

# PRU Pan European Fund (CASH)

**March 2010**

All data as at 28 February 2010 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

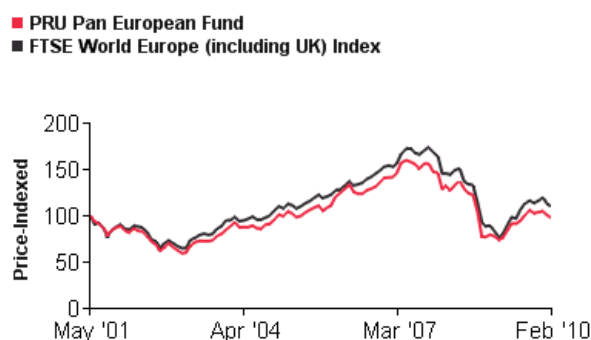
Launch Date	16 April 2001	Benchmark	FTSE World Europe (including UK) Index
Initial Sales Charge	Max 5%	Underlying Fund Size	IOF - Pan European - USD 94.3 M
Min. Initial Investment	SGD 1,000 <sup>+</sup>	Subscription Method	Cash, SRS Account
Min. Subsequent Investment	SGD 100	Fund Size	SGD 49.4 M
Annual 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	-10.7%	-8.3%	25.8%	-13.2%	-2.3%	-0.9%
Bid-Bid	-6.0%	-3.5%	32.4%	-11.7%	-1.3%	-0.4%
Benchmark	-5.1%	-3.0%	44.5%	-10.4%	-0.4%	1.0%

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

## Performance Chart



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

From inception to 16 Mar 2005, the fund was benchmarked against FTSE Eurotop 300 Index and from 17 Mar 2005, the fund was benchmarked against FTSE World Europe (incl UK) Index. The two series are chain-linked to derive the longer period benchmark returns.

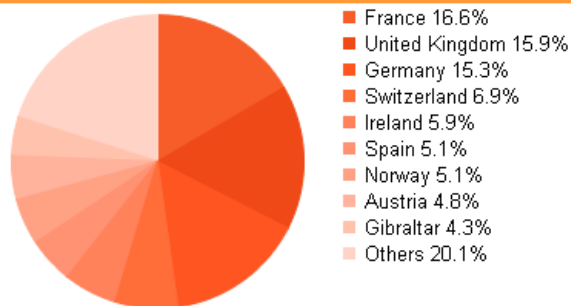
\*Subject to distributor's terms and conditions.

<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)

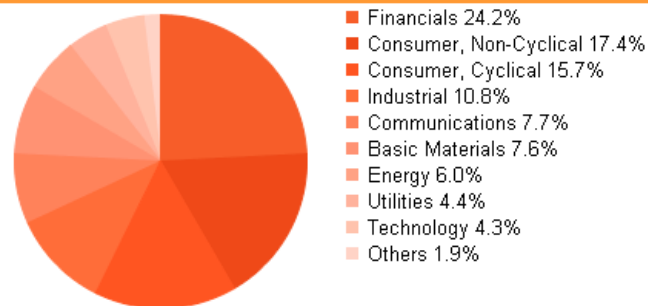
## Top 10 holdings

GRUPE EUROTUNNEL SA	4.5%
PARTYGAMING PLC	4.3%
SPORTINGBET PLC	4.0%
TULLOW OIL PLC	3.8%
STOREBRAND ASA	3.8%
VALLOUREC	3.2%
ELEKTA AB	2.8%
DCC PLC	2.8%
FRESENIUS MEDICAL CARE AG & CO KGAA	2.7%
INFORMA PLC	2.5%

## 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

February saw European equities decline as the problems among the Euro zone's peripheral countries, including Greece and Spain, dominated the headlines. While investors' concerns over a possible default of Greek sovereign debt were eased somewhat by the European Commission's endorsement of the Greek budget plan, this support came with strict conditions. Against this environment, the Fund lost 3.0% (bid-to-bid basis) versus a decline of 2.0% from its benchmark, the FTSE World Europe (including UK) Index in Singapore dollar terms.

The Fund's performance was helped by good returns from some of the overweight positions, including French specialist steel pipe maker Vallourec and Germany-based healthcare company Fresenius Medical Care. Investors were optimistic of the former's growth strategy and the latter's strong quarterly as well as full-year earnings result. Outside of the Fund's top ten overweight, a good contribution also came from Freenet, a German provider of mobile telecommunications services after the company released better-than-expected preliminary quarterly results and proposed a dividend to shareholders.

Holdings in Bank of Cyprus and Greek electricity company, Public Power Corporation (PPC) detracted performance as Greece's sovereign default concerns spilt risk appetite. A position in Swiss banking software maker Temenos also detracted on poorer fourth quarterly figures for new licences.

Over the month, two new holdings were established, including Netherlands-based Qiagen, which develops testing kits and sample technologies for pharmaceutical companies. The fund manager also topped up the Fund's positions in PPC, Bank of Cyprus and Santander as their share prices declined on the back of sovereign debt risk in Greece, Spain and Portugal.

## 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.