

All data as at 31 January 2010 unless otherwise stated

**Investment Objective**

The investment objective of the PRU Monthly Income Plan is to seek to provide investors with regular income and capital growth by investing: (i) 30% to 70% of its assets into the Luxembourg domiciled International Opportunities Funds - US High Yield Bond; and (ii) 30% to 70% of its assets into the Luxembourg domiciled International Opportunities Funds - Asian Bond. The Fund may in addition, at the Manager's absolute discretion, invest up to 20% of its assets in any other Asia Pacific investments (including real estate investment trusts, dividend yielding equities and any other sub-funds of the International Opportunities Funds, subject to the prior approval of the Authority where necessary).

**Fund Details**

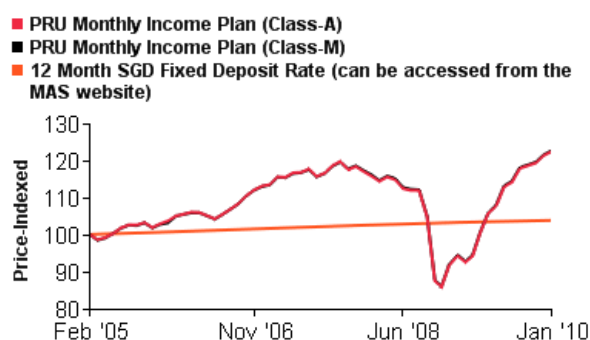
Launch Date	11 January 2005	Sub-Manager of Underlying Fund(s)	PPM America, Inc ( for IOF US High Yield Bond - USD)
Initial Sales Charge	Max 5%	Benchmark	12 Month SGD Fixed Deposit Rate (can be accessed from the MAS website)
Min. Initial Investment (Class-A)	SGD 1,000 <sup>+</sup>	Underlying Fund Size	IOF - Asian Bond - USD 873.3 M, IOF - US High Yield Bond - USD 316.1 M
Min. Initial Investment (Class-M)	SGD 10,000 <sup>+</sup>	Subscription Method	Cash,SRS Account
Min. Subsequent Investment	SGD 100	Fund Size	SGD 156.0 M
Annual Management Fee	1.25% <sup>^</sup>	Fund Currency	SGD
Fund Manager	Prudential Asset Management (Singapore) Limited		

**Performance**

Period	1 month	3 months	6 months	1 year	3 years *	Since Inception *
Offer-Bid (Class-A)	-4.1%	-1.9%	3.1%	23.4%	0.8%	3.1%
Bid-Bid (Class-A)	0.9%	3.2%	8.4%	29.9%	2.6%	4.1%
Benchmark (Class-A)	0.0%	0.1%	0.3%	0.6%	0.7%	0.7%
Offer-Bid (Class-M)	-4.0%	-1.9%	3.0%	23.4%	0.9%	3.1%
Bid-Bid (Class-M)	1.0%	3.3%	8.3%	29.8%	2.7%	4.2%
Benchmark (Class-M)	0.0%	0.1%	0.3%	0.6%	0.7%	0.7%

Source: Prudential Asset Management (Singapore) Limited. S\$; net income reinvested; Offer-bid includes 5% Initial Sales Charge. Benchmark values are rounded off to 1 decimal place. \*Annualised

**Performance Chart**



Source: Prudential Asset Management (Singapore) Limited. S\$; bid-to-bid; net income reinvested. Inception date: 01 Feb 05

**Top 10 holdings**

BNY MELLON UNIVERSAL USD LIQUIDITY CLASS B	3.0%
SPRINT CAPITAL CORP 6.875% 15/11/2028	1.3%
HUTCH WHAMPOA 6.5% 13/02/2013	1.3%
HCA INC 9.625% 15/11/2016	1.1%
PNC PREFERRED FUNDING 8.7% 28/2/2049	1.1%
EL PASO CORPORATION 7.75% 15/1/2032	1.0%
MOHAWK INDUSTRIES INC 6.875% 15/1/2016	0.8%
PETRONAS 7% 22/05/2012	0.8%
PCCW-HKT 8% 15/11/2011	0.7%
PETRONAS CAPITAL LTD 5.25% 12/08/2019	0.7%

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

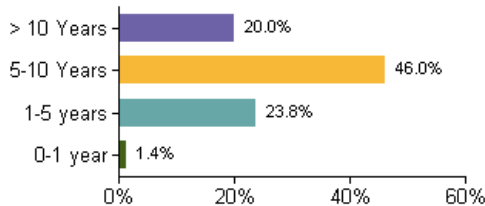
<sup>^</sup>The Annual Management Fee indicated includes the management fee payable by the Underlying Funds to its investment manager.

### Asset Allocation



- IOF - Asian Bond 49.5%
- IOF - US High Yield Bond 46.4%
- Equities 3.5%
- Cash And Other Net Assets 0.6%

### Maturity



Above data refers to the maturity data of the Underlying Funds

### Rating



Above data refers to the rating data of the Underlying Funds; Credit rating by S&P/Moody's/Fitch

### Market Overview

The PRU Monthly Income Plan Class A and Class M were up by 0.9% (bid-to-bid basis) and 1.0% (bid-to-bid basis) respectively versus its benchmark which gained 0.04%. Over the month, US corporate bond and the US Dollar Asian corporate bond markets continued to perform well in Singapore dollar terms. This allowed the Fund to register positive returns in January.

High yield bonds delivered yet another month of positive total returns in January despite resurgence in volatility and risk aversion in the latter part of the month. Market jitters were a reaction to various news items within the month including China announcing lending restrictions, Greece sovereign debt woes, and calls from US government regarding potential bank taxes and restrictions on activities, which overshadowed generally positive economic data and corporate earnings announcements.

Likewise, Asian credit markets turned in decent returns in January on the back of strong performance of bank sub-debts and high-yield corporate, as well as lower US Treasury yields. However, overall risk appetite weakened as monetary tightening in China and aggressive banking reform proposed by the US government rekindled global growth concerns.

Going forward, the fund manager continues to take a more cautious view by maintaining a slightly lower allocation to US high yield bonds versus Asian dollar bonds. Although the risk of another credit market meltdown is minimal, the recent strong performance of both credit markets has reduced the risk compensation for any subsequent disappointing economic numbers and deterioration of credit or liquidity conditions. All the US dollar credit investment continues to be fully currency hedged to Singapore dollar.

### 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. Past performance of Prudential Asset Management (Singapore) Limited ("PAMS") (Company Reg No. 199407631H) and the Fund is not necessarily indicative of the future performance of the Fund or PAMS. 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 PAMS 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. Distribution payout shall, at the sole discretion of PAMS, be made out of either (a) income; or (b) net capital gains; or (c) capital of the Fund or a combination of (a) and/or (b) and/or (c). There is no guarantee that any distribution will be made or that the frequency and amount of distributions as set out in the prospectus will be met. When distributions are declared and paid out (including out of capital) with respect to the Fund, the net assets attributable to the relevant Class of Units will stand reduced by an amount equivalent to the product of the number of Units outstanding and distribution amount declared per Unit. Payout is computed based on S\$1.00 initial issue price. The value of units and the income accruing therefrom, if any, in the Fund, may fall or rise. The name of the Fund, PRU Monthly Income Plan should not be taken as implying that monthly or regular distributions in respect of units will be made. 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.