

# PRU Pan European Fund (CASH)

## January 2010

All data as at 31 December 2009 unless otherwise stated

### Investment Objective

The investment objective of the PRU Pan European Fund is to maximise long-term total return by investing in equity and equity-related securities of companies, which are incorporated, or have their area of primary activity, in Europe (including United Kingdom). The Fund may also invest in depository receipts, including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), debt securities convertible into common shares, preference shares and warrants. The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the PRU Pan European Fund into the Luxembourg-domiciled International Opportunities Funds - Pan European which shares the same investment objective.

### Fund Details

Launch Date	16 April 2001	Benchmark	FTSE World Europe (including UK) Index
Initial Sales Charge	Max 5%	Underlying Fund Size	IOF - Pan European - USD 103.5 M
Min. Initial Investment	SGD 1,000 <sup>+</sup>	Subscription Method	Cash, SRS Account
Min. Subsequent Investment	SGD 100	Fund Size	SGD 53.9 M
Annual Management Fee	1.5% <sup>^</sup>	Fund Currency	SGD
Fund Manager	Prudential Asset Management (Singapore) Limited	CPFIS Risk Classification	Higher Risk - Narrowly Focused (Regional-Europe)
Sub-Manager of Underlying Fund(s)	M&G Investment Management Limited		

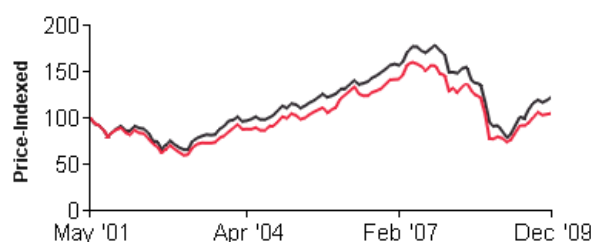
### Performance

Period	3 months	6 months	1 year	3 years *	5 years *	Since Inception *
Offer-Bid	-6.0%	8.8%	25.6%	-11.0%	-0.3%	-0.1%
Bid-Bid	-1.0%	14.5%	32.3%	-9.5%	0.7%	0.5%
Benchmark	2.8%	23.7%	33.9%	-8.0%	1.7%	2.3%

Source: Prudential Asset Management (Singapore) Limited and Bloomberg. S\$; net income reinvested; Offer-bid includes 5% Initial Sales Charge. \*Annualised

### Performance Chart

■ PRU Pan European Fund  
 ■ FTSE World Europe (including UK) Index



Source: Prudential Asset Management (Singapore) Limited and Bloomberg. S\$; bid-to-bid; net income reinvested. Inception date: 04 May 01

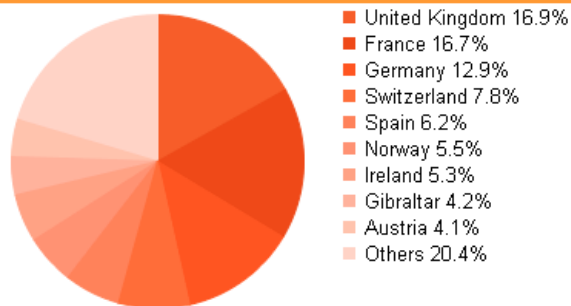
### Top 10 holdings

TULLOW OIL PLC	5.4%
SPORTINGBET PLC	4.3%
PARTYGAMING PLC	4.2%
GROUPE EUROTUNNEL SA	4.1%
VALLOUREC	3.9%
STOREBRAND ASA	3.8%
AXA SA	3.7%
CREDIT SUISSE GROUP AG	2.9%
FORTUM OYJ	2.8%
GRIFOLS SA	2.8%

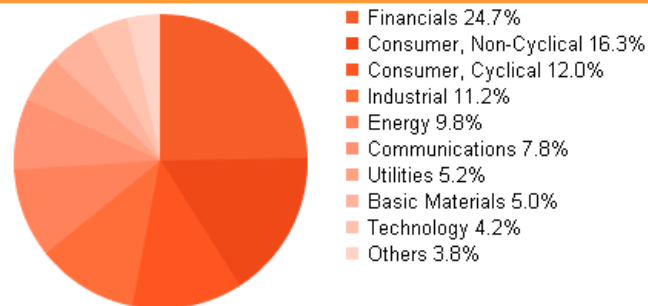
<sup>+</sup>Subject to distributor's terms and conditions.

<sup>^</sup>Fee includes management fee of 0.75% p.a. charged at the underlying Luxembourg-domiciled International Opportunities Funds – Pan European (IOF - Pan European)

## Country



## Sector



Above data refers to the country allocation data of the Underlying Fund Above data refers to the sector allocation data of the Underlying Fund

## Market Overview

European equities finished 2009 on a high note with investor confidence boosted by renewed optimism over an economic recovery, thanks to decent data from the US, China and Europe itself, as well as the prospect of a New Year. Although sentiment was strong, the downgrading of government debt in Spain and Greece highlighted the growing divide between stronger economies in the north and those still struggling in the south. Against this environment, the Fund advanced 0.9% (bid-to-bid basis) versus a gain of 2.9% from its benchmark, the FTSE World Europe (including UK) Index in Singapore dollar terms.

Following a volatile November, commodity prices rebounded in December. Oil prices responded favourably and the Fund was well placed to take advantage of this development through its holdings in Vallourec and Tullow Oil. Investors were relieved that Informa had decided to cancel its acquisition of Axel Springer's scientific journal division. Market participants took advantage of the recent share price weakness to gain exposure to this company.

With regard to detractors, Groupe Eurotunnel fell heavily following the suspension of services through the tunnel because of bad weather conditions. Another prominent laggard was Fortis, which saw its share price fall due to concerns over its exposure to Greek government bonds. At a sector level, an underweight position in basic materials, which rallied in December, also proved detrimental to relative performance.

The fund manager reduced the Fund's stake in Grifols and Icon. There were two new entrants in December, namely UK-listed brewer SABMiller and German chemicals business Bayer. The fund manager also bought some more shares in Fred Olsen.

## Important Information

Please note that the securities mentioned above are included for illustration purposes only. It should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in the portfolio of the Fund at the time you receive this material or that securities sold have not been repurchased. The securities discussed do not represent the fund's entire portfolio and in the aggregate may represent only a small percentage of the fund's portfolio holdings.

A prospectus in relation to the Fund is available and a copy of the prospectus may be obtained from the Manager and its distribution partners. Investors should read the prospectus before deciding whether to subscribe for or purchase units in the Fund. The value of units in the Fund and the income accruing to the units, if any, may fall or rise. Past performance of the Fund is not necessarily indicative of the future performance of the Fund. The prediction, projection or forecast on the economy, securities markets or the economic trends of the markets targeted by the Fund are not necessarily indicative of the future or likely performance of the Fund. An investment in the Fund is subject to investment risks, including the possible loss of the principal amount invested. Investments in unit trusts are not deposits or other obligations of, or guaranteed or insured by Prudential Asset Management (Singapore) Limited ("PAMS") (Company Reg No. 199407631H) or any of its related corporations. Investors may wish to seek advice from a financial adviser before making a commitment to invest in units of the Fund. In the event an investor chooses not to seek advice from a financial adviser, the investor should consider whether the Fund is suitable for him. Whilst the Manager has taken all reasonable care to ensure that the information contained in this document is not untrue or misleading at the time of publication, the Manager cannot guarantee its accuracy or completeness. Investors should not act on it without first independently verifying its contents. Any opinion or estimate contained in this document is subject to change without notice. PAMS and its related affiliated corporations together with their respective directors and officers may have or may take positions in the securities mentioned in this documentation and may also perform or seek to perform broking and other investment services for the corporations whose securities are mentioned in this documentation as well as other parties. PAMS and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America. As at end December 2009, the Investment Manager had approximately S\$ 59.3 billion of assets under management, of which approximately S\$ 45.9 billion are discretionary funds managed in Singapore.