendation to enter into any transaction and should not be viewed as such.