

### INVESTMENT OBJECTIVE

To maximize capital growth for the investor through an active investment management policy. Given the strong emphasis on capital growth, the Fund is geared towards the more aggressive investor who is willing to take higher risks for higher gains, and who can accept a higher degree of fluctuations in the principal value of the investments in the Fund.

### WHO SHOULD INVEST

This Fund is suitable for investors with a **high risk** appetite and have a **positive medium to long term view** of the Malaysia and Singapore equity markets.

### FUND DETAILS

**Launched:** 12 February 1979

**Fiscal Year End:** 1 December

**Benchmarks\*:** Singapore Straits Times Industrial Index and Malaysia Kuala Lumpur Composite Index

**Base Currency:** Singapore Dollar

**Initial Investment:** \$1,000

**Subsequent Investment:** \$100

**Subscription Mode:** Cash

**Subscription/Redemption:** Daily

**Order Placement Cut-off Time:** 4pm

**Sales Charge:** 5%

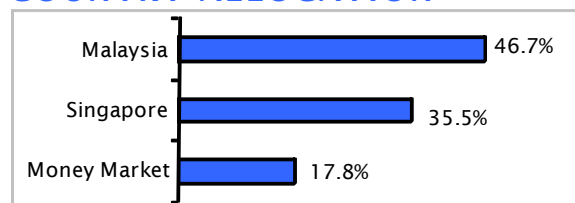
**Management Fee:** 1.00% p.a.

**Offer Price as of 30<sup>th</sup> December 2011:** \$1.11

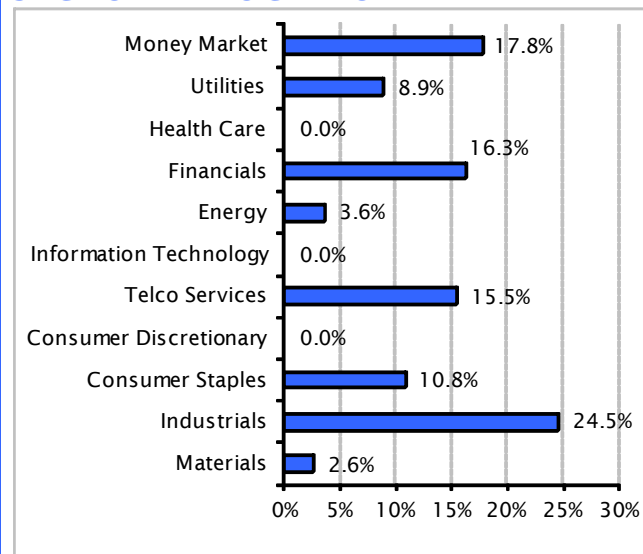
### TOP 10 HOLDINGS

Holding	Percentage
Telekom Malaysia Bhd	5.7%
MSM Malaysia Holdings Bhd	5.3%
Singapore Post Ltd	5.1%
Axiata Group Bhd	4.9%
Singapore Telecommunications Ltd	4.8%
Wilmar International Ltd	4.7%
Tenaga Nasional Bhd	4.5%
Petronas Gas BHD	4.4%
Gamuda Bhd	4.3%
Hong Leong Bank Bhd	4.2%
<b>TOTAL</b>	<b>47.9%</b>

### COUNTRY ALLOCATION

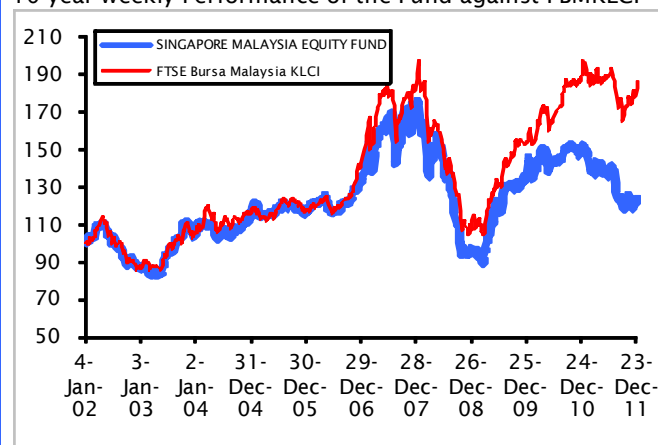


### SECTOR ALLOCATION

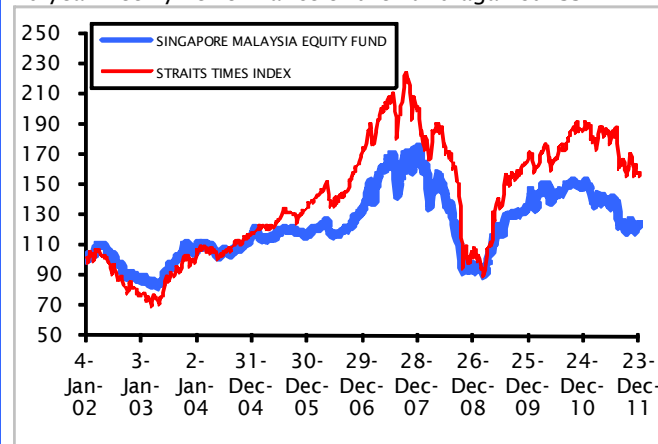


### FUND PERFORMANCE CHART\*

10-year weekly Performance of the Fund against FBMKLCI



10-year weekly Performance of the Fund against FSSTI



### FUND PERFORMANCE TABLE\*

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
<b>Fund*</b>	4.0%	-11.0%	-16.7%	31.3%	-7.1%	26.5%	5.0%
<b>Fund**</b>	-0.9%	-15.3%	-21.1%	23.5%	-11.8%	20.7%	5.0%
<b>FBMKLCI Index</b>	10.7%	-2.5%	-1.5%	72.2%	31.4%	85.4%	n.a.
<b>FSSTI Index</b>	-1.1%	-15.2%	-17.0%	50.2%	-9.3%	63.0%	n.a.
<b>Composite</b>	4.8%	-8.9%	-9.3%	61.2%	11.1%	74.2%	n.a.

\*Bid-to-bid, \*\*Offer-to-bid, in Singapore Dollar. Composite performance 50%FBMKLCI+50%FSSTI

## MANAGER'S REPORT

For the month of December benchmark FSSTI was under selling pressure and ended down by 4.1%. On the other hand, benchmark FBMKLCI had a good run and was up by 2.7%, thanks to window dressing activities and investors buying ahead of the January effect. Investors' cautiousness and risk aversion is evident from the low volume in the stock market, and thus the fund continued to remain defensive and invest in liquid and quality stocks. For the whole year, FSSTI and FBMKLCI were down by 18.2% and 2.5% respectively, in line with general weakness in the global equity market.

Overall, 2011 was a tough and unpredictable year for most as the global economy stalled amidst various headwinds. Political upheaval and market volatility reigned since the beginning of the year with social unrest and overthrowing of dictator regimes in the Middle East, tsunami and nuclear crisis in Japan, on-going European debt crisis, US losing its coveted AAA credit rating and growing economic weakness, events which had unnerved investors and heightened risk aversion. On the domestic front, the weakening European and Chinese economies has also started to take a toll on the economy, corporate earnings and the stock market.

The fund sees that the risk of an economic downturn has risen substantially as fundamental of the global economy continues to deteriorate. Regional markets are likely to take directions from the developed markets as regional markets are still heavily dependent on them as key export destinations. The fund has cut risk and repositioned itself by raising cash and also overweighting in sectors such as telecommunication, utilities and staples. The fund expects higher volatility in the months ahead, and continues to have exposure in companies with strong market position in their respective industries, solid balance sheet, strong management, sustainable cash flow, quality earnings, high dividend payout and better liquidity as they are in a good position to weather economic uncertainties.

## A WORD ABOUT RISK

Investors should consider and satisfy themselves as to the risks of investing in the Fund. Generally, the risk factors that should be considered by investors are market, political, currency, liquidity, default and interest rate risks. Investment in a collective investment scheme is meant to produce returns over the long term. Investors should not expect to obtain short term gains from such investment. Investors should be aware that the price of units in a collective investment scheme, and the income from them, may fall or rise. A **possible loss of the principal** amount invested cannot be ruled out. As the fund is invested in only 2 markets, Malaysia and Singapore, and cash, it is **less diversified** and **riskier** than other funds with holdings across several markets.

**Singapore Unit Trusts Limited**  
8 Robinson Road ASO Building #04-00 Singapore 048544  
Tel: 65323761  
[www.sut.com.sg](http://www.sut.com.sg)  
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\* The Straits Times Industrial Index has been adopted as a benchmark since 1995 whilst the Kuala Lumpur Composite Index has been adopted since 1996. Prior to 1995, no benchmark was used. The Fund also compares its performance to the composite performance for both indices at 50% allocation each.

\* The past performance of the Fund is not necessarily indicative of its future performance. The value of units and the income from them may fall as well as rise. The performance of the Fund does not include the reinvestment of any distribution paid by the Fund. Source: Bloomberg