

# First State Dividend Advantage

## Monthly factsheet (in SGD)

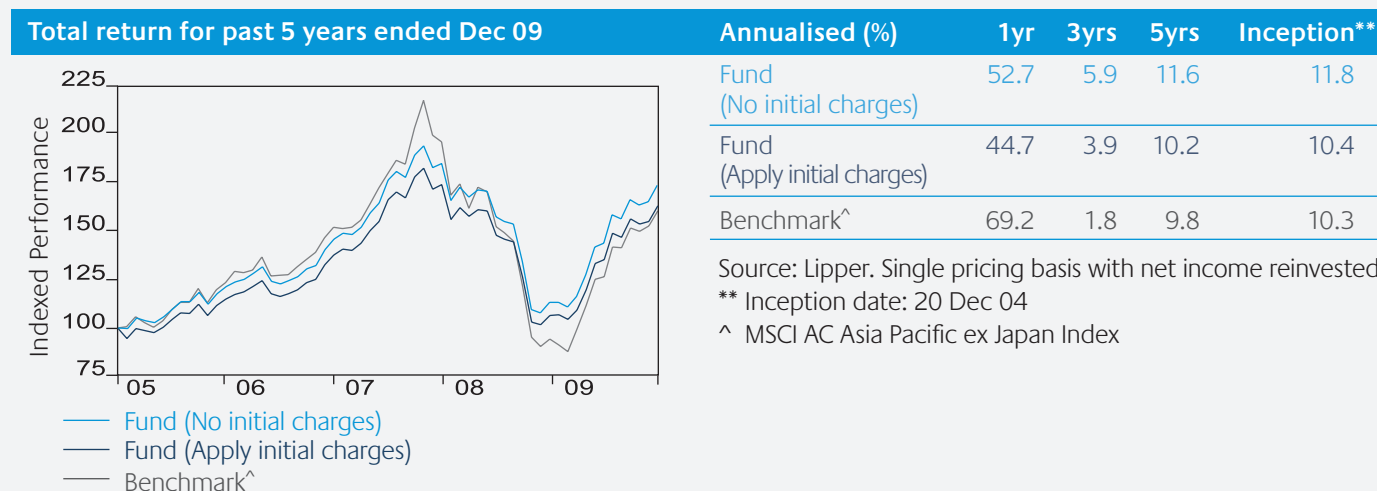
December 2009

### Investment objective

To provide investors with regular distributions and long-term growth from high dividend yielding equity investments focused in the Asia-Pacific region (excluding Japan). The investment policy of the Fund is to invest all or substantially all of its assets in the First State Asian Equity Plus Fund (Underlying Fund), a sub-fund under the Dublin registered umbrella fund known as First State Global Umbrella Fund plc. The Underlying Fund invests primarily in securities in the Asia Pacific region (excluding Japan). Such companies will be selected on the basis of their high dividend yields and their potential for long-term capital appreciation.

Fund information			
Launch Date	16 Nov 04	Minimum Investment	S\$1,000 (Initial) S\$100 (Subsequent)
NAV Price	S\$1.2926	Management Fee	1.5% p.a.
Fund Size	S\$870.9mn	Initial Charge	5.0% (Cash) 3.0% (CPF - Ordinary Account)
Dealing	Monday to Friday (except public holidays)	CPF Classification	Higher Risk-Narrowly Focused (Regional-Asia)
Distribution Policy	Quarterly on 31 Mar, 30 Jun, 30 Sep and 31 Dec*		

\* The Manager intends to make quarterly distributions of 1% of the net asset value at the end of each quarter effective 31 Mar, 30 Jun, 30 Sep and 31 Dec every year or a total potential dividend payout of 4% per year. The distributions will be made out of the income, capital gains and/or capital of the Fund. First State Investments (Singapore) has the sole discretion to determine whether a distribution be made as well as on the rate and frequency of distribution to be made. The distributions are not guaranteed by First State Investments (Singapore) or its distributors.



Asset allocation	%	Sector allocation	%	Top 10 holdings	%
Hong Kong	20.8	Financials	24.1	QBE Insurance Group Ltd	4.1
China	16.3	Consumer Staples	23.3	Taiwan Semiconductor Mfg Co	3.6
Taiwan	14.2	Information Technology	13.1	Shinsegae Co Ltd	3.4
South Korea	12.0	Telecommunication Services	9.6	Cheung Kong (Hldgs) Ltd	3.2
Singapore	11.0	Consumer Discretionary	7.1	Oversea-Chinese Banking Corp	3.0
Australia	10.0	Industrials	6.3	Chunghwa Telecom Co Ltd	2.9
India	7.8	Utilities	5.1	Yuhan Corp	2.5
Thailand	3.3	Health Care	4.0	Newcrest Mining Ltd	2.3
Philippines	2.3	Materials	4.0	Brambles Ltd	2.3
Malaysia	1.9	Energy	2.4	China Resources Enterprise	2.0
Sri Lanka	0.2	Others	0.8		
Liquidity	0.2	Liquidity	0.2		

### Manager's comment

- Asian markets finished 2009 strongly as concerns about a default by Dubai World proved to be short-lived.
- Chinese stocks paused after recent strength as sentiment was negatively impacted by government policies to curb speculation in the property market.
- Hong Kong and Singapore rose as low interest rates in both markets pushed property stocks higher, while technology companies were strong as investors priced in a recovery in 2010.
- Our performance was boosted by Powertech Technology and ASM Pacific Technologies which were beneficiaries of the strong performance of technology companies.
- Wing Hang Bank had a negative impact on consolidation after a strong run, while Indian stocks Hindustan Unilever and Godrej Consumer underperformed as defensive companies were out of favour.
- We bought CTCL Corp as we believe it will be a beneficiary of increased spending by companies in Taiwan.
- We took profits in Venture Corp which was looking fully valued.
- Economies around the world are displaying increasing signs of stabilisation or improvement.
- While we believe there will be a recovery, it is unlikely that we will see very strong economic growth over the next three to five years.
- We believe that inflation will be a major risk in 2010 following very loose global monetary policy in 2009.
- We have reduced our exposure to Consumer Staples stocks and increased our holdings in companies which should benefit from rising interest rates such as Australian insurance company QBE.

### For further information

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### DISCLAIMER

Except for the benchmark index, performance stated for relevant indices are quoted in the respective local currency unless otherwise specified.

Note: The above asset allocation pertains to the underlying fund. This report is prepared by First State Investments (Singapore) and is provided for information purposes only. Investors should read the Prospectus before deciding whether to subscribe for or purchase units in the Fund. The prospectus is available and copies may be obtained from the Manager and Distributors. The value of the units in the Fund and the income from them may rise as well as fall. Past performance figures are not necessarily a guide to future performance. Neither is any forecast made necessarily indicative of the future or likely performance of the Fund. Where information is provided on top holdings, such information does not constitute a recommendation to buy these securities. Units are not available to U.S. persons.

The CPF interest rate for the Ordinary Account (OA) is based on the 12-month fixed deposit and month-end savings rates of the major local banks. Under the CPF Act, the Board pays a minimum interest of 2.5% per annum when this interest formula yields a lower rate. From 1 January 2008, the new interest rate for the Special, Medisave and Retirement Accounts (SMRA) will be pegged to the yield of 10-year Singapore government bond plus 1%. For 2008 to 2010, the minimum interest rate for the SMRA will be 4.0% per annum. After 2010, the 2.5% per annum minimum interest rate, as prescribed by the CPF Act, will apply to the SMRA. In addition, from 1 January 2008, the CPF Board will pay an extra interest rate of 1% per annum on the first \$60,000 of a CPF member's combined balances, including up to \$20,000 in the OA. From 1 April 2008, the first \$20,000 in the Ordinary Account will not be allowed to be invested under the CPF Investment Scheme; and from 1 May 2009, the first \$30,000 in the Special Account will not be allowed for investments.