

First State Regional China Fund

Monthly factsheet (in SGD)

May 2010

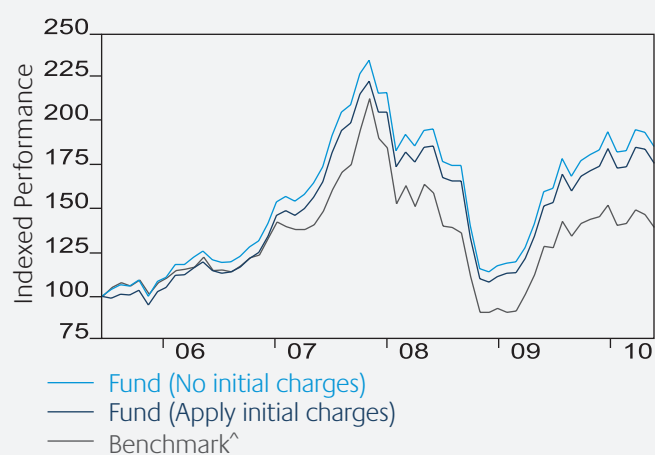
Investment objective

To achieve long term capital appreciation by investing all or substantially all of its assets in the First State Greater China Growth Fund (a Dublin-domiciled fund) which invests primarily in securities issued by companies with either assets in, or revenues derived from, the People's Republic of China, Hong Kong and Taiwan.

Fund information

Launch Date	27 Sep 93	Minimum Investment	S\$1,000 (Initial) S\$100 (Subsequent)
NAV Price	S\$1.8410	Management Fee	1.5% p.a.
Fund Size	S\$483.4mn	Initial Charge	5.0% (Cash) 3.0% (CPF - Ordinary Account)
Stock Split History	1 for 1 stock split (2 Sep 97)	CPF Classification	Higher Risk-Narrowly Focused (Country-Greater China)
Dealing	Monday to Friday (except public holidays)		

Total return for past 5 years ended May 10



Annualised* (%)	1yr	3yrs	5yrs	10yrs	Inception**
Fund (No initial charges)	15.9	2.1	13.0	9.3	8.4
Fund (Apply initial charges)	10.1	0.4	11.9	8.8	8.1
Benchmark [^]	8.1	-2.1	6.8	2.5	N/A

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

* The performance prior to 18 Oct 02 is in relation to the Fund before its conversion to a feeder fund.

** Inception date: 1 Nov 93

[^] MSCI Golden Dragon Index

Asset allocation	%	Sector allocation	%	Top 10 holdings	%
Hong Kong	28.8	Financials	28.1	Cheung Kong (Hldgs) Ltd	5.4
Red Chips	27.8	Information Technology	18.6	Jardine Matheson Hldgs Ltd	4.2
Taiwan	23.4	Consumer Discretionary	13.6	Delta Electronics Inc	4.0
H Shares	8.9	Consumer Staples	12.9	Taiwan Semiconductor Mfg Co	3.9
B Shares	5.6	Telecommunication Services	6.3	Yantai Changyu Pioneer Wine	3.4
A Shares	1.5	Utilities	5.9	Li Ning Co Ltd	3.4
Others	2.1	Energy	4.3	CNOOC Ltd	3.0
Liquidity	1.9	Industrials	3.2	Hengan Intl Group Co Ltd	3.0
		Health Care	2.3	China Resources Power Hldgs	2.9
		Materials	1.4	China Resources Enterprise	2.8
		Others	1.5		
		Liquidity	1.9		

Manager's comment

- Global stock markets declined in May on rising risk aversion and concerns about the debt crisis in the eurozone.
- Investors were also worried about tightening in China as the government seems determined to curb runaway property prices.
- The Chinese market fell over the month, but outperformed global equities.
- Property transactions declined sharply in both China and Hong Kong because of global uncertainties.
- Defensive sectors such as Telecom Services and Gold outperformed as investors looked for safe havens.
- Tripod Technology outperformed on strong orders momentum and China Resources Land on delivering positive results.
- Glorious Sun contributed positively as investors were attracted by its cheap valuation and high yield.
- Mindray Medical lagged as it reported weaker-than-expected results due to a delay in government tenders, and ASM Pacific underperformed on concerns about the demand outlook.
- Kingboard Chemicals was weak on profit taking after a strong rally.
- There were no major purchases in May.
- We took profits in MTR Corp and Tingyi on valuation concerns.
- The European debt crisis highlights our long-standing concern about the indebtedness of Western economies.
- The crisis in Europe might lead to global interest rates staying low for a long period which should be positive for high-yielding stocks in the short-term, but negative for inflation in the long run.
- We remain convinced that consumption is a long-term positive trend for the Chinese economy.

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. With effect from 1 July 2010, the first \$40,000 in the Special Account will not be allowed for investments.