



## > PRU Dragon Peacock Fund (CASH)

### Investment Objective

The investment objective of the PRU Dragon Peacock Fund is to maximize long-term total return by investing primarily in equity and equity-related instruments of corporations, which are incorporated in, or listed in, or operating principally from, or carrying on significant business in, or derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from, the People's Republic of China (PRC) and the Republic of India (India).

<b>Launch Date</b>	18 May 2004
<b>Initial Sales Charge</b>	Max 5%
<b>Min. Initial Investment</b>	SGD 1,000+
<b>Min. Subsequent Investment</b>	SGD 100
<b>Annual Management Fee</b>	1.5%
<b>Fund Manager</b>	Prudential Asset Management (Singapore) Limited
<b>Sub-Manager</b>	Prudential Asset Management (Hong Kong) Limited (China Portfolio Only)
<b>Benchmark</b>	50% MSCI China Index and 50% MSCI India Index
<b>Subscription Method</b>	Cash, SRS Account
<b>Fund Size</b>	SGD 1,116.8 M
<b>Fund Currency</b>	SGD
<b>CPFIS Risk Classification</b>	Higher Risk - Narrowly Focused (Country - Others)

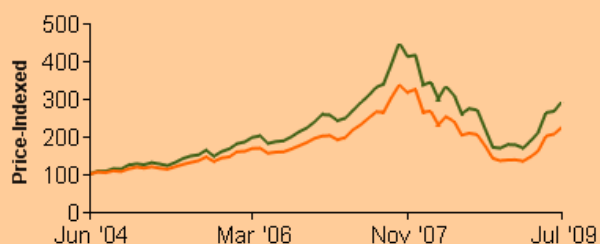
### Performance

Performance	Offer-Bid	Bid-Bid	Benchmark
3 months	31.5%	38.4%	38.2%
6 months	54.6%	62.7%	64.6%
1 year	2.3%	7.7%	6.7%
3 years *	10.3%	12.2%	15.8%
5 years *	15.1%	16.3%	22.1%
Since Inception *	15.9%	17.1%	23.3%

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

### Performance Chart

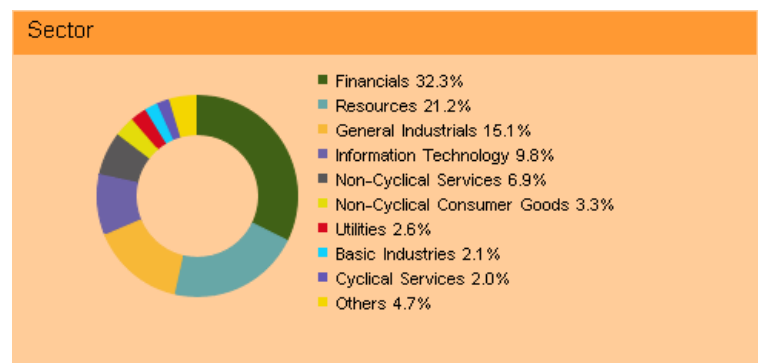
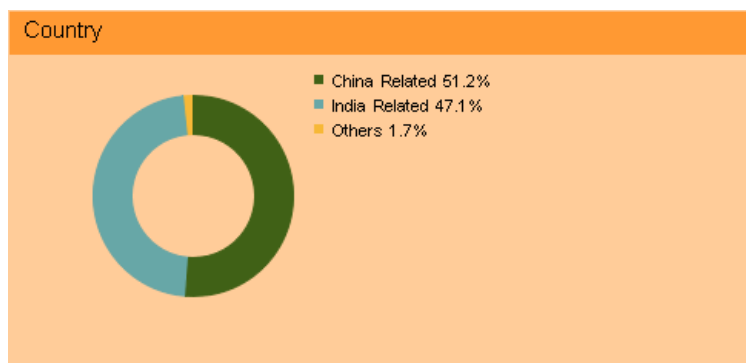
■ PRU Dragon Peacock Fund  
■ 50% MSCI China Index and 50% MSCI India Index



Source: Prudential Asset Management (Singapore) Limited and Bloomberg. S\$; bid-to-bid; net income reinvested. Inception date: 18 Jun 04

### Top 10 holdings

INFOSYS TECHNOLOGIES LTD ORD INR5 (DMT)	6.8%
INDUSTRIAL AND COMMERCIAL BANK OF CHINA H SHS ORD CNY1	6.1%
BANK OF CHINA LTD SHS H ORD CNY1	6.0%
RELIANCE INDUSTRIES LTD ORD INR10 (DMT)	5.4%
CHINA MOBILE LTD ORD HKD0.1	4.5%
ICICI BANK LTD ORD INR10 (DEMAT)	3.9%
AXIS BANK LTD ORD INR10 (DMT)	3.7%
BYD CO LTD H SHRS ORD CNY1	3.6%
BHARAT HEAVY ELECTRICALS ORD INR10 (DMT)	3.0%
CHINA PETROLEUM & CHEMICAL CORP H SHRS HKD1	2.8%



## Market Overview

The MSCI India advanced 8.9% in U.S. dollar terms<sup>1</sup> in July as companies in the auto, IT and cement sectors reported quarterly earnings that beat analysts' estimates. The IT and consumer discretionary sectors led gains while telecom and energy sectors posted declines. The Reserve Bank of India left interest rates unchanged. The MSCI China Index advanced 10.8% in July in U.S. dollar terms<sup>1</sup>. All sectors posted positive returns with IT, consumer discretionary and industrials leading the way. Telecom and financials were laggards. Investors applauded China's GDP growth of 7.9% in the second quarter from a year earlier after a 6.1% expansion in the first quarter, the slowest pace in almost a decade<sup>2</sup>. The Fund advanced 8.7% (bid-to-bid basis), underperforming its benchmark return of 9.6%.

BYD Co. Ltd. was the leading contributor to performance. Softening raw material costs coupled with government stimulus helped drive shares higher. AAC Acoustic was also a strong contributor. The company benefits from strengthening relationships with Nokia and RIM. Maruti Suzuki advanced on increasing sales. Financials were the leading detractors from performance. Underweights China Life Insurance and Housing Development Finance (HDFC) advanced while overweight Sino Ocean Land Holdings declined. Bharat Heavy Electricals and Infrastructure Development Finance have a negative impact on performance. The Fund underweight position in Tata Consultancy. We sold ITC Limited and added Colgate-Palmolive India and Gome Electrical. Colgate-Palmolive India enjoys strong volume growth and increasing operating margin while Gome Electrical is positioned to benefit from lower financial risk and better earnings outlook. The Fund moved out of HDFC and initiated a new position in China Life Insurance. A potential reversal in interest rates and more active equity investments bode well for China Life.

<sup>1</sup>Source: MSCI Barra, as of July 2009 <sup>2</sup>Source: JP Morgan 3 August 2009

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.

Please note that the Luxembourg-domiciled International Opportunities Funds has established a similar sub-fund within the umbrella fund of International Opportunities Funds having the same investment objective and focus as the PRU Dragon Peacock Fund (the "IOF sub-fund"). In the event that the IOF sub-fund be approved by the Authority as a recognised scheme available for direct investment by the retail public in Singapore, the Manager may, in consultation with the Trustee, and subject to the approval of the relevant authorities, (i) seek to terminate the PRU Dragon Peacock Fund and exchange existing Units in the PRU Dragon Peacock Fund for shares in the IOF sub-fund; or (ii) change the investment policy of the PRU Dragon Peacock Fund from a direct investment portfolio to a feeder fund investing all or substantially all of its assets into the IOF sub-fund. Investors should note that in the event of an exchange Units for shares in the IOF sub-fund, there is no assurance that the fees and charges of the IOF sub-fund would not be higher than that of the PRU Dragon Peacock Fund. Investors should not invest in the PRU Dragon Peacock Fund in anticipation of investing in the IOF sub-fund as there is no certainty whether the IOF sub-fund may be recognised for offer to the retail public in Singapore.

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 June 2009, the Investment Manager had approximately S\$ 51.28 billion of assets under management, of which approximately S\$ 40.4 billion are discretionary funds managed in Singapore.