

# Legg Mason Asian Bond Trust

The Edge-Lipper Singapore Fund Awards 2008 - Best Asia Pacific Bond Fund (3 Years and 5 Years)

## MANAGER

Legg Mason Asset Management  
Singapore Pte. Limited

## SUB-MANAGER

Western Asset Management  
Company Pte Ltd

## ABOUT THE FUND

The Fund aims to maximise returns over the long term by investing mainly in the bond markets of Asia's developing economies.

## FUND DETAILS

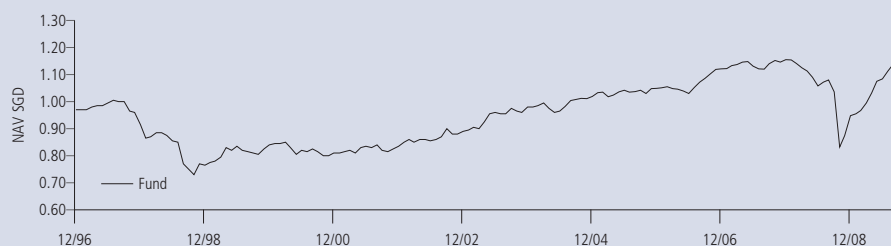
<b>Currency</b>	Singapore Dollar
<b>Inception</b>	23 December 1996
<b>Launch Price</b>	SGD 1.00
<b>Subscription</b>	Cash or SRS
<b>Minimum Investment</b>	SGD 1,000
<b>Subsequent Investment</b>	SGD 100
<b>Preliminary Charge</b>	3%
<b>Realisation Charge</b>	Nil
<b>Management Fee</b>	1% p.a.
<b>Trading Frequency</b>	Daily
<b>ISIN Code</b>	SG9999005185
<b>Bloomberg Ticker</b>	RCASBDT SP

## FUND SNAPSHOT

	Unit NAV
NAV	SGD 1.171
High*	SGD 1.171
Low*	SGD 0.730

\* Based on since inception month end prices

**Fund Size** SGD 54 million

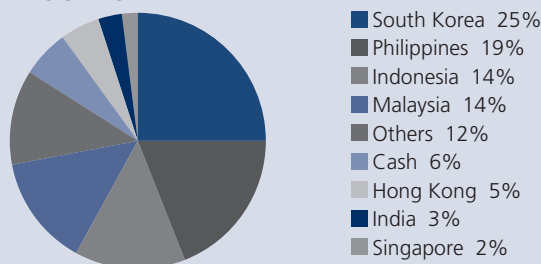


## PERFORMANCE

	YTD	3 Months	1 Year	3 Years	5 Years	Since Inception
Fund <sup>+</sup>	23.52%	8.03%	13.03%	2.54%	3.04%	1.48%
Benchmark	22.97%	8.51%	18.62%	6.69%	6.19%	N/A
<b>Load-adjusted returns*</b>						
Fund <sup>+</sup>	19.82%	4.79%	19.82%	1.51%	2.42%	1.24%

- <sup>+</sup> Annualised for periods over one year with net income and dividends reinvested, if any. With effect from July 2007, the Fund has changed from Bid-Offer to NAV-NAV pricing. Source: Lipper
- \* Inclusive of preliminary charge.
- From Nov 06, benchmark is Customised JP Morgan Asian Credit Index, Sovereign & Quasi Sovereign, fully hedged into SGD. From Oct 02 to Oct 06, benchmark was JP Morgan Asian Credit Index - Sovereign and Quasi Sovereign (Hedged in S\$). Since Jan 99 to Sep 02, benchmark was JP Morgan Asian Credit Index Sovereign (Hedged in S\$).

## COUNTRY ALLOCATION



## TOP FIVE HOLDINGS

Holding	Country
National Power Corp 6.875% 11/2016	Philippines
Export-Import Bank of Korea 5.875% 01/2015	South Korea
Philippine Govt Bond 9.5% 02/2030	Philippines
Indonesia Govt Bond 6.625% 02/2037	Indonesia
Petronas Capital Ltd 5.25% 08/2019	India

## FOR MORE INFORMATION

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## MANAGER'S COMMENTS

- Asian bonds had a very strong month in September. Asian external bonds as measured by the JPMorgan Asian Credit Index rose by 2.65% and Asian high-yield bonds as measured by the Merrill Lynch Asian High Yield Corporate Index returned 3.5%. Indonesian local and USD-denominated bonds were the best performing markets in their respective market segments. Asian currencies rallied strongly, led by large moves in the Korean won and the Indonesian rupiah.
- Asian economies continued to exit the crisis at a faster rate than the U.S. and Europe, and Asian asset markets benefited from the resulting global interest. Equity inflows continued to boost Asian currencies. However, Asia also saw other flows into regional bonds and currencies. The strength of the Japanese yen related to the election of the Democratic Party of Japan impacted other Asian currencies, notably the Taiwanese dollar.
- We remain positive on the Indonesian bond market as Indonesia should continue to benefit from foreign inflows and inflation should rise only moderately. Medium-term factors such as political stability and reforms should support the long end of the bond market.
- We remain constructive on the Asian corporate bond market. Asian investment-grade spreads are wider than U.S. corporate spreads. Economic fundamentals are supportive for corporate bonds and we look for further tightening in the medium term. The Asian high-yield market is looking fully valued but the market has shrunk due to tenders and a lack of new issuance. We will buy new issues that offer compelling value.

## IMPORTANT INFORMATION

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