

# First State Dividend Advantage

## Monthly factsheet (in SGD)

March 2010

### Investment objective

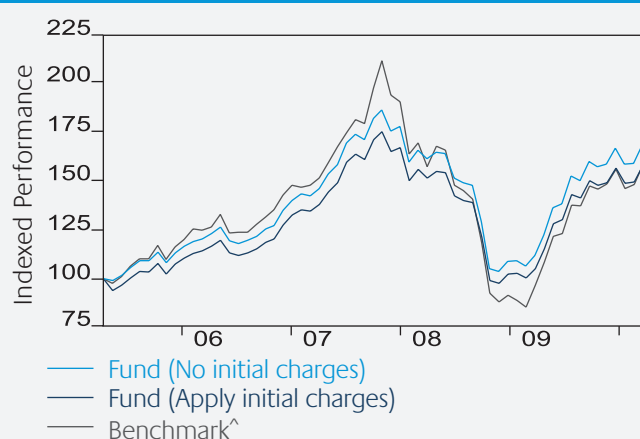
To provide investors with regular distributions and long-term growth from high dividend yielding equity investments focused in the Asia-Pacific region (excluding Japan). The investment policy of the Fund is to invest all or substantially all of its assets in the First State Asian Equity Plus Fund (Underlying 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\$1.2935	Management Fee	1.5% p.a.
Fund Size	S\$916.6mn	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.

### Total return for past 5 years ended Mar 10



Annualised (%)	1yr	3yrs	5yrs	Inception**
Fund (No initial charges)	50.5	4.8	11.0	11.4
Fund (Apply initial charges)	42.6	2.8	9.6	10.1
Benchmark <sup>^</sup>	63.0	1.5	9.6	10.1

Source: Lipper. Single pricing basis with net income reinvested.

\*\* Inception date: 20 Dec 04

<sup>^</sup> MSCI AC Asia Pacific ex Japan Index

Asset allocation	%	Sector allocation	%	Top 10 holdings	%
Hong Kong	19.7	Financials	23.7	Cheung Kong (Hldgs) Ltd	4.1
China	15.7	Consumer Staples	22.3	QBE Insurance Group Ltd	3.5
Taiwan	15.2	Information Technology	12.5	Shinsegae Co Ltd	3.5
South Korea	11.8	Telecommunication Services	10.3	Taiwan Semiconductor Mfg Co	3.3
Singapore	11.0	Industrials	7.5	Oversea-Chinese Banking Corp	2.8
Australia	9.4	Consumer Discretionary	6.5	Chunghwa Telecom Co Ltd	2.7
India	8.4	Utilities	5.4	Brambles Ltd	2.5
Thailand	3.8	Health Care	4.0	Yuhan Corp	2.5
Philippines	2.7	Materials	3.9	Newcrest Mining Ltd	2.2
Malaysia	1.8	Energy	2.9	Jardine Matheson Hldgs Ltd	2.1
Sri Lanka	0.3	Others	0.8		
Liquidity	0.2	Liquidity	0.2		

### Manager's comment

- Asian stock markets rose strongly in March as investors became increasingly convinced about the global economic recovery.
- Stocks in the industrial and export sectors performed well despite a shortage of labour and components.
- India, Indonesia and Thailand outperformed as risk appetite remained high. Thailand was strong despite turbulence on the political front.
- Hong Kong, Taiwan and Singapore lagged while China showed signs of weakness amid concerns that banks may seek to raise funds in coming months.
- Our performance benefited from our position in Jardine Matheson which gained on announcing strong results across all divisions.
- Lung Kee Holdings outperformed as a strong export recovery boosted sentiment towards industrial stocks.
- Philippine Long Distance Telecom, China Foods and Dabur India all had a negative impact as more defensive stocks struggled in liquidity driven markets.
- The main purchase over the month was Compal Electronics which is attractively priced and offers a high dividend yield.
- We sold Hang Lung Group and Kingboard Chemicals to take profits on valuation grounds and HSBC as the company's recent results highlight that recovery may not occur as quickly as expected.
- Asia's economies have recovered and our discussions with various companies suggest that demand recovery is exceeding expectations.
- We remain cautiously optimistic with a strong focus on stocks that should benefit from domestic consumption growth.

### 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.