

# First State Dividend Advantage

## Monthly factsheet (in SGD)

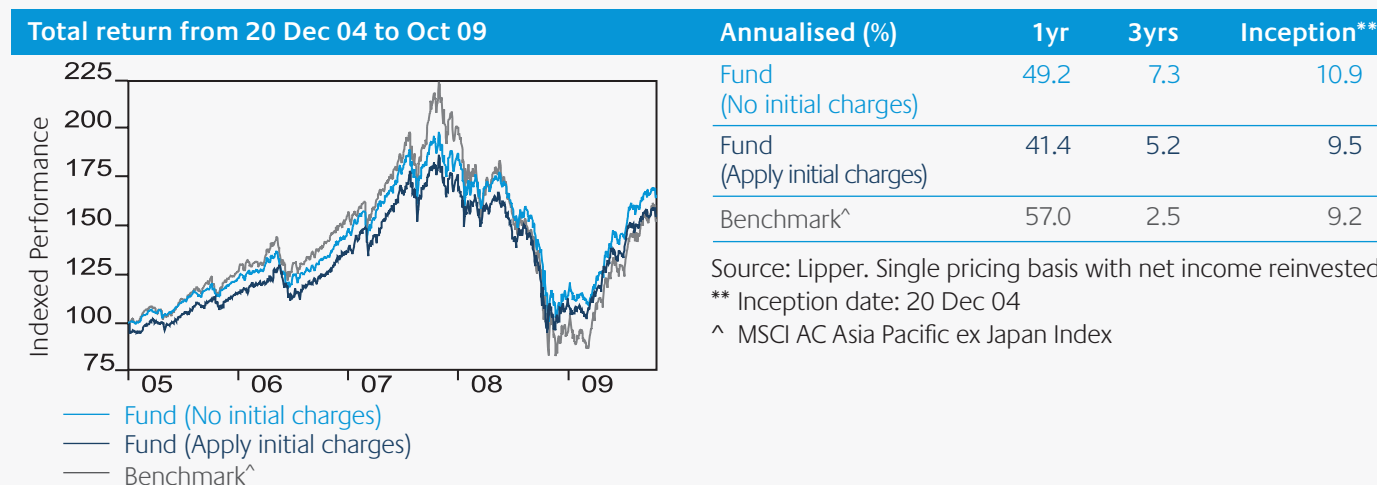
October 2009

### 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\$1.2190	Management Fee	1.5% p.a.
Fund Size	S\$806.0mn	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.



Asset allocation	%	Sector allocation	%	Top 10 holdings	%
Hong Kong	20.9	Consumer Staples	23.6	QBE Insurance Group Ltd	3.7
China	15.4	Financials	23.6	Taiwan Semiconductor Mfg Co	3.6
Taiwan	13.7	Information Technology	13.6	Shinsegae Co Ltd	3.5
Singapore	11.6	Telecommunication Services	10.0	Chunghwa Telecom Co Ltd	3.0
South Korea	11.4	Consumer Discretionary	7.3	Cheung Kong (Hldgs) Ltd	2.9
Australia	10.3	Industrials	6.7	Oversea-Chinese Banking Corp	2.8
India	7.9	Utilities	5.4	Yuhan Corp	2.8
Thailand	3.1	Health Care	3.5	Brambles Ltd	2.6
Philippines	2.3	Materials	3.1	Newcrest Mining Ltd	2.5
Malaysia	2.0	Energy	2.1	Jardine Matheson Hldgs Ltd	2.1
Sri Lanka	0.3	Liquidity	1.1		
Liquidity	1.1				

### Manager's comment

- Most Asian markets declined in October after a sustained period of strong performance, although Hong Kong and China continued their upward trend.
- Financial companies were the best performers in China as third quarter results were better than expected.
- Australia led the developed world by announcing two interest rate rises of 25 basis points.
- Our performance benefited from holding Lenovo Group, which rose on an anticipated upturn in demand for corporate PCs.
- China Resources Enterprise performed well after its retail business was strengthened by an injection from its parent company.
- Bharti Airtel underperformed as it was hit by concerns about the impact of a price war on profitability.
- Brambles and Shinsegae underperformed on profit-taking following recent rises.
- Purchases over the month included China Resources Land, which has a good pipeline of business; and HSBC as we believe that strong Asian profitability is being masked by US losses.
- We sold Hung Hing Printing and Tata Tea, taking profits after recent good performance.
- Many Asian companies announced quarterly results that were better than expected and investors now anticipate that 2010 will be a recovery year for Asia.
- We believe that much of the recovery is already reflected in share prices.
- We have reduced our exposure to the Information Technology sector and increased weighting in Telecom Services which is currently out of favour given its defensive nature.

### For further information

Address: 1 Temasek Avenue #17-01 Millenia Tower Singapore 039192

Telephone: +65 6538 0008 Facsimile: +65 6538 0800 Email: [info@firststate.com.sg](mailto:info@firststate.com.sg) Website: [www.firststateasia.com](http://www.firststateasia.com)

Distributor Hotline: +65 6580 1360 Investor Service Hotline: +65 6580 1390 Fund Price Hotline: +65 6580 1388

### 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 and 2009, the minimum interest rate for the SMRA will be 4.0% per annum. After 2009, 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.