

# First State Dividend Advantage

## Monthly factsheet (in SGD)

July 2011

### Investment objective

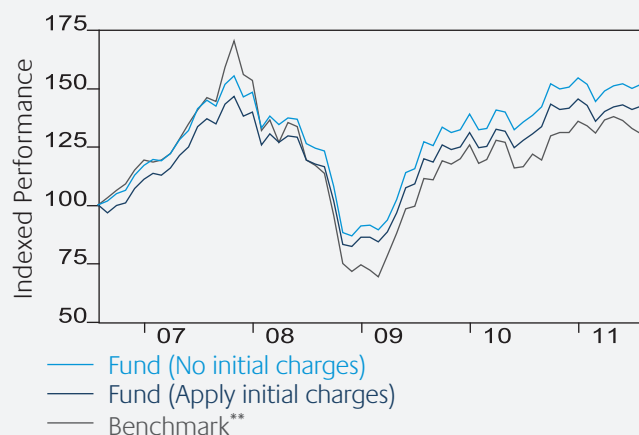
To provide investors with regular distributions and long-term growth from high dividend yielding equity investments focused in the Asia-Pacific region (excluding Japan). The investment policy of the Fund is to invest all or substantially all of its assets in the First State Asian Equity Plus Fund (Underlying 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

Inception Date	20 Dec 04	Minimum Investment	S\$1,000 (Initial) S\$100 (Subsequent)
NAV Price	S\$1.3138	Management Fee	1.5% p.a.
Fund Size	S\$1255.0mn	Initial Charge	5.0% (Cash / SRS) 3.0% (CPF - Ordinary Account)
Dealing	Monday to Friday (except public holidays)	CPF Classification	Higher Risk-Narrowly Focused (Asia)
Distribution Policy	Quarterly on 31 Mar, 30 Jun, 30 Sep and 31 Dec*		

\* First State Investments (Singapore) ("FSIS") intends to make quarterly distributions effective 31 March, 30 June, 30 September and 31 December each year. The distributions will be made out of the income, capital gains and/or capital of the Fund. Investors should note that the intention to make the quarterly distributions is not guaranteed by FSIS or its distributors and FSIS may in future review the distribution policy depending on prevailing market conditions.

### Total return for past 5 years ended Jul 11



Annualised (%)	1yr	3yrs	5yrs	Inception
Fund (No initial charges)	9.5	6.9	8.7	10.3
Fund (Apply initial charges)	3.8	4.9	7.3	9.2
Benchmark**	7.4	3.7	5.5	8.4

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

\*\* MSCI AC Asia Pacific ex Japan Index

Asset allocation <sup>^</sup>	%	Sector allocation <sup>^</sup>	%	Top 10 holdings	%
Taiwan	16.8	Financials	27.7	Newcrest Mining	4.8
Singapore	14.6	Consumer Staples	15.0	Cheung Kong Holdings	4.1
Hong Kong	14.5	Information Technology	12.5	DBS Group	3.5
South Korea	13.8	Telecom Services	10.7	QBE Insurance Group	3.3
Australia	12.5	Utilities	8.0	Oversea-Chinese Banking Corp	3.0
China	10.3	Industrials	7.4	Chunghwa Telecom	2.7
India	7.6	Materials	5.1	Singapore Telecom	2.5
Thailand	3.8	Energy	4.6	Samsung Electronics	2.4
Philippines	3.3	Consumer Discretionary	4.2	Link REIT	2.3
Malaysia	0.8	Health Care	2.3	E-Mart	2.2
Vietnam	0.3	Others	0.6		
Liquidity	1.8	Liquidity	1.8		

<sup>^</sup> Allocation percentage is rounded to the nearest one decimal place and the total allocation percentage may not add up to 100%.

### Manager's comment

- Market sentiment was influenced by concerns about the sovereign debt crisis in the eurozone and debates about extending the debt ceiling in the US.
- China remained weak on worries about local government debt.
- Asian central banks continued to raise interest rates to contain inflationary pressures.
- In Taiwan, Information Technology stocks lagged, while domestic sectors performed well.
- During the month we bought Cochlear, an Australian exporter trading on a reasonable valuation.
- We sold Li Ning as we were concerned about rising competitive pressures and the quality of management.
- Recent debates about sovereign debt in the eurozone and the US reinforces our view that debt levels remain too high in Western economies, curtailing a full-blown economic recovery.
- We remain focused on stocks exposed to the domestic economy with strong franchises, predictable cashflows and pricing power.
- We are defensively positioned and remain sceptical about commodity stocks.

### 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 CPF Board pays a minimum interest of 2.5% per annum when this interest formula yields a lower rate. The interest rate for the Special and Medisave Accounts (SMA) is pegged to the 12-month average yield of 10-year Singapore Government Securities (10YSGS) plus 1%. The interest rate to be credited to the Retirement Account (RA) will be the weighted average interest of the entire portfolio of Special Government Securities (SSGS) which the RA savings are invested in, which earn a fixed coupon equal to the 12-month average yield of the 10YSGS plus 1% at the point of issuance. For 2011, the minimum interest rate for the SMA and RA is 4% per annum. After 31 December 2011, the minimum interest rate of 2.5% per annum, as prescribed by the CPF Act, will apply to the SMA and RA. In addition, the CPF Board will pay an extra interest rate of 1% per annum on the first S\$60,000 of a CPF member's combined balances, including up to S\$20,000 in the OA. The first S\$20,000 in the OA and the first S\$40,000 in the Special Account will not be allowed to be invested under the CPFIS.