

PRU Global
Technology Fund

PRU Pan European
Fund

PRU Protected
Global Titans Fund (S\$)

PRU Asian
Balanced Fund

PRU Dragon
Peacock Fund

PRU Global Basics Fund

PRU Global
Balanced Fund

ANNUAL REPORTS

For the year ended 31 December 2007

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2007

PRUDENTIAL UNIT TRUSTS

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PRUDENTIAL UNIT TRUSTS – GLOBAL TECHNOLOGY FUND ("PRU GLOBAL TECHNOLOGY FUND")

Included under the CPF Investment Scheme – Ordinary Account

Structure

PRU Global Technology Fund (the "Fund") is organised as a feeder fund which feeds into the Luxembourg-domiciled International Opportunities Funds – Global Technology ("GT Underlying Fund"). The investment manager and sub-manager of the GT Underlying Fund is the Manager and the UK domiciled M&G Investment Management Limited respectively.

Investment Objective

The investment objective of the Fund is to maximise long-term total returns through investment in equities and equity-related securities of companies around the world with innovative products, processes or services. These investments include, but are not restricted to, those companies whose provision or use of technology gives them a strategic advantage in the market.

Manager's / Sub-Manager's Commentary

Fund performance

The Fund rose 2.95% during the review period, underperforming its benchmark's return of 6.51%¹.

Market background

While technology stocks were by no means 2007's best performers, they nevertheless produced relatively attractive gains, particularly given the uncertain economic environment. Large technology companies, such as Microsoft, Nokia and Hewlett Packard were helped by investors' flight to safety in the latter half of the year. The fund's relatively high weighting in smaller and medium-sized companies therefore proved detrimental.

The Fund invests in companies that are using innovation to enhance their returns. Such firms attracted strong takeover interest in 2007 with several of the fund's holdings, including Biosite, Tele Atlas and Business Objects, receiving takeover bids. Merger and acquisition activity was therefore a major driver of the fund's performance.

1 The comparison is based on bid-to-bid basis.

PRUDENTIAL UNIT TRUSTS – GLOBAL TECHNOLOGY FUND (“PRU GLOBAL TECHNOLOGY FUND”)

Included under the CPF Investment Scheme – Ordinary Account

Factors affecting performance²

Flir Systems, a provider of high-resolution infrared images, performed well thanks to robust demand for its industrial applications for the construction, security and automotive industries. Another strong performer, medical company Biosite, received a bid from Inverness Medical Solutions, a US developer of diagnostic devices.

In contrast, call-centre provider Convergys acted as a drag on performance. We believe that many shareholders overreacted to Convergys’ disappointing revenue figures and remain comfortable with this holding.

An underweight position in some of the index’s biggest constituents, including Microsoft, and Intel, hurt the fund. We continue to believe that there is less relative value in these major index constituents than in specific companies that are using innovation to generate higher returns over the long term.

Key changes to the portfolio²

The Fund closed its holding in computer giant Hewlett Packard, believing that the strength of future earnings growth at the California-based company looks uncertain.

The Fund initiated a holding in Albany International, a US company that makes paper machine fabrics and process belts. The firm is leveraging the technology it has created in other areas of the business, such as the production of aerospace composites, to enhance returns.

Outlook

We believe that innovation is the key driver of a company’s growth over time, regardless of the state of the economy. With this in mind, we believe that the Fund’s rigorous and repeatable investment process, which is focused on identifying businesses that are using innovation to enhance their returns, will deliver attractive performance for investors irrespective of the market environment. We will continue to seek out companies that have the ability to deliver value for shareholders over the longer term through positive change and investment in research and development.

² *Please note that the securities mentioned herein are included for illustration purposes only. It should not be construed as a recommendation to purchase or sell any particular securities. There is no guarantee that any securities discussed herein will remain in the portfolio of the Fund at the time you received this material or that securities sold have not been repurchased.*

PRU GLOBAL TECHNOLOGY FUND

PRU Global Technology Fund

Fund Performance

As at 31 December 2007

Sub-Fund/Benchmark	3 months (%)	6 months (%)	1 year	3 years	5 years	Since
			(%)	(%)	(%)	inception*
(average annual compounded return)						
PRU Global Technology Fund	-5.3	-5.6	2.9	6.7	12.1	-6.8
FTSE World Information Technology Index	-5.0	-2.0	6.5	6.1	11.4	-3.8

Source: Prudential Asset Management (Singapore) Limited and M&G Investment Management Limited. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested.

There has been no dividend distribution since the launch of the Fund on 16 April 2001.

* The first date of valuation of the Fund was 4 May 2001.

Past performance is not necessarily indicative of the future performance of the Fund.

Schedule of Investments

As at 31 December 2007

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	Luxembourg		
	International Opportunities Funds:		
17,532,478	- Global Technology Class C	116,713,708	100.31
Total Investments		116,713,708	100.31
Other Net Assets/(Liabilities)		(354,900)	(0.31)
Total Net Assets Attributable to unitholders		116,358,808	100.00

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRU GLOBAL TECHNOLOGY FUND

(As at 31 December 2007)

Exposure to Derivatives

Not applicable.

Investment in other unit trusts, mutual funds and collective investment schemes

The Fund invests SGD116,713,708, equivalent to 100.31% of its net asset value attributable to unitholders, in International Opportunities Fund - Global Technology.

Borrowings

Not applicable.

Related Party Transactions

The Fund invests SGD116,713,708 equivalent to 100.31% of its net asset value, in International Opportunities Fund - Global Technology. Some directors of the International Opportunities Fund, an open-ended investment company registered in Luxembourg, are also directors of Prudential Asset Management (Singapore) Limited.

Total Subscriptions and Redemptions for the year ended 31 December 2007

	SGD
Subscriptions	2,279,231
Redemptions	47,690,178

Annualised Expense Ratio**

1.95% (2006: 1.95%)

*** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.*

Turnover Ratio

0.79% (2006: 0.52%)

PRU GLOBAL TECHNOLOGY FUND

(As at 31 December 2007)

Soft Dollar Commission

Not Applicable

Any other material information that will adversely impact the valuation of the fund

Nil.

INTERNATIONAL OPPORTUNITIES FUNDS - GLOBAL TECHNOLOGY

Top 10 Holdings

(As at 31 December 2007)

	Market Value USD	% of Net Assets***
Sony Corporation NPV	2,104,417	2.50
Business Objects SA	2,092,665	2.49
Siemens AG-Reg	2,076,869	2.47
Synopsys Inc	1,992,760	2.37
Philips Electronics NV	1,878,666	2.23
LG Electronics Inc	1,830,030	2.17
Johnson & Johnson	1,819,260	2.16
Oracle Corporation	1,745,720	2.07
Schering-Plough Corporation	1,724,160	2.05
Macdonald Dettwiler & Associates Ltd	1,705,452	2.03

Top 10 Holdings

(As at 31 December 2006)

	Market Value USD	% of Net Assets***
Synopsys Inc	2,658,000	2.60
Canon Inc	2,535,105	2.50
Intralot SA Integrated Lottery Systems & Services	2,500,589	2.40
Sony Corporation Npv	2,444,295	2.40
Siemens Ag-Reg	2,302,154	2.20
Bio-Rad Laboratories-CI A	2,279,550	2.20
Philips Electronics Nv	2,274,341	2.20
Barco Nv	2,159,714	2.10
Samsung Electronics Co Ltd	2,076,290	2.00
Convergys Corporation	2,070,600	2.00

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

International Opportunities Funds – Global Technology

Annualised Expense Ratio**

1.08% (2006: 1.07%)

** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

Turnover Ratio

30.11% (2006: 35.46%)

INTERNATIONAL OPPORTUNITIES FUNDS - GLOBAL TECHNOLOGY

Schedule of Investments

(As at 31 December 2007)

	Market Value USD	% of Net Assets ***
Country		
Belgium	1,295,579	1.54
Bermuda Islands	795,889	0.95
Canada	3,784,960	4.50
France	3,532,354	4.20
Germany	4,418,387	5.25
Greece	1,493,856	1.77
Japan	5,819,392	6.91
Netherlands	4,175,812	4.96
Norway	501,805	0.60
South Korea	5,396,506	6.41
Sweden	499,041	0.59
Taiwan	815,438	0.97
United Kingdom	7,626,040	9.04
United States	42,335,791	50.28
Industry		
Breweries & Leisure & Hotels	1,493,856	1.77
Chemicals & Pharmaceuticals	9,496,233	11.27
Commercial Services	4,710,175	5.60
Computers & Software	13,932,118	16.56
Distribution	1,048,278	1.24
Electronics & Electrical Equipment	22,955,086	27.27
Extractive Industries	827,025	0.98
Financial	4,148,652	4.92
Food & Textiles & Apparel	1,189,224	1.41
Health Care	8,384,199	9.95
Manufacturing	7,653,299	9.09
Office Furniture & Equipment	1,579,206	1.88
Others	3,015,054	3.58
Retail	729,120	0.87
Transport & Telecommunications	1,329,321	1.58
Asset Class		
Equities	82,490,848	97.97
Other net current assets/(liabilities)	1,717,721	2.03

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRUDENTIAL UNIT TRUSTS – PAN EUROPEAN FUND ("PRU PAN EUROPEAN FUND")

Included under the CPF Investment Scheme – Ordinary Account

Structure

PRU Pan European Fund (the "Fund") is organised as a feeder fund which feeds into the Luxembourg-domiciled International Opportunities Funds – Pan European ("PE Underlying Fund"). The investment manager and sub-manager of the PE Underlying Fund is the Manager and the UK domiciled M&G Investment Management Limited respectively.

Investment Objective

The investment objective of the Fund is to maximise long-term total return by investing in equity and equity-related securities of companies, which are incorporated, or have their area of primary activity, in Europe (including United Kingdom). The Fund may also invest in depository receipts, including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), debt securities convertible into common shares, preference shares and warrants.

Manager's / Sub-Manager's Commentary

Fund performance

The Fund rose 3.98% over the review period, underperforming the benchmark's gain of 7.78%¹.

Market background

Although European equities started 2007 on a strong footing, their performance deteriorated from April onwards due to concerns about US sub-prime mortgages and problems in the global credit markets. In an increasingly uncertain environment, many investors sold their holdings in smaller companies and the fund's relatively high weighting in smaller companies therefore proved detrimental. At the same time, limited exposure to mega cap stocks, which benefited from investors' flight to safety, also acted as a drag on performance.

At a country level, German equities were the best performers overall and the Fund's overweight exposure to this stock market was therefore beneficial. Industrials posted some of the best gains in 2007 and the Fund was well rewarded for its relatively high weighting in this area of the market.

¹ *The comparison is based on bid-to-bid basis*

PRUDENTIAL UNIT TRUSTS – PAN EUROPEAN FUND (“PRU PAN EUROPEAN FUND”)

Included under the CPF Investment Scheme – Ordinary Account

Factors affecting performance²

German fibres manufacturer SGL Carbon added significant value to performance. Surging demand for lightweight materials, used for example in airplanes, helped the business achieve good earnings growth. Car parts maker Elringklinger also contributed positively to the Fund’s return. Profits at the German firm rose thanks to greater production capacity, lower costs and increased sales in North America and Asia.

Meanwhile, Irish cement manufacturer CRH was weak because of concerns over the possible impact of slower economic growth on infrastructure spending. Norwegian shipbuilder Aker Yards also dampened the Fund’s return after issuing a profit warning. We exited this position in line with his policy of selling firms whose management is unable to predict the evolution of the business.

Key changes to the portfolio²

We closed the Fund’s holding in Swedish industrial supplies firm Atlas Copco following two years of good performance. We fear that the company is relying too much on the economic cycle in order to continue to grow earnings.

A holding was initiated in Austrian insurance group Wiener Städtische Versicherung. The business has profitable life insurance and pension activities in its home market as well as an expanding presence in Eastern Europe.

Outlook

Faced with short-term uncertainty and volatility and consistent with our long-term investment horizon, we continue to search for companies that can take steps to grow earnings over the long term, rather than rely exclusively on favourable economic conditions. We remain confident this is the right approach to deliver successful long-term investment performance for the investors.

² *Please note that the securities mentioned herein are included for illustration purposes only. It should not be construed as a recommendation to purchase or sell any particular securities. There is no guarantee that any securities discussed herein will remain in the portfolio of the Fund at the time you received this material or that securities sold have not been repurchased.*

PRU PAN EUROPEAN FUND

Sub-Fund/Benchmark	3 months (%)	6 months (%)	1 year (%)	3 years (%)	5 years (%)	Since inception ⁺ (%)
			(average annual compounded return)			
PRU Pan European Fund	-6.3	-7.4	4.0	13.3	17.5	5.8
FTSE World Europe (including UK) Index	-3.2	-4.5	7.8	14.6	19.1	8.1

Source: Prudential Asset Management (Singapore) Limited and Bloomberg. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested.

There has been no dividend distribution since the launch of the Fund on 16 April 2001.

* The first date of valuation of the Fund was 4 May 2001.

Past performance is not necessarily indicative of the future performance of the Fund.

Schedule of Investments

(As at 31 December 2007)

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	<u>Luxembourg</u>		
	International Opportunities		
5,270,600	Funds: - Pan European Class C	82,585,031	99.94
Total Investments		82,585,031	99.94
Other Net Assets/(Liabilities)		53,344	0.06
Total Net Assets			
Attributable to unitholders		82,638,375	100.00

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRU PAN EUROPEAN FUND

(As at 31 December 2007)

Exposure to Derivatives

Not applicable.

Investment in other unit trusts, mutual funds and collective investment schemes

The Fund invests SGD82,585,031 equivalent to 99.94% of its net asset attributable to unitholders, in International Opportunities Funds - Pan European.

Borrowings

Not applicable

Related Party Transactions

The Fund invests SGD82,585,031 equivalent to 99.94% of its net asset attributable to unitholders, in International Opportunities Funds - Pan European. Some directors of the International Opportunities Funds, an open-ended investment company registered in Luxembourg, are also directors of Prudential Asset Management (Singapore) Limited.

Total Subscriptions and Redemptions for the year ended 31 December 2007

	SGD
Subscriptions	77,442,803
Redemptions	39,555,780

Annualised Expense Ratio**

1.77% (2006: 1.86%)

*** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.*

Turnover Ratio

18.03% (2006: 11.39%)

PRU PAN EUROPEAN FUND

(As at 31 December 2007)

Soft Dollar Commission

Not Applicable

Any other material information that will adversely impact the valuation of the fund

Nil.

PRUDENTIAL INTERNATIONAL FUNDS – PAN EUROPEAN

Top 10 Holdings

(As at 31 December 2007)

	Market Value USD	% of Net Assets***
FIs Industries A/S-B Shares	6,794,507	4.13
Elringklinger AG	5,503,934	3.35
Tullow Oil PLC	5,372,076	3.27
Essilor International	5,203,123	3.16
Daimler AG	5,055,947	3.07
April Group	5,049,668	3.07
Wiener Staedische Ver	4,751,671	2.89
Ipsen Promesses	4,610,424	2.80
Vivendi Sa	4,506,783	2.74
Cap Gemini Sa	4,373,545	2.66

Top 10 Holdings

(As at 31 December 2006)

	Market Value USD	% of Net Assets***
Ryanair Holdings Plc	2,833,656	4.50
Kloeckner & Co	1,960,172	3.10
Credit Suisse Group	1,945,959	3.10
Essilor International	1,871,906	3.00
FIs Industries A/S-B	1,676,239	2.70
Vallourec	1,669,721	2.70
Dcc Plc	1,645,544	2.60
Ing Groep Nv-Cva	1,608,143	2.60
Opap Sa	1,562,703	2.50
Elringklinger Ag	1,537,138	2.40

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

Annualised Expense Ratio**

1.11% (2006: 1.16%)

** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

Turnover Ratio

88.24% (2006: 83.45%)

INTERNATIONAL OPPORTUNITIES FUNDS – PAN EUROPEAN

Schedule of Investments

(As at 31 December 2007)

Country	Market Value USD	% of Net Assets***
Austria	9,924,269	6.03
Belgium	6,919,863	4.21
Denmark	6,794,507	4.13
Finland	3,822,903	2.32
France	39,085,545	23.76
Germany	35,007,984	21.29
Gibraltar	2,838,047	1.73
Greece	4,336,716	2.64
Ireland	18,139,664	11.04
Netherlands	5,710,600	3.47
Sweden	3,065,296	1.86
Switzerland	8,614,390	5.23
Turkey	3,552,998	2.16
United Kingdom	3,099,688	1.89

INTERNATIONAL OPPORTUNITIES FUNDS – PAN EUROPEAN

Schedule of Investments

(As at 31 December 2007)

	Market Value USD	% of Net Assets***
Industry		
Aerospace & Air Transport	2,927,221	1.78
Auto - Auto Parts	13,485,169	8.20
Breweries & Leisure & Hotels	6,839,062	4.16
Building & Construction	20,981,324	12.75
Chemicals & Pharmaceuticals	6,740,973	4.10
Commercial Services	2,805,440	1.71
Computers & Software	7,211,592	4.39
Distribution	716,244	0.44
Diversified Operations	7,991,318	4.86
Energy	2,499,970	1.52
Extractive Industries	5,372,076	3.27
Financial	11,240,498	6.83
Food & Textiles & Apparel	2,813,975	1.71
Health Care	13,292,033	8.08
Insurance	9,801,340	5.96
Manufacturing	11,769,414	7.16
Others	2,488,978	1.51
Retail	15,020,461	9.13
Transport & Telecommunications	6,915,383	4.20
	Market Value USD	% of Net Assets***
Asset Class		
Equities	150,912,471	91.76
Other net current assets/(liabilities)	13,527,195	8.24

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRUDENTIAL UNIT TRUSTS – PROTECTED GLOBAL TITANS FUND (S\$) (“PRU PROTECTED GLOBAL TITANS FUND (S\$)”)

Included under the CPF Investment Scheme – Ordinary Account and Special Account

Structure

The PRU Protected Global Titans Fund (S\$) (the “Fund”) is a capital protected fund organised as a direct investment portfolio.

Investment Objective

The investment objective of the Fund is to achieve long term capital growth by gaining exposure to top global multinational companies through the Dow Jones Global Titans 50 IndexSM while at the same time providing protection against the net asset value (“NAV”) of the Fund falling below the floor level of 95% of its NAV as at the start of each floor period, such period to be more than 12 months but less than 13 months. The Fund is denominated in Singapore Dollars.

Manager’s Commentary

Fund performance

The Fund rose 3.31% over the review period, outperforming its CPF Ordinary Account interest rate benchmark, which yielded 2.50%¹.

Market background

After a good 2006 and a promising January 2007, the Global Titans index faltered in the lead-up to February’s sell-off as investor attention swung towards the higher risk, growth markets. Until then, and for much of the preceding year, the index had performed in line with the world market as larger companies came into favour on hopes of US interest rate cuts.

The Global Titans index survived February’s selling well, falling in line with the world index and subsequently recovering to register positive gains later in the year. Volatility became a key theme in the equity market for second half of 2007 as investors were unsettled by a series of negative economic news emanating from the US housing and credit sectors. Although the year ended positive relative to the start of the year, investor sentiment was clearly shaken by the slowing US economic fundamentals.

SGD interest rates fell as the markets moved in tandem with the US rate cuts. Short dated SGD bonds generally had a good year in 2008 despite credit spreads widening.

1 The comparison is based on bid-to-bid basis

PRUDENTIAL UNIT TRUSTS – PROTECTED GLOBAL TITANS FUND (S\$) (“PRU PROTECTED GLOBAL TITANS FUND (S\$)”)

Included under the CPF Investment Scheme – Ordinary Account and Special Account

Factors affecting performance

2007 was expected to be a good year until economic events began to unravel itself in the latter half of the year. US equities performance whilst positive was volatile. Market performance in the second half of the year was capped by concerns over developments in the credit and US housing market. The investments in short dated SGD bonds also contributed to the out-performance.

Outlook

Looking forward, investors are expected to adopt a cautious approach towards equity investments. With the slowing US economic fundamentals and more uncertain outlook, the Fund would be selective of its investment in the Dow Jones Global Titans 50 IndexSM.

PRU PROTECTED GLOBAL TITANS FUND (S\$)

Fund Performance

As at 31 December 2007

Sub-Fund/Benchmark	3 months (%)	6 months (%)	1 year	3 years	5 years	Since
			(%)	(%)	(%)	inception*
(average annual compounded return)						
PRU Protected Global Titans Fund (S\$)	0.4	1.4	3.3	3.4	3.4	1.9
CPF Ordinary Account Interest Rate	0.6	1.3	2.5	2.5	2.5	2.5

Source: Prudential Asset Management (Singapore) Limited and CPF Board. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested.

There has been no dividend distribution since the launch of the Fund on 19 September 2001.

* The first date of valuation of the Fund was 31 October 2001.

Past performance is not necessarily indicative of the future performance of the Fund.

Schedule of Investments

As at 31 December 2007

Time Deposit	Market Value SGD	% of Net Assets***
Credit Suisse First Boston, Singapore Branch	1,234,817	7.71
The Hong Kong & Shanghai Banking Corp, Singapore Branch	680,428	4.25
Landesbank Baden - Wurttemberg, Singapore Branch	1,462,238	9.14
JP Morgan Chase Bank, N.A, Singapore Branch	800,878	5.00
Standard Chartered Bank, Singapore Branch	990,000	6.18

PRU PROTECTED GLOBAL TITANS FUND (S\$)

Quoted Bonds

	Market Value SGD	% of Net Assets***
Macquarie Bank 3.43% 18/11/2008	516,591	3.23
Westpac Banking Corporation Series EMTN 3.1% 12/11/2008	1,010,927	6.31
Toyota Kreditbank 2.8% 29/12/2008	749,192	4.68
Hotel Properties Ltd Series MTN 3.085% 06/08/2008	506,017	3.16
Jurong Shipyard Pte Limited Series MTN 2.91% 01/09/2008	503,281	3.14
Singapore Treasury Bill Series 91 06/03/2008	1,993,120	12.45
Hana Bank EMTN 2.9% 15/10/2008	502,799	3.14
Kookmin Bank EMTN Var 28/04/2008	752,691	4.70
Korea Development Bank EMTN 3.03% 18/09/2008	505,158	3.16
Shinhan Bank 3.615% 26/02/2008	1,014,187	6.33
Woori Bank 3.52% 23/01/2008	755,457	4.72
Swedbank AB 2.75% 20/06/2008	750,050	4.69
General Elec Cap 2.725% 10/11/2008	751,262	4.70
General Elec Cap 1.725% 27/06/2008	248,600	1.55
Total Investment	15,727,693	98.24
Other Net Current Assets	281,394	1.76
Total Net Assets Attributable to Unitholders	16,009,087	100

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRU PROTECTED GLOBAL TITANS FUND (S\$)

Exposure to Derivatives

Not applicable.

Investment in other unit trusts, mutual funds and collective investment schemes

Not applicable.

Borrowings

Not applicable.

Related Party Transactions

Not applicable.

Total Subscriptions and Redemptions for the year ended 31 December 2007

	SGD
Subscriptions	3,794,101
Redemptions	6,367,222

Annualised Expense Ratio**

0.78% (2006: 0.74%)

*** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.*

Turnover Ratio

98.35% (2006: 24.87%)

Soft Dollar Commission

Not applicable.

Any other material information that will adversely impact the valuation of the fund

Nil.

PRU PROTECTED GLOBAL TITANS FUND (S\$)

Top 10 holdings

(As at 31 December 2007)

	Market Value SGD	% of Net Assets***
Singapore Treasury Bill Series 91 06/03/2008	1,993,120	12.45
Shinhan Bank 3.615% 26/02/2008	1,014,187	6.33
Westpac Banking Corporation Series EMTN 3.1% 12/11/2008	1,010,927	6.31
Woori Bank 3.52% 23/01/2008	755,457	4.72
Kookmin Bank EMTN Var 28/04/2008	752,691	4.70
General Elec Cap 2.725% 10/11/2008	751,262	4.70
Swedbank AB 2.75% 20/06/2008	750,050	4.69
Toyota Kreditbank 2.8% 29/12/2008	749,192	4.68
Macquarie Bank 3.43% 18/11/2008	516,591	3.23
Hotel Properties Ltd 4.35% 04/07/2007	506,017	3.16

Top 10 holdings

(As at 30 December 2006)

	Market Value SGD	% of Net Assets***
Singapore T-Bill 0% Due 04/01/2007	1,689,985	9.36
Sunshine Assets Ltd 3.75% 23/4/2007	1,510,484	8.36
Mapletree Treasury Svcs 2.61% due 10/08/2007	1,505,963	8.34
Glitnir Bank HF 3.7% due 31/08/2007	1,012,867	5.61
Pacific Life Funding LLC 3.61% due 01/02/2007	1,007,567	5.58
Solitaire Capital Ltd 5% 31/05/2007	657,061	3.64
Singapore T-Bills 0% due 02/05/2007	643,240	3.56
Emirates Bank 3.7% due 07/09/2007	506,279	2.80
Eksportfinans 2.02% due 05/02/2007	503,245	2.79
Dow Jones Global Titans 50 Index SM	399,838	2.21

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRU PROTECTED GLOBAL TITANS FUND (S\$)

Schedule of Investments

(As at 31 December 2007)

	Market Value SGD	% of Net Assets***
Country		
Australia	1,527,518	9.54
Germany	749,192	4.68
Singapore	8,170,779	51.03
South Korea	3,530,292	22.05
Sweden	750,050	4.69
United States of America	999,862	6.25
Industry		
Banks and Financial Institutions	5,807,860	36.28
Government	1,993,120	12.45
Holdings and Financial Institutions	999,862	6.25
Leisure	506,017	3.16
Miscellaneous	749,192	4.68
Shipping	503,281	3.14
Time Deposits - Banks	5,168,361	32.28
Asset Class		
Bonds	10,559,332	65.96
Time Deposits	5,168,361	32.28
Other net current assets/(liabilities)	281,394	1.76

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRUDENTIAL UNIT TRUSTS – ASIAN BALANCED FUND ("PRU ASIAN BALANCED FUND")

Included under the CPF Investment Scheme – Ordinary Account and Special Account

Structure

The PRU Asian Balanced Fund (the "Fund") is organised as a feeder fund which feeds into the Luxembourg - domiciled International Opportunities Funds – Asian Equity ("IOF – Asian Equity") for its equity participation and International Opportunities Funds - US High Investment Grade Bond ("IOF - US HIG Bond") and International Opportunities Funds – US Investment Grade Bond ("IOF - US IG Bond") for its bond participation. The investment manager of IOF - Asian Equity, IOF - US HIG Bond and IOF - US IG Bond is the Manager. The investment sub-manager of the PRU Asian Balanced Fund and the underlying IOF – Asian Equity is Prudential Asset Management (Hong Kong) Limited. The investment sub-manager of the IOF - US HIG Bond and IOF - US IG Bond is PPM America, Inc.

Investment Objective

The investment objective of the PRU Asian Balanced Fund is to maximise total return in the medium to long term by investing in a portfolio comprising of equities of companies in the Asian ex-Japan region, and quality corporate bonds and other fixed income securities issued in the United States market.

Manager's / Sub-Manager's Commentary

Fund performance

The Fund rose 12.14% over the review period, which was marginally underperformed its composite benchmark's gain of 13.26%¹.

Market background

Despite negative headline news of high oil prices, problems in the US sub-prime mortgage market and recent weak US economic data, Asian equity markets have posted impressive gains in 2007. The MSCI Far East Free ex Japan Index was up 36.92%¹ in USD terms (28.46% in Singapore dollar terms), outperforming the MSCI World Index by almost 25%² and marking the fifth year of an extended bull run. 2007 saw record levels on many Asian equity market indices, with high growth Emerging Asia markets leading the gains by a wide margin. India and China topped the performance chart, rising 73.1%² and 66.2%² (in US dollar terms) respectively for the year. South East Asian markets of Indonesia, Thailand, Malaysia and the Philippines also posted strong gains of between 55%² and 42%² as improving macro fundamentals drove the markets higher. On the contrary, Taiwan was the worst performer, posting a single digit gain of 9.1%² (in US dollar terms) for the year. Tighter monetary conditions, political instability and concerns that its Technology sector is vulnerable to a slowdown in the US economy were among the factors weighing on stock market performance.

¹ The comparison is based on bid-to-bid basis

² Bloomberg

PRUDENTIAL UNIT TRUSTS – ASIAN BALANCED FUND (“PRU ASIAN BALANCED FUND”)

Included under the CPF Investment Scheme – Ordinary Account and Special Account

On the contrary, 2007 was the worst year for US investment grade credit performance on record. The markets suffered greatly as the credit crunch rapidly drained liquidity and curtailed market participation to the point of seizing up the fixed income market at certain points during the last half of the year. The US economy’s slowing growth prospects have raised general concerns about the broad economy in 2008. Corporate spreads closed the year near recessionary levels, while economic data remained somewhat below trend. This spread widening depressed returns but created some interesting opportunities, particularly in financial sectors. For the year, the US high investment bond and US investment grade bond (using Merrill Lynch US Corporates, A2 Rated and above Index and Merrill Lynch US Corporates, BBB3 - A3 Rated Index as proxies) fell 0.17% and 0.47% respectively in Singapore dollar terms (due mainly to a 6.59% appreciation of the Singapore dollar against the US dollar).

Factors Affecting Performance

For the year, the Fund’s broad strategy of underweighting US bonds into Asian equities added value as the latter outperformed the former by a wide margin. In addition, the US dollar has depreciated by over 6%³ against the Singapore dollar over the year and being underweight US dollar assets (as a result of the underweight position in US bonds) has helped to relatively boost returns. The positive asset allocation was, however, more than offset by the under performance of the Asian equity and US bond sub-funds.

Key changes to the portfolio

The Fund has generally maintained an overweight stance in Asian equities out of US bonds throughout the year, although we did take opportunity of the market volatility to vary the degree of overweight.

Outlook

Prudential remains upbeat about Asia’s medium term outlook and expects domestic investment and consumption to drive economic growth and help offset any drop off in exports. Asian equity market valuations, however, are no longer cheap and high earnings expectations are being priced in currently. As such, we look to tactically underweight this asset class into US bonds in the short term. While we believe that a recession in the US is not our most probable scenario, the risk has increased with recent developments. In such a scenario, equity market risk stays high and we are likely to see more earnings downgrades. In contrast, US investment grade spreads have moved to their widest levels in this cycle, providing some value based opportunities. In addition, with US investment grade bonds offering average yield of around 6%⁴, we believe the probability of out performance has tilted in favour of US bonds in the months ahead and therefore our decision to modestly overweight this asset classes relative to Asian equities.

³ *WM Reuters*

⁴ *Bloomberg*

PRUDENTIAL UNIT TRUSTS – ASIAN BALANCED FUND (“PRU ASIAN BALANCED FUND”)

Included under the CPF Investment Scheme – Ordinary Account and Special Account

For the US bond sub-funds, we continue to prefer secured structured product over unsecured corporate credit. In 2008 we anticipate remaining underweight in corporate credit, while looking to gradually add risk at attractive spread levels. We see long-term opportunity in default remote sectors such as banks and CMBS, and we plan on using these two investment vehicles as primary sources of investment, acknowledging that volatility will most likely continue in the near-term. Certain financial names, with today’s outsized spread levels, look particularly appealing. We believe that they have long-term potential as capital infusions and efforts to repair balance sheets continue.

The Asian equity sub-fund is overweight Thailand as we believe the return to democracy will spur economic growth and boost valuations, which have languished under military rule. The Fund maintains off-benchmark positions in Australia and India. The India economy seems to have absorbed rising interest rates and we believe that it is poised to grow steadily. China is our top underweight market. Although we remain optimistic about China’s long term growth prospects, we believe the ongoing government action to prevent an economic overheating will create problems for China stocks in cyclical industries such as aluminum, copper, steel and construction.

PRU ASIAN BALANCED FUND

Fund Performance

As at 31 December 2007

Sub-Fund/Benchmark	3 months (%)	6 months (%)	1 year (%)	3 years (%)	Since inception ⁺ (%)
			(average annual compounded return)		
PRU Asian Balanced Fund	-1.5	4.0	12.1	11.1	13.2
<u>Composite Benchmark</u> 50% MSCI Far East Fr ex Japan Index 30% Merrill Lynch US Corporates A-AAA rated (adjusted for A- credits) 20% Merrill Lynch US Corporates BBB - A rated	-2.6	4.2	13.1	11.9	13.2

Source: Prudential Asset Management (Singapore) Limited and Bloomberg. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested.

There has been no dividend distribution since the launch of the Fund on 13 January 2003.

* The first date of valuation of the Fund was 24 February 2003.

Past performance is not necessarily indicative of the future performance of the Fund.

PRU ASIAN BALANCED FUND

Schedule of Investments

As at 31 December 2007

Number of Shares	Investment Funds	Market Value SGD	% Net Assets***
	<u>Luxembourg</u>		
	International Opportunities Funds:		
6,872,071	- Asian Equity Class C	387,301,566	51.2
	International Opportunities Funds:		
5,671,025	- US Investment Grade Bond Class B	112,749,527	14.9
	International Opportunities Funds:		
13,601,561	- US High Investment Grade Bond Class B	249,296,425	32.96
	Total Investments	749,347,518	99.06
	Other Net Assets/ (Liabilities)	7,108,433	0.94
	Total Net Assets attributable to unitholders	756,455,951	100.00

**** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRU ASIAN BALANCED FUND

(As at 31 December 2007)

Exposure to Derivatives

Not applicable.

Investment in other unit trusts, mutual funds and collective investment schemes

The Fund invests SGD387,301,566, SGD112,749,527, and SGD249,296,425 equivalent to 51.20%, 14.90% and 32.96% of its net asset value attributable to unitholders, in International Opportunities Funds - Asian Equity, International Opportunities Funds - US Investment Grade Bond and International Opportunities Funds - US High Investment Grade Bond respectively.

Borrowings

Not applicable.

Related Party Transactions

The Fund invests SGD387,301,566, SGD112,749,527, and SGD249,296,425 equivalent to 51.20%, 14.90% and 32.96% of its net asset value attributable to unitholders, in International Opportunities Funds - Asian Equity, International Opportunities Funds - US Investment Grade Bond and International Opportunities Funds - US High Investment Grade Bond respectively. Some directors of the International Opportunities Funds, an open-ended investment company registered in Luxembourg, are also directors of Prudential Asset Management (Singapore) Limited.

Total Subscriptions and Redemptions for the year ended 31 December 2007

	SGD
Subscriptions	259,423,894
Redemptions	128,432,202

Annualised Expense Ratio**

1.45% (2006: 1.46%)

*** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.*

Turnover Ratio

14.98% (2006: 11.34%)

PRU ASIAN BALANCED FUND

(As at 31 December 2007)

Soft Dollar Commission

The soft dollar arrangements may include specific advice as to the advisability of dealing in, or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, the conduct of research or analysis, or analysis of trade execution, and custodial service in relation to the investments managed for clients.

Soft dollar arrangements have been undertaken by the Investment Manager in respect of the Fund. The soft dollar arrangements relate essentially to the use of analytical tool provided by broker for the purpose of assessing and monitoring the efficiency of trade execution. PAMS confirms that trades were executed at the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned, and there was no churning of trades. The said broker has also executed trades for other schemes managed by the Investment Manager.

Any other material information that will adversely impact the valuation of the fund

Nil.

INTERNATIONAL OPPORTUNITIES FUNDS – ASIAN EQUITY

Top 10 Holdings

(As at 31 December 2007)

	Market Value USD	% of Net Assets ***
China Mobile Limited	36,561,625	4.31
Samsung Electronic Co Ltd	27,448,657	3.23
Hon Hai Precision Industry	22,508,473	2.65
Hana Financial Holdings	22,413,717	2.64
Sk Energy Co Limited	21,600,499	2.55
Bank of China Limited -H	21,239,982	2.50
Advanced Semiconductor	18,951,777	2.23
Cheung Kong Holdings Ltd	17,877,321	2.11
Korea Exchange Bank	17,420,602	2.05
Energi Mega Pewsada Tbk	17,195,913	2.03

Top 10 Holdings

(as at 31 December 2006)

	Market Value USD	% of Net Assets ***
Samsung Electronic Co Ltd	24,043,440	5.60
Taiwan Semiconductor Manufacturing	14,271,889	3.30
Kookmin Bank	14,126,703	3.30
Hon Hai Precision Industry	12,280,996	2.90
Hana Financial Holdings	11,718,490	2.70
Cheung Kong Holdings Ltd	10,947,138	2.60
ICIC Bank Ltd - Spon Adr	9,929,734	2.30
Swire Pacific Ltd 'A'	9,767,207	2.30
China Resources Power Holdings	9,025,766	2.10
CNOOC Ltd	8,832,978	2.10

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

Annualised Expense Ratio**

1.09% (2006: 1.10%)

** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

Turnover Ratio

69.99% (2006: 28.89%)

INTERNATIONAL OPPORTUNITIES FUNDS – ASIAN EQUITY

Schedule of Investments

(As at 31 December 2007)

Country	Market Value USD	% of Net Assets***
Australia	25,479,388	3.01
Bermuda	7,227,896	0.85
Cayman Islands	26,577,125	3.14
China	83,937,613	9.89
Hong Kong	184,066,056	21.69
India	42,266,369	4.98
Indonesia	27,361,993	3.23
Malaysia	14,657,741	1.73
Philippines	9,581,172	1.13
Singapore	22,193,178	2.61
South Korea	179,804,113	21.18
Taiwan	153,214,273	18.05
Thailand	35,836,380	4.23
United Kingdom	10,997,570	1.30

INTERNATIONAL OPPORTUNITIES FUNDS – ASIAN EQUITY

Schedule of Investments

(As at 31 December 2007)

	Market Value USD	% of Net Assets ***
Industry		
Breweries & Leisure & Hotels	9,125,749	1.08
Building & Construction	33,496,592	3.94
Computers & Software	11,842,518	1.39
Diversified Operations	10,997,570	1.30
Electronics & Electrical Equipment	155,645,893	18.33
Energy	36,978,465	4.36
Extractive Industries	69,544,972	8.20
Financial	152,110,964	17.92
Food & Textiles & Apparel	14,986,069	1.77
Insurance	22,681,916	2.67
Manufacturing	33,270,536	3.93
Others	46,565,468	5.49
Property	72,089,055	8.50
Public Utilities	12,404,686	1.46
Real Estate	13,796,585	1.63
Retail	15,888,933	1.87
Rights	342,267	0.04
Tobacco	14,640,179	1.73
Transport & Telecommunications	96,792,273	11.41
Asset Class		
Equities	823,200,868	97.02
Other net current assets/(liabilities)	25,393,060	2.98

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

INTERNATIONAL OPPORTUNITIES FUNDS – US INVESTMENT GRADE BOND

Top 10 Holdings

(As at 31 December 2007)

	Market Value USD	% of Net Assets ***
Vodafone 7.75% 15/2/2010	3,846,764	3.60
JP Morgan 5.179342% 15/12/2044	1,482,081	1.39
Xerox Corporation 5.5 15/5/2012	1,410,233	1.32
JP Morgan Chase Mbs Frn 12/12/2044	1,405,738	1.32
Union Pac 5.45% 31/01/2013	1,318,358	1.23
Diageo 5.25 30/01/2013	1,282,851	1.20
Bear Stear 5.405 11/12/2040	1,265,379	1.18
CVS Lease 6.036 12/10/2028	1,213,605	1.14
Prudential 6% 01/12/2017	1,189,729	1.11
Gsms 07-Gg10 5.9933 8/10/2045	1,127,798	1.06

Top 10 Holdings

(as at 31 December 2006)

	Market Value USD	% of Net Assets ***
Dr Horton 6% 15/04/2011	3,414,442	1.80
Commercial Mortgage Acceptance 6.57% Mbs 15/12/2030	3,009,064	1.60
American Express Credit Frn 12/02/2010	2,506,410	1.30
General Elec Cap Corp Frn 26/10/2009	2,500,423	1.30
Bank of America Mortgage Securities Frn 25/05/2035	2,267,588	1.20
JP Morgan Chase Mbs Frn 12/12/2044	2,221,481	1.20
Cit Group Inc 5.8% 28/07/2011	2,188,190	1.10
Countrywide Home Loan 4.25% 19/12/2007	2,176,891	1.10
Goldman Sachs Gp Gsfloat Frn 23/12/2009	2,142,473	1.10
Morgan Stanley Capital I Mbs 15/04/2038	2,070,884	1.10

**INTERNATIONAL OPPORTUNITIES FUNDS –
US INVESTMENT GRADE BOND**

	Market Value USD	% of Net Assets ***
Credit Ratings (by S&P/Moody's)		
AAA	12,708,675	11.91
AA+	873,782	0.82
AA	2,696,293	2.52
A+	11,343,382	10.63
A	6,254,156	5.88
A-	6,804,372	6.36
Aa3	751,395	0.70
Baa1	751,410	0.70
Baa2	295,396	0.28
BBB+	22,189,696	20.75
BBB	18,745,901	17.56
BBB-	13,273,613	12.42
Not rated	6,538,818	6.11

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

Annualised Expense Ratio**

0.57% (2006: 0.57%)

** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

Turnover Ratio

179.19% (2006: 114.61%)

INTERNATIONAL OPPORTUNITIES FUNDS – US INVESTMENT GRADE BOND

Schedule of Investments

(As at 31 December 2007)

Country	Market Value USD	% of Net Assets ***
Australia	478,821	0.45
Canada	4,489,184	4.19
Cayman Islands	610,622	0.58
Chile	223,549	0.21
France	655,552	0.61
Luxembourg	695,429	0.65
Qatar	745,643	0.70
Spain	2,168,547	2.03
United Kingdom	7,583,928	7.09
United States	85,575,615	80.13

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

INTERNATIONAL OPPORTUNITIES FUNDS – US INVESTMENT GRADE BOND

	Market Value USD	% of Net Assets ***
Industry		
Aerospace & Air Transport	556,345	0.52
Agricultural Operations	286,068	0.27
Banking	4,388,511	4.10
Building & Forest Products	368,461	0.34
Cable TV	1,128,791	1.06
Computers & Office Equipment	1,772,706	1.66
Construction	214,295	0.20
Containers	281,335	0.26
Corporate Bonds	22,203,254	20.80
Electronics & Electrical	5,187,487	4.85
Energy	2,529,497	2.37
Environmental Control	289,554	0.27
Finance - Financial Services	6,645,949	6.21
Floating Rate Notes	725,038	0.68
Food, Beverages, Tobacco	451,709	0.42
Healthcare	3,602,332	3.36
Insurance	6,644,330	6.21
Leisure Time	381,644	0.36
Manufacturing	489,663	0.46
Media	2,862,773	2.69
Metals	1,181,889	1.11
Mortgage Back Securities	15,040,128	14.10
Oil & Gas	8,306,233	7.77
Others	744,803	0.70
Pharmaceuticals	229,977	0.22
Pipelines	1,246,233	1.17
Real Estate	543,805	0.51
Retail	1,368,455	1.28
Telecommunications	11,614,216	10.87
Transport	1,420,029	1.33
Utilities - Electric	521,381	0.49
Asset Class		
Bonds	103,226,889	96.64
Other net current assets/(liabilities)	3,575,931	3.36

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

INTERNATIONAL OPPORTUNITIES FUNDS – US HIGH INVESTMENT GRADE BOND

Top 10 Holdings

(As at 31 December 2007)

	Market Value USD	% of Net Assets***
SBC Comm 4.125% 09/2009	5,746,031	2.76
Gen Elec 5.5% 28/4/2011	5,646,493	2.71
JP Morgan Chase 6.625% 15/3/2012	4,873,450	2.34
Wells Fargo 7.55% 21/6/2010	4,260,600	2.04
Carmax MBS 5.23% 15/12/2011	3,028,619	1.45
Wacovia 5.7% 8/1/2013	2,877,816	1.38
Bac Capital 5.63% 31/12/2049	2,690,760	1.29
Deutsche 5.375% 12/10/2012	2,566,229	1.23
Morgan St MBS 5.7% 12/7/2044	2,548,959	1.22
Mellon 5.2% 15/05/2014	2,547,203	1.22

Top 10 Holdings

(As at 31 December 2006)

	Market Value USD	% of Net Assets***
HSBC Finance 6.4% 17/06/2008	9,774,284	2.40
CIT Group Inc 5.8 28/07/2011	8,956,314	2.20
JP Morgan Chase & Co 6.625% 15/03/2012	8,076,480	2.00
RBS Capital 4.709 01/07/2013	6,659,884	1.60
JP Morgan Chase Mbs Frn 12/12/2044	6,462,492	1.60
Bank of America Corp 7.4% 15/01/2011	6,278,540	1.50
Walot 2006- 1 A2 5.28% 20/04/2010	5,748,106	1.40
General Electric Capital Corp 5.5% 28/04/2011	5,569,124	1.30
US Bancorp 5.3% 28/04/2009	5,514,636	1.30
American Express Credit Frn 02/12/2010	5,514,102	1.30

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

INTERNATIONAL OPPORTUNITIES FUNDS – US HIGH INVESTMENT GRADE BOND

	Market Value USD	% of Net Assets ***
Credit Ratings (by S&P/Moody's)		
AAA	34,142,718	16.38
AA+	1,521,409	0.73
AA	15,980,302	7.67
AA-	17,670,968	8.47
A+	55,229,823	26.46
A	46,698,501	22.43
Aa1	1,613,684	0.77
Aa3	1,177,862	0.56
A3	2,947,115	1.41
Not rated	15,230,637	7.32

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

Annualised Expense Ratio**

0.56% (2006: 0.55 %)

** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

Turnover Ratio

137.92% (2006 : 66.5%)

INTERNATIONAL OPPORTUNITIES FUNDS – US HIGH INVESTMENT GRADE BOND

Schedule of Investments

(As at 31 December 2007)

Country	Market Value USD	% of Net Assets ***
Australia	890,606	0.43
Chile	762,098	0.37
Germany	3,598,632	1.73
Netherlands	914,622	0.44
Qatar	1,688,949	0.81
Switzerland	830,117	0.40
United Kingdom	4,563,798	2.20
United States	178,964,197	85.82

INTERNATIONAL OPPORTUNITIES FUNDS – US HIGH INVESTMENT GRADE BOND

Schedule of Investments *(continued)*

(As at 31 December 2007)

	Market Value USD	% of Net Assets ***
Industry		
Agricultural Operations	493,221	0.24
Auto - Auto Parts	3,028,619	1.45
Banking	34,882,023	16.71
Commercial Services	2,366,283	1.13
Corporate Bonds	50,725,081	24.33
Electronics & Electrical	2,556,079	1.23
Finance - Financial Services	35,222,213	16.91
Floating Rate Notes	852,409	0.41
Government Gilts	1,295,020	0.62
Healthcare	3,404,324	1.63
Insurance	9,078,235	4.36
Manufacturing	4,684,931	2.24
Metals	762,098	0.37
Mortgage Back Securities	25,839,436	12.40
Oil & Gas	1,688,949	0.81
Others	3,942,844	1.9
Retail	508,046	0.24
Special Purpose Entity	1,817,086	0.87
Telecommunications	6,693,576	3.21
Transport	2,372,549	1.14
	Market Value USD	% of Net Assets ***
Asset Class		
Bonds	192,213,019	92.20
Other net current assets/(liabilities)	16,292,427	7.80

*** Any differences in the percentage of the Net Asset figures are the result of roundings

PRUDENTIAL UNIT TRUSTS – DRAGON PEACOCK FUND ("PRU DRAGON PEACOCK FUND")

Included under the CPF Investment Scheme – Ordinary Account

Structure

The PRU Dragon Peacock Fund (the "Fund") is a fund organised as a direct investment portfolio. For efficient portfolio management purposes, a Mauritian entity, Dragon Peacock Investments Limited has been established to hold all the investments of the Fund in China and/or India (except such investments which the Manager determines should be held directly by the Fund). The Trustee remains responsible for the safe custody of the assets of the Sub-Fund held through the Mauritian entity. The investment sub-manager of the Fund is Prudential Asset Management (Hong Kong) Limited.

Investment Objective

The investment objective of the 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).

Manager's Commentary

Fund performance

The Fund rose 61.50% over the review period, outperforming its benchmark's 60.89% gain¹.

Market background

Momentum buying pushed Chinese equities to what we consider untenable heights. China's MSCI index rose 66.2%² outperforming the 40.5%² gain in the regional index and making it the year's best performing market. The Indian economy and the market have also shown strong momentum. Increasingly the market has been driven by re-rating rather than positively earnings surprises.

¹ *The comparison is based on bid-to-bid basis*

² *MSCI Barra*

PRUDENTIAL UNIT TRUSTS – DRAGON PEACOCK FUND ("PRU DRAGON PEACOCK FUND")

Included under the CPF Investment Scheme – Ordinary Account

Factors affecting performance³

At a stock level, the overweight in India's largest private sector utility, Tata Power, was the strongest positive contributor to relative performance over the year. We overweight this company for its stable return and steady stream of cash flows that will allow it to expand further. China's Ping An Insurance and India's GMR Infrastructure both surged over the year on the back of fundamental changes within their respective economies and the fund's overweight in these stocks made a strong positive contribution. Petrochina and ICBC underperformed the market in 2007 and the Fund's underweight here boosted performance against the benchmark. We still prefer other names within these sectors.

The Fund's overweight in Bank of China detracted from relative performance in 2007. The Chinese banking sector suffered a lacklustre year, however the fundamentals remain attractive despite some near-term concerns and this stock remains one of our favoured picks in the sector. Overweights in India's Mahindra Gesco and in Hong Kong's Xingda International also dragged on performance as both stocks struggled over 2007. The Fund sold out of Mahindra Gesco over the course of the year, but maintains a holding in Xingda.

Key changes to the portfolio³

The portfolio's allocation between India and China saw some tactical changes during the year, but ends the year in a broadly similar position to that in which it started. The position in India has moved from a slight underweight to a slight overweight and the exposure to Hong Kong has been reduced slightly, in favour of China. The top overweights have moved away from Chinese property developers Agile Property and Guangdong Investment to India's Tata Power and engineering firm Punj Lloyd.

Outlook

We maintain a positive medium-term stance on the Chinese markets despite the possible near-term headwind for cyclical sectors and for the stock market as the government takes actions to prevent the economy from overheating. We are also positive on both the Indian economy and market over the medium term. Domestic consumption, spending on infrastructure and increasing integration of India with the global trade chains continue to support economic growth. In the event of a slowdown in the US and Europe, both the Indian and Chinese economies will have a measure of relative insulation due to burgeoning domestic consumption, although a downturn in investor sentiment is a possible short-term risk.

³ *Please note that the securities mentioned herein are included for illustration purposes only. It should not be construed as a recommendation to purchase or sell any particular securities. There is no guarantee that any securities discussed herein will remain in the portfolio of the Fund at the time you received this material or that securities sold have not been repurchased.*

PRU DRAGON PEACOCK FUND

Fund Performance

As at 31 December 2007

Sub-Fund/Benchmark	3 months (%)	6 months (%)	1 year (%)	3 years (%)	Since inception ⁺ (%)
			(average annual compounded return)		
PRU Dragon Peacock Fund	7.1	30.6	61.5	39.9	39.5
<u>Composite Benchmark</u> 50% MSCI China Index 50% MSCI India Index	6.2	35.0	60.9	48.4	49.5

Source: Prudential Asset Management (Singapore) Limited and Bloomberg. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested.

There has been no dividend distribution since the launch of the Fund on 18 May 2004.

* The first date of valuation of the Fund was 21 June 2004.

Past performance is not necessarily indicative of the future performance of the Fund.

PRU DRAGON PEACOCK FUND

(As at 31 December 2007)

Exposure to Derivatives

Not applicable.

Investment in other unit trusts, mutual funds and collective investment schemes

Not applicable.

Borrowings

Not applicable.

Related Party Transactions

Not applicable.

Total Subscriptions and Redemptions for the year ended 31 December 2007

	SGD
Subscriptions	713,176,644
Redemptions	772,725,592

Annualised Expense Ratio**

1.68% (2006 :1.70%)

*** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.*

Turnover Ratio

72.84% (2006: 54.57%)

Soft Dollar Commission

The soft dollar arrangements may include specific advice as to the advisability of dealing in, or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, the conduct of research or analysis, or analysis of trade execution, and custodial service in relation to the investments managed for clients.

Soft dollar arrangements have been undertaken by the Investment Manager in respect of the Fund. The soft dollar arrangements relate essentially to the use of analytical tool provided by broker for the purpose of assessing and monitoring the efficiency of trade execution. PAMS confirms that trades were executed at the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned, and there was no churning of trades. The said broker has also executed trades for other schemes managed by the Investment Manager.

Any other material information that will adversely impact the valuation of the fund

Nil.

PRU DRAGON PEACOCK FUND

Top 10 holdings

(As at 31 December 2007)

	Market Value SGD	% of Net Assets ***
China Mobile Ltd	125,451,250	8.66
Reliance Industries Ltd	124,824,477	8.62
ICICI Bank Ltd	72,493,348	5.00
China Petroleum & Chemical Corporation	59,465,072	4.11
Reliance Capital Ltd	43,038,258	2.97
Tata Power Co Ltd	42,949,402	2.97
Bank Of China Ltd	41,006,529	2.83
China Shenhua Energy Co Ltd	40,290,285	2.78
Larsen & Toubro Ltd	39,487,434	2.73
CNOOC Ltd	39,325,681	2.71

Top 10 holdings

(As at 31 December 2006)

	Market Value SGD	% of Net Assets ***
Infosys Tech Ltd	80,385,090	8.15
Reliance Indus	62,205,083	6.31
China Mobile Ltd	53,696,226	5.44
ICIC Bank Ltd	52,551,988	5.33
CNOOC Ltd	48,011,912	4.87
Agile Property Holdings Ltd	37,968,705	3.85
China Life Insurance Co Ltd	26,601,963	2.70
Oil & Natural Gas Corporation Ltd	25,519,990	2.59
Satyam Computer Services	25,606,650	2.54
Ind & Com Boc	25,032,795	2.54

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRU DRAGON PEACOCK FUND

Schedule of Investments

(As at 31 December 2007)

	Market Value SGD	% of Net Assets ***
Country		
Cayman Islands	50,136,167	3.46
China	340,445,757	23.51
Hong Kong	277,175,075	19.14
India	748,053,213	51.66
Industry		
Banks and Financial Institutions	178,467,972	12.31
Chemical	124,824,477	8.62
Diversified Resource	99,445,920	6.87
Electronics and Electrical Equipment	112,005,896	7.74
Holding and Finance Companies	24,507,316	1.69
Internet Software	77,184,563	5.33
Manufacturing	56,570,886	3.91
Petrol	144,488,391	9.98
Real Estate Companies	15,214,299	1.05
Telecom Service	172,147,285	11.89
Others	410,953,207	28.38
Asset Class		
Equities	1,415,810,212	97.77
Other net current assets/(liabilities)	32,225,758	2.23

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRUDENTIAL UNIT TRUSTS – GLOBAL BASICS FUND ("PRU GLOBAL BASICS FUND")

Included under the CPF Investment Scheme – Ordinary Account

Structure

PRU Global Basics Fund (the "Fund") is organised as a feeder fund, which feeds into Sterling Class A shares of the M&G Investment Funds (1) – M&G Global Basics Fund, domiciled in the United Kingdom.

The investment manager of the M&G Global Basics Fund is the UK domiciled M&G Investment Management Limited.

The Manager is currently offering two Classes of Units in the PRU Global Basics Fund, namely, SGD Class and USD Class. There are no material differences between the two Classes save for the difference in the base currency of each Class. Units of the SGD Class for the PRU Global Basics Fund shall hereinafter be referred to as "PRU Global Basics SGD Class" and Units of the USD Class for the PRU Global Basics Fund shall hereinafter be referred to as "PRU Global Basics USD Class".

Investors should note that the PRU Global Basics USD Class may be subject to foreign exchange risk and currency conversion costs. In addition, a separate Net Asset Value per Unit (denominated in the relevant base currency), which may differ as a consequence of the aforesaid variable factors will be calculated for each Class.

Investment Objective

The investment objective of the Fund is to invest wholly or mainly in companies operating in basic industries ('primary' and 'secondary' industries) and also in companies that service these industries. The Fund may also invest in other global equities. The sole aim of the Fund is long-term capital growth.

Manager's / Sub-Manager's Commentary

Fund performance

The Fund rose 14.77% over the review period, outperforming its benchmark's gain of 13.75%¹.

Market background

The share prices of many commodity producers experienced severe volatility in 2007 due to concerns over the US sub-prime mortgage market and problems in the global credit markets. The Fund's relatively high weighting in this area of the market therefore acted as a drag on performance, particularly in February, August and to a certain extent in November. There were nevertheless some positive trends in the 'global basics' arena during the 12-month period, including ongoing merger and acquisition activity among commodity producers, buoyant oil and gas prices in the latter half of the year, rising coal prices, rapid expansion of developing economies such as India and China and growth of consumer demand in these countries, as well as strong requirements for fertiliser. The Fund was well placed to exploit these themes through its relatively high weighting in oil and gas companies, coal mining firms and manufacturers of agricultural products, such as fertiliser.

1 The comparison is based on bid-to-bid basis

PRUDENTIAL UNIT TRUSTS – GLOBAL BASICS FUND ("PRU GLOBAL BASICS FUND")

Included under the CPF Investment Scheme – Ordinary Account

Factors affecting performance²

High nickel prices and ongoing merger and acquisition activity in the nickel mining industry lifted shares in Eramet, a leading positive contributor. As one of the few remaining independent nickel mining firms, many investors believe that Eramet is a potential takeover candidate.

Exposure to German potash producer K&S also added substantial value to the Fund's return. Potash is used to produce fertiliser and the firm has been able to benefit from growing demand for agricultural products from developing countries such as China and India.

Meanwhile, Australian mining group Iluka Resources was weak. The firm issued a profit warning in October, citing ongoing production problems and the negative impact of the stronger Australian dollar on earnings. We maintain conviction in the company, particularly its attractive portfolio of metals.

Key changes to the portfolio²

We increased exposure to companies that are taking advantage of accelerating consumer demand in developing countries. As part of this move up the 'development curve', we established a holding in US drinks company Constellation Brands. Boasting an attractive portfolio of wines, Constellation Brands has a history of achieving healthy returns and is well placed to benefit from growth in global consumer spending.

Holdings in Australian mining group Rio Tinto and US oil exploration group Chevron were sold following extremely good performance that had left their valuations less compelling.

Outlook

Despite the volatility experienced by stock markets in 2007, we believe that the long-term case for investing in equities remain unchanged. While concerns over the US are mounting, economic activity in developing countries, such as China, remain vigorous. This explains the Fund's shift towards companies benefiting from growing consumer demand in the developing world.

Shares in many commodity producers have escalated over the past two years and some stocks in this area of the market are starting to look overvalued. Nevertheless, we believe that the outlook for some raw materials - in particular coal and platinum – is still robust, supported by solid demand. Takeover activity has reduced the number of companies in the sector, enhancing the supply scenario.

The Fund's diversified nature and its bottom-up focus on undervalued, asset-rich companies from a range of industries should provide the balance to outperform in different market environments.

2 Please note that the securities mentioned herein are included for illustration purposes only. It should not be construed as a recommendation to purchase or sell any particular securities. There is no guarantee that any securities discussed herein will remain in the portfolio of the Fund at the time you received this material or that securities sold have not been repurchased.

PRU GLOBAL BASICS FUND

Fund Performance

As at 31 December 2007

Sub-Fund/Benchmark	3 months (%)	6 months (%)	1 year (%)	Since inception ⁺ (%)
			(average annual compounded return)	
PRU Global Basics Fund SGD Class	-2.1	-2.8	14.8	17.1
FTSE Global Basics Composite Index SGD	-2.5	-0.6	13.7	15.3
PRU Global Basics Fund USD Class	1.4	3.6	22.3	28.9
FTSE Global Basics Composite Index USD	0.5	5.6	21.2	27.6

Source: Prudential Asset Management (Singapore) Limited and M&G Investment Management Limited. The return is calculated on a bid-to-bid basis with net income reinvested. The return for PRU Global Basics Fund SGD Class is calculated in S\$ and the return for PRU Global Basics Fund USD Class is calculated in US\$.

There has been no dividend distribution since the launch of the Fund on 12 Sep 2005.

* The first date of valuation of PRU Global Basics Fund SGD Class was 18 Oct 2005 and PRU Global Basics Fund USD Class was 11 Sep 2006.

Past performance is not necessarily indicative of the future performance of the Fund.

Schedule of Investments

As at 31 December 2007

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	United Kingdom		
	M&G Investment Fund (1)		
	- Global Basics Fund Net		
	Accumulation Shares in		
23,149,944	Sterling Class A	556,833,539	99.72
Total Investments		556,833,539	99.72
Other Net Assets/(Liabilities)		1,586,719	0.28
Total Net Assets Attributable to Unitholders		558,420,258	100.00

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRU GLOBAL BASICS FUND

(As at 31 December 2007)

Exposure to Derivatives

Not applicable.

Investment in other unit trusts, mutual funds and collective investment schemes

The Fund invests SGD 556,833,539 equivalent to 99.72% of its net asset attributable to unitholders, in M&G Global Basics Fund Net Accumulation Shares in Sterling Class A.

Borrowings

Not applicable.

Related Party Transactions

The Fund invests SGD 556,833,539 equivalent to 99.72% of its net asset attributable to unitholders, in M&G Global Basics Fund Net Accumulation Shares in Sterling Class A.

Total Subscriptions and Redemptions for the year ended 31 December 2007

	SGD
Subscriptions	220,680,449
Redemptions	142,067,126

Annualised Expense Ratio**

1.75 % (2006: 1.81%)

*** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.*

Turnover Ratio

9.26% (2006: 5.82%)

PRU GLOBAL BASICS FUND

(As at 31 December 2007)

Soft Dollar Commission

Not Applicable.

Any other material information that will adversely impact the valuation of the fund

Nil.

M&G GLOBAL BASICS FUND
NET ACCUMULATION SHARES IN STERLING CLASS A SHARES

Top 10 Holdings

(As at 31 December 2007)

	Market Value GBP	% of Net Assets ***
Eramet	149,924,808	5.00
Constellation Brands	104,309,459	3.48
European Aeronautic Defence & Space	104,045,071	3.47
Tullow Oil	103,800,000	3.46
Lonmin	95,720,166	3.19
Pilgrim's Pride	88,176,193	2.94
Johnson Matthey	83,471,700	2.78
Sims	80,595,305	2.69
Bluescope Steel	79,498,703	2.65
FMC	78,209,634	2.61

Top 10 Holdings

(As at 31 December 2006)

	Market Value GBP	% of Net Assets***
Lonmin	77,889,648	3.77
Chevron Corporation	72,853,213	3.52
Pilgrims Pride	70,362,002	3.40
European Aeronautic Defence & Space	70,153,096	3.39
Rio Tinto	65,785,302	3.18
K&S AG	62,476,072	3.02
Bluescope Steel	60,710,344	2.94
CSR	59,764,575	2.89
Tullow Oil	58,899,806	2.85
Johnson Matthey	53,789,000	2.60

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

Annualised Expense Ratio**

1.65%# (2006: 1.63%)

For period 3 Sep 06 to 31 Aug 07.

** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

Turnover Ratio

40.6% (2006: 17.7%)

M&G GLOBAL BASICS FUND
NET ACCUMULATION SHARES IN STERLING CLASS A SHARES

Schedule of investments
(As at 31 December 2007)

	Market Value GBP	% of Net Assets***
Country		
Australia	442,111,023	14.73
Austria	101,783,501	3.39
Canada	110,075,231	3.67
France	355,572,773	11.85
Germany	148,602,673	4.95
Hong Kong	38,007,514	1.26
Ireland	55,502,704	1.85
Japan	18,055,001	0.60
Malaysia	2,867,320	0.10
Netherlands	137,131,455	4.57
Norway	38,770,989	1.29
Singapore	78,160,569	2.61
Spain	22,799,413	0.76
United Kingdom	418,730,324	13.95
United States	980,476,025	32.69

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

M&G GLOBAL BASICS FUND
NET ACCUMULATION SHARES IN STERLING CLASS A SHARES

Schedule of investments

(As at 31 December 2007)

	Market Value GBP	% of Net Assets***
Industry		
Aerospace & defence	189,934,292	6.33
Automobiles & Parts	18,055,000	0.60
Beverages	209,171,256	6.98
Chemicals	395,371,580	13.18
Construction & materials	132,142,595	4.40
Food producers	277,280,770	9.24
Forestry & paper	33,912,654	1.13
General Financial	2,867,320	0.10
General industrials	65,100,348	2.16
Healthcare equipment & services	129,170,699	4.31
Household goods	38,534,065	1.28
Industrial engineering	12,181,582	0.41
Industrial metals	306,180,528	10.21
Leisure goods	29,246,743	0.97
Media	33,086,384	1.10
Miscellaneous	24,751,423	0.82
Mining	413,884,539	13.78
Oil & gas producers	305,672,173	10.19
Oil equipment services and distribution	27,253,933	0.91
Personal goods	141,723,484	4.73
Pharmaceutical & Biotech	568,888	0.02
Support Services	80,595,305	2.69
Travel & leisure	81,960,951	2.73
Asset Class		
Equities	2,948,646,512	98.27
Other net current assets/(liabilities)	51,546,509	1.73

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRUDENTIAL UNIT TRUSTS – GLOBAL BALANCED FUND (“PRU GLOBAL BALANCED FUND”)

Included under the CPF Investment Scheme – Ordinary Account and Special Account

Structure

The PRU Global Balanced Fund (the “Fund”) is organized as a feeder fund which feeds into the United Kingdom – domiciled M&G Investment Funds (1) – M&G Global Basics Fund (“M&G Global Basics Fund”) for its equity participation and the Singapore – domiciled Legg Mason Global Bond Trust (“LMGBT”) for its bond participation.

The investment manager of the M&G Global Basics Fund is the UK domiciled M&G Investment Management Limited and the investment manager of the LMGBT is the Singapore incorporated Legg Mason International Equities (Singapore) Pte. Limited.

The investment sub-managers of the LMGBT are Western Asset Management Company Pte Ltd (“WAMC Pte Ltd”), Western Asset Management Company (“WAMC”) and Western Asset Management Company Limited (WAMCL”). WAMC manages the North America, South America and Central America portfolio of debt securities of the LMGBT and WAMCL manages the Europe, UK, Scandinavia, Middle East and Japan portfolio of debt securities of the LMGBT while WAMC Pte Ltd oversees the overall management of the portfolio of the LMGBT.

Investment Objective

The investment objective of the Fund is to maximise total return in the medium to long term by investing primarily in a portfolio comprising global equities and high quality debt securities of major global bond markets.

Manager’s / Sub-Manager’s Commentary

Fund performance

The Fund fell by 1.81% over the review period, underperforming its benchmark’s loss of 1.36%¹. The Fund has consistently maintained the allocations set at inception.

Market background

Continued weakness in the U.S. housing market has led to strained conditions in the U.S. sub-prime markets, which have impacted the wider spread market sectors and other markets. To rectify this, major Central Banks injected liquidity into shorter-term money markets in order to provide a stimulus and to maintain a degree of order.

Turning to the bond market, credit in general performed largely in line with government markets with the exception of a few specific sectors. In terms of financial names, performance was strong with European debt outperforming government issues. Looking to the U.S., the high-yield and mortgage sectors performed in line with Treasuries.

¹ The comparison is based on bid-to-bid basis

PRUDENTIAL UNIT TRUSTS – GLOBAL BALANCED FUND ("PRU GLOBAL BALANCED FUND")

Included under the CPF Investment Scheme – Ordinary Account and Special Account

Factors affecting performance

The Fund is a considerably new fund that has been operating since October 2007. Due to that fact, the effects to the Fund have been minimal as the Fund is continuing to grow.

In a general equity and fixed income perspective, the focus remains on the global risks to growth versus the potential upward inflationary pressures.

Key changes to the portfolio

The Fund has sustained its initial allocations allowing a balanced and stable exposure. The Fund holds 60% towards Global Equities and the balance 40% towards Global Fixed Income.

Outlook

We believe an active monetary policy will ensure there is liquidity in the markets which will allow the global economy to maintain a modest growth path.

PRU GLOBAL BALANCED FUND

Fund Performance

As at 31 December 2007

Sub-Fund/Benchmark	1 month (%)	Since inception* (%)
PRU Global Balanced Fund	0.3	-1.8
<u>Composite Benchmark</u> 60% FTSE Global Basics Composite Index 40% Citigroup World Government Bond Index (S\$) ex Japan	-0.7	-1.4

Source: Prudential Asset Management (Singapore) Limited, Legg Mason International Equities (Singapore) Private Limited and M&G Investment Management Limited. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested.

* The first date of valuation of the Fund was 1 October 2007.

Past performance is not necessarily indicative of the future performance of the Fund.

Schedule of Investments

As at 31 December 2007

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	<u>United Kingdom</u>		
782,791	M&G Investment Fund (1). Global Basics Fund Net Accumulation Shares in Sterling Class A	18,828,749	58.68
11,177,821	Legg Mason Global Bond Trust	12,854,495	40.06
Total Investments		31,683,244	98.74
Other Net Assets/(Liabilities)		404,736	1.26
Total Net Assets Attributable to Unitholders		32,087,980	100.00

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

PRU GLOBAL BALANCED FUND

(As at 31 December 2007)

Exposure to Derivatives

Not applicable.

Investment in other unit trusts, mutual funds and collective investment schemes

The Fund invests SGD18,828,749, equivalent to 58.68% and SGD12,854,495 equivalent to 40.06% of its net asset value attributable to unitholders, in M&G Investment Fund (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A and Legg Mason Global Bond Trust respectively.

Borrowings

Not applicable.

Related Party Transactions

The Fund invests SGD18,828,749, equivalent to 58.68% and SGD12,854,495 equivalent to 40.06% of its net asset value attributable to unitholders, in M&G Investment Fund (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A.

Total Subscriptions and Redemptions for the year ended 31 December 2007

	SGD
Subscriptions	45,024,583
Redemptions	12,504,953

Annualised Expense Ratio**

1.71 %

*** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.*

Turnover Ratio

2.75%

PRU GLOBAL BALANCED FUND

(As at 31 December 2007)

Soft Dollar Commission

Not Applicable.

Any other material information that will adversely impact the valuation of the fund

Nil.

LEGG MASON GLOBAL BOND TRUST

Top 10 Holdings

(As at 30 September 2007)

	Market Value SGD	% of Net Assets***
Bundesrepub Deutschland Series 04 3.75% 04/01/2015	28,664,054	9.44
UK Treasury 4.75% 07/06/2010	27,713,553	9.15
FNMA 30 Yr November Fwd 01/11/2037	24,399,951	8.05
US Treasury Note 3.875% 15/09/2010	19,749,404	6.52
Government of Netherlands 4% 15/01/2037	18,177,541	6.00
Bundesobligation Series 141 4.25% 15/02/2008	16,256,318	5.36
Bundesobligation Series 143 3.50% 10/10/2008	14,803,003	4.89
Kingdom of Belgium Series 28 5.75% 28/03/2008	14,673,588	4.84
Government of France Oat 4% 25/10/2013	12,084,090	3.99
United States Treasury Note 4.5% 15/11/2015	11,521,410	3.80

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

Annualised Expense Ratio**

0.90%

** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

Turnover Ratio

132.78%

LEGG MASON GLOBAL BOND TRUST

Schedule of Investments (As at 30 September 2007)

	Market Value SGD	% of Net Assets***
Country		
Australia	2,272,952	0.75
Belgium	14,673,588	4.84
Canada	3,991,324	1.32
Denmark	6,455,995	2.13
France	32,029,497	10.57
Germany	76,069,896	25.11
Great Britain	42,000,089	13.86
Netherlands	20,324,208	6.71
Norway	4,031,419	1.33
Singapore	448,277	0.15
Supra-National	426,557	0.14
Sweden	4,939,303	1.63
United States of America	107,905,221	35.61
	Market Value SGD	% of Net Assets***
Industry		
Bank	7,049,387	2.32
Electronic	1,576,684	0.52
Finance	17,978,201	5.94
Government	239,315,472	78.99
Miscellaneous	49,222,025	16.24
Utilities	426,557	0.14
	Market Value SGD	% of Net Assets***
Credit Ratings (by S&P/Moody's)		
AAA	290,392,177	95.84
Aaa	7,955,879	2.63
AA+	14,673,588	4.84
AA	2,546,682	0.84
	Market Value SGD	% of Net Assets***
Asset Class		
Bonds	315,568,326	104.15
Other net current assets/(liabilities)	(12,568,765)	(4.15)

*** Any differences in the percentage of the Net Asset figures are the result of roundings

M&G GLOBAL BASICS FUND
NET ACCUMULATION SHARES IN STERLING CLASS A SHARES

Top 10 Holdings

(As at 31 December 2007)

	Market Value GBP	% of Net Assets ***
Eramet	149,924,808	5.00
Constellation Brands	104,309,459	3.48
European Aeronautic Defence & Space	104,045,071	3.47
Tullow Oil	103,800,000	3.46
Lonmin	95,720,166	3.19
Pilgrim's Pride	88,176,193	2.94
Johnson Matthey	83,471,700	2.78
Sims	80,595,305	2.69
Bluescope Steel	79,498,703	2.65
FMC	78,209,634	2.61

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

Annualised Expense Ratio**

1.65%#

For period 3 Sep 06 to 31 Aug 07.

** The expense ratio does not include, (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

Turnover Ratio

40.6%

M&G GLOBAL BASICS FUND
NET ACCUMULATION SHARES IN STERLING CLASS A SHARES

Schedule of investments
(As at 31 December 2007)

	Market Value GBP	% of Net Assets***
Country		
Australia	442,111,023	14.73
Austria	101,783,501	3.39
Canada	110,075,231	3.67
France	355,572,773	11.85
Germany	148,602,673	4.95
Hong Kong	38,007,514	1.26
Ireland	55,502,704	1.85
Japan	18,055,001	0.60
Malaysia	2,867,320	0.10
Netherlands	137,131,455	4.57
Norway	38,770,989	1.29
Singapore	78,160,569	2.61
Spain	22,799,413	0.76
United Kingdom	418,730,324	13.95
United States	980,476,025	32.69

*** Any differences in the percentage of the Net Asset figures are the result of roundings.

FINANCIAL STATEMENTS

For the year ended 31 December 2007 (Audited)

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REPORT OF THE TRUSTEE

The Trustee is under a duty to take into custody and hold the assets of Prudential Unit Trusts (the "Fund") in trust for the unitholders. In accordance with the Securities and Futures Act (Cap 289), its subsidiary legislation and the Code on Collective Investment Schemes (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting period and report thereon to unitholders in an annual report which shall contain the matters prescribed by the laws and regulations as well as the recommendations of the Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore and the provisions of the Trust Deed.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the period covered by these financial statements set out on pages 71 to 104, comprising the Statement of Total Return, Balance Sheet, Portfolio Statement and Notes to the Financial Statements, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed, laws and regulations and otherwise in accordance with the provisions of the Trust Deed.

For and on behalf of
HSBC Institutional Trust Services (Singapore) Limited

.....
Authorised Signatory

Singapore, 18 March 2008

STATEMENT BY THE MANAGER

In the opinion of the directors of Prudential Asset Management (Singapore) Limited, the accompanying financial statements set out on pages 71 to 104, comprising the Statement of Total Return, Balance Sheet, Portfolio Statement and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position of Prudential Unit Trusts as at 31 December 2007 and the total return for the year ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore. At the date of this statement, there are reasonable grounds to believe that Prudential Unit Trusts will be able to meet its financial obligations as and when they materialise.

For and on behalf of
Prudential Asset Management (Singapore) Limited

.....
Suraj Mishra
Director

Singapore, 18 March 2008

AUDITORS' REPORT TO THE UNITHOLDERS OF PRUDENTIAL UNIT TRUSTS

(Constituted under a Trust Deed in the Republic of Singapore)

We have audited the financial statements of Prudential Unit Trusts (The "Trust"), which comprise the Statement of Total Return for the year ended 31 December 2007, Balance Sheet, and Portfolio Statement as at 31 December 2007, and a summary of significant accounting policies and other explanatory notes, as set out on pages 71 to 104.

Manager's Responsibility for the Financial Statements

The Fund's Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trust's Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**AUDITORS' REPORT TO THE UNITHOLDERS OF
PRUDENTIAL UNIT TRUSTS**

(Constituted under a Trust Deed in the Republic of Singapore)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the total return for the year ended 31 December 2007 and the financial position of the Trust as at 31 December 2007 in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

KPMG

Certified Public Accountants

Singapore, 18 March 2008

PRUDENTIAL UNIT TRUSTS

STATEMENT OF TOTAL RETURN

Year ended 31 December 2007

	PRU Global Technology Fund		PRU Pan European Fund	
	Year ended	Year ended	Year ended	Year ended
	Note 31 Dec 07	31 Dec 06	31 Dec 07	31 Dec 06
	S\$	S\$	S\$	S\$
Income				
Interest	3,421	4,726	9,696	3,367
	3,421	4,726	9,696	3,367
Less: Expenses				
Management fees	1,048,068	1,330,449	363,265	177,465
Registration Fees	14,444	1,019	19,197	12,000
Trustees' Fees	45,064	68,740	34,831	17,620
Custody Fees	-	-	-	-
Audit Fees	6,300	4,700	4,799	4,701
Others	69,527	112,904	41,170	33,733
	1,183,403	1,517,812	463,262	245,519
Net income/(loss)	(1,179,982)	(1,513,086)	(453,566)	(242,152)
Net gains/ (losses) on value of investments				
Net realised gains/(losses) on investments sold	12,638,627	10,172,944	2,590,055	1,135,461
Net change in fair value on investments	(6,297,588)	(13,108,280)	(2,636,399)	7,177,015
Net realised gains/(losses) on financial derivative	-	-	-	-
Net change in fair value on financial derivative	-	-	-	-
Net foreign exchange gains/(losses)	-	-	-	-
Net gains/(losses) on value of investments	6,341,039	(2,935,336)	(46,344)	8,312,476
Total return for the year before income tax	5,161,057	(4,448,422)	(499,910)	8,070,324
Less: Income Tax	3	-	-	-
Total return/ (deficit) for the year after income tax before distribution	5,161,057	(4,448,422)	(499,910)	8,070,324
Less: Distribution	-	-	-	-
Total return/ (deficit) for the year	5,161,057	(4,448,422)	(499,910)	8,070,324

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS
STATEMENT OF TOTAL RETURN

Year ended 31 December 2007

	PRU Protected Global Titans Fund (S\$)		PRU Asian Balanced Fund	
	Year ended 31 Dec 07	Year ended 31 Dec 06	Year ended 31 Dec 07	Year ended 31 Dec 06
	S\$	S\$	S\$	S\$
Income				
Interest	141,036	143,347	213,148	380,802
Other Income	864	-	-	-
	141,900	143,347	213,148	380,802
Less: Expenses				
Management fees	74,960	87,871	3,290,174	2,300,472
Registration Fees	8,163	10,082	22,702	10,000
Trustees' Fees	8,291	9,763	264,649	184,038
Custody Fees	1,336	1,779	-	-
Audit Fees	3,000	4,500	7,799	4,751
Others	34,669	30,891	438,537	394,430
	130,419	144,886	4,023,861	2,893,691
Net income/ (loss)	11,481	(1,539)	(3,810,713)	(2,512,889)
Net gains/ (losses) on value of investments				
Net realised gains/ (losses) on investments sold	505,420	(54,571)	28,142,181	7,525,505
Net change in fair value on investments	5,600	552,871	47,541,508	34,810,995
Net realised gains/(losses) on financial derivative	(273)	1,060,000	(61,603)	82,923
Net change in fair value on financial derivative	-	79,906	-	-
Net foreign exchange gains/(losses)	(95)	(83)	60,696	(132,639)
Net gains/(losses) on value of investment	510,652	1,638,123	75,682,782	42,286,784
Total return/(deficit) for the year before income tax	522,133	1,636,584	71,872,069	39,773,895
Less: Income Tax	3	-	-	-
Total return/(deficit) for the year after income tax before distribution	522,133	1,636,584	71,872,069	39,773,895
Less: Distribution	-	-	-	-
Total return/ (deficit) for the year	522,133	1,636,584	71,872,069	39,773,895

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

STATEMENT OF TOTAL RETURN

Year ended 31 December 2007

	Note	PRU Dragon Peacock Fund	
		Year ended	Year ended
		31 Dec 07	31 Dec 06
		S\$	S\$
Income			
Interest		144,693	799,053
Dividends		8,958,249	7,748,511
		9,102,942	8,547,564
Less: Expenses			
Management fees		16,504,115	10,983,621
Registration Fees		42,194	10,000
Trustees' Fees		517,837	366,121
Custody Fees		133,456	32,973
Audit Fees		7,500	6,500
Others		953,724	782,687
		18,158,826	12,181,902
Net income/ (loss)		(9,055,884)	(3,634,338)
Net gains/(losses) on value of investments			
Net realised gains/(losses) on investments sold		274,955,716	25,187,499
Net change in fair value on investments		255,525,890	211,161,860
Net realised gains/(losses) on financial derivative		156,413	698,854
Net change in fair value on financial derivative		-	5,909,871
Net foreign exchange gains/(losses)		(574,667)	(1,972,875)
Net gains/(losses) on value of investments		530,063,352	240,985,209
Total return/(deficit) for the year before income tax		521,007,468	237,350,871
Less: Income Tax	3	-	-
Total return/(deficit) for the year after income tax before distribution		521,007,468	237,350,871
Less: Distribution		-	-
Total return/ (deficit) for the year		521,007,468	237,350,871

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

STATEMENT OF TOTAL RETURN

Year ended 31 December 2007

	Note	PRU Global Basics Fund	
		Year ended	Year ended
		31 Dec 07	31 Dec 06
		S\$	S\$
Income			
Interest		5,142	2,070
		5,142	2,070
Less: Expenses			
Management fees		-	30,794
Registration Fees		29,973	10,000
Trustees' Fees		200,138	92,647
Audit Fees		7,800	4,700
Others		261,607	169,460
		499,518	307,601
Net income/(loss)		(494,376)	(305,531)
Net gains/(losses) on value of investments			
Net realised gains/(losses) on investments sold		6,925,117	1,014,304
Net change in fair value on investments		54,769,771	39,501,390
Net realised gains/(losses) on financial derivative		(1,127,315)	488
Net change in fair value on financial derivative		-	-
Net foreign exchange gains/(losses)		(48,672)	(1,571,850)
Net gains/(losses) on value of investment		60,518,901	38,944,332
Total return/(deficit) for the year before income tax		60,024,525	38,638,801
Less: Income Tax	3	-	-
Total return/(deficit) for the year after income tax before distribution		60,024,525	38,638,801
Less: Distribution		-	-
Total return/ (deficit) for the year		60,024,525	38,638,801

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

STATEMENT OF TOTAL RETURN

Year ended 31 December 2007

		<u>PRU Global Balanced Fund</u>	
	Note	Period from 28 Aug 07 to 31 Dec 07 S\$	Year ended 31 Dec 06 S\$
Income			
Interest		-	-
		-	-
Less: Expenses			
Management fees		14,471	-
Registration Fees		82	-
Trustees' Fees		2,951	-
Others		6,578	-
		24,082	-
Net income/(loss)		(24,082)	-
Net gains/(losses) on value of investments			
Net realised gains/(losses) on investments sold		4,537	-
Net change in fair value on investments		(306,105)	-
Net realised gains/(losses) on financial derivative		(100,979)	-
Net change in fair value on financial derivative		-	-
Net foreign exchange gains/(losses)		(5,021)	-
Net gains/(losses) on value of investment		(407,568)	-
Total return/(deficit) for the year before income tax		(431,650)	-
Less: Income Tax	3	-	-
Total return/(deficit) for the year after income tax before distribution		(431,650)	-
Less: Distribution		-	-
Total return/ (deficit) for the year		(431,650)	-

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

BALANCE SHEET As at 31 December 2007

	Note	PRU Global Technology Fund		PRU Pan European Fund	
		31 Dec 07	31 Dec 06	31 Dec 07	31 Dec 06
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		116,713,708	157,170,185	82,585,031	44,979,139
Receivables	4	792,782	700,430	621,774	442,904
Cash and bank balances		(375,832)	12,613	(24,933)	180,145
Total assets		117,130,658	157,883,228	83,181,872	45,602,188

LIABILITIES

Payables	5	771,850	1,274,530	543,497	350,926
Net assets attributable to unitholders	6	116,358,808	156,608,698	82,638,375	45,251,262
Total liabilities		117,130,658	157,883,228	83,181,872	45,602,188

	Note	PRU Protected Global Titans Fund (S\$)		PRU Asian Balanced Fund	
		31 Dec 07	31 Dec 06	31 Dec 07	31 Dec 06
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		15,727,693	17,876,010	749,347,518	540,550,654
Receivables	4	168,957	12,741	10,094,170	4,586,796
Cash and bank balance		236,767	263,591	3,537,690	11,465,710
Total assets		16,133,417	18,152,342	762,979,378	556,603,160

LIABILITIES

Payables	5	124,330	92,267	6,523,427	3,010,970
Net assets attributable to unitholders	6	16,009,087	18,060,075	756,455,951	553,592,190
Total liabilities		16,133,417	18,152,342	762,979,378	556,603,160

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

BALANCE SHEET As at 31 December 2007

	Note	PRU Dragon Peacock Fund		PRU Global Basics Fund	
		31 Dec 07	31 Dec 06	31 Dec 07	31 Dec 06
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		1,415,810,212	954,234,900	556,833,539	419,301,858
Receivables	4	24,414,375	8,265,912	6,275,631	4,798,003
Cash and bank balance		26,748,848	31,663,610	2,128,115	2,742,199
Total assets		<u>1,466,973,435</u>	<u>994,164,422</u>	<u>565,237,285</u>	<u>426,842,060</u>
LIABILITIES					
Payables	5	18,937,465	7,586,972	6,817,027	7,059,650
Net assets attributable to unitholders	6	1,448,035,970	986,577,450	558,420,258	419,782,410
Total liabilities		<u>1,466,973,435</u>	<u>994,164,422</u>	<u>565,237,285</u>	<u>426,842,060</u>

	Note	PRU Global Balanced Fund
		31 Dec 07 S\$
ASSETS		
Portfolio of investments		31,683,244
Receivables	4	2,309,048
Cash and bank balance		1,819,567
Total assets		<u>35,811,859</u>
LIABILITIES		
Payables	5	3,723,879
Net assets attributable to unitholders	6	32,087,980
Total liabilities		<u>35,811,859</u>

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

PORTFOLIO STATEMENT

As at 31 December 2007

	Holdings	Fair Value	PRU Global Technology Fund	
			Percentage of Total Net Assets Attributable to Unitholders	
			31/12/07	31/12/06
			(units)	(S\$)
Underlying Fund				
International Opportunities Funds:				
-Global Technology Class C	17,532,478	116,713,708	100.31	100.36
Portfolio of investments		116,713,708	100.31	100.36
Other net liabilities		(354,900)	(0.31)	(0.36)
Net assets attributable to unitholders		116,358,808	100.00	100.00

	Holdings	Fair Value	PRU Pan European Fund	
			Percentage of Net Assets Attributable to Unitholders	
			31/12/07	31/12/06
			(units)	(S\$)
Underlying Fund				
International Opportunities Funds:				
-Pan European Class C	5,270,600	82,585,031	99.94	99.40
Portfolio of investments		82,585,031	99.94	99.40
Other net assets		53,344	0.06	0.60
Net assets attributable to unitholders		82,638,375	100.00	100.00

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

PORTFOLIO STATEMENT

As at 31 December 2007

	Holdings	Fair Value	PRU Asian Balanced Fund	
			Percentage of Net Assets	
			Attributable to Unitholders	
	31/12/07	31/12/07	31/12/07	31/12/06
	(units)	(S\$)	(%)	(%)
Underlying Fund				
International Opportunities Funds:				
-Asian Equity Class C	6,872,071	387,301,566	51.20	52.44
-US Investment Grade Bond Class B	5,671,025	112,749,527	14.90	16.90
-US High Investment Grade Bond Class B	13,601,561	249,296,425	32.96	28.30
Portfolio of investments		749,347,518	99.06	97.64
Other net assets		7,108,433	0.94	2.36
Net assets attributable to unitholders		756,455,951	100.00	100.00

	Holdings	Fair Value	PRU Global Basics Fund	
			Percentage of Net Assets	
			Attributable to Unitholders	
	31/12/07	31/12/07	31/12/07	31/12/06
	(units)	(S\$)	(%)	(%)
Underlying Fund				
M&G Investment Fund (1)				
-Global Basics Fund Net Accumulation Shares in Sterling Class A	23,149,944	556,833,539	99.72	99.89
Portfolio of investments		556,833,539	99.72	99.89
Other net assets		1,586,719	0.28	0.11
Net assets attributable to unitholders		558,420,258	100.00	100.00

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

PORTFOLIO STATEMENT

As at 31 December 2007

PRU Global Balanced Fund			
	Holdings	Fair Value	Percentage of Total Net Assets Attributable to Unitholders
	31/12/07	31/12/07	31/12/07
	(units)	(\$)	(%)
Underlying Fund			
M&G Investment Fund (1)			
-Global Basics Fund Net Accumulation Shares in Sterling Class A	782,791	18,828,749	58.68
Legg Mason Global Bond Trust	11,177,821	12,854,495	40.06
Portfolio of investments		31,683,244	98.74
Other net assets		404,736	1.26
Net assets attributable to unitholders		32,087,980	100.00

The accompanying notes form an integral part of these financial statements.

As at 31 December 2007

PRU Protected Global Titans Fund (\$)			
	Holdings 31/12/2007 (units)	Fair value 31/12/2007 (\$)	Percentage of total net assets attributable to unitholders at 31/12/2007 (%)
By Geography* - Primary			
Quoted Bonds			
Australia			
Macquarie Bank 3.43% 18/11/2008	500,000	516,591	3.23
Westpac Banking Corporation Series EMTN 3.1% 12/11/2008	1,000,000	1,010,927	6.31
		1,527,518	9.54
Germany			
Toyota Kreditbank 2.8% 29/12/2008	750,000	749,192	4.68
		749,192	4.68
Singapore			
Hotel Properties Ltd MTN 3.085% 06/08/2008	500,000	506,017	3.16
Jurong Shipyard Pte Limited Series MTN 2.91% 01/09/2008	500,000	503,281	3.14
Singapore Treasury Bill Series 91 06/03/2008	2,000,000	1,993,120	12.45
		3,002,418	18.75
South Korea			
Hana Bank EMTN 2.9% 15/10/2008	500,000	502,799	3.14
Kookmin Bank EMTN Var 28/04/2008	750,000	752,691	4.70
Korea Development Bank EMTN 3.03% 18/09/2008	500,000	505,158	3.16
Shinhan Bank 3.615% 26/02/2008	1,000,000	1,014,187	6.33
Woori Bank 3.52% 23/01/2008	750,000	755,457	4.72
		3,530,292	22.05

*Geography classification is based on the country of registration/incorporation of the entities/issuers.

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

PORTFOLIO STATEMENT

As at 31 December 2007

PRU Protected Global Titans Fund (S\$)			
	Holdings	Fair value	Percentage of
	31/12/2007	31/12/2007	total net assets
	(units)	(S\$)	attributable to
			unitholders at
			31/12/2007
			(%)
Sweden			
Swedbank AB 2.75% 20/06/2008	750,000	750,050	4.69
		750,050	4.69
United States of America			
General Elec Cap 2.725% 10/11/2008	750,000	751,262	4.70
General Elec Cap 1.725% 27/06/2008	250,000	248,600	1.55
		999,862	6.25
Time Deposits			
Singapore			
The Hong Kong & Shanghai Banking Corp, Singapore Branch		680,428	4.25
Landesbank Baden - Wurttemberg, Singapore Branch		1,462,238	9.14
JP Morgan Chase Bank, N.A, Singapore Branch		800,878	5.00
Standard Chartered Bank, Singapore Branch		990,000	6.18
		5,168,361	32.28
Portfolio of investments		15,727,693	98.24
Other net assets		281,394	1.76
Net assets attributable to unitholders		16,009,087	100.00

The accompanying notes form an integral part of these financial statements.

	PRU Protected Global Titans Fund (S\$)	
	Percentage of total net assets attributable to unitholders at 31/12/2007 (%)	Percentage of total net assets attributable to unitholders at 31/12/2006 (%)
By Geography* (Primary)		
Australia	9.54	1.39
Cayman Islands	-	1.38
Germany	4.68	-
Iceland	-	6.99
Norway	-	2.79
Singapore	51.03	75.23
South Korea	22.05	-
Sweden	4.69	-
Thailand	-	1.39
United Arab Emirates	-	2.80
United States of America	6.25	7.01
Portfolio of investments	98.24	98.98
Other net assets	1.76	1.02
Net assets attributable to unitholders	100.00	100.00

*Geography classification is based on the country of registration/incorporation of the entities/issuers.

The accompanying notes form an integral part of these financial statements.

As at 31 December 2007

	PRU Protected Global Titans Fund (\$)		
	Fair value 31/12/2007 (\$)	Percentage of total net assets attributable to unitholders at 31/12/2007 (%)	Percentage of total net assets attributable to unitholders at 31/12/2006 (%)
By Industry - Secondary			
Banks and Financial Institutions	5,807,860	36.28	12.58
Government	1,993,120	12.45	12.92
Holdings and Financial Institutions	999,862	6.25	7.84
Leisure	506,017	3.16	1.41
Mortgage and Funding Institution	-	-	6.97
Shipping	503,281	3.14	-
Miscellaneous	5,917,553	36.96	57.26
Portfolio of investments	15,727,693	98.24	98.98
Other net assets	281,394	1.76	1.02
Net assets attributable to unitholders	16,009,087	100.00	100.00

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

PORTFOLIO STATEMENT

As at 31 December 2007

PRU Dragon Peacock Fund			
	Holdings	Fair value	Percentage of
	31/12/2007	31/12/2007	total net assets
	(units)	(\$)	attributable to
			unitholders at
			31/12/2007
			(%)
By Geography* -Primary			
Quoted Shares			
CAYMAN ISLANDS			
AAC Acoustic Technology Holdings Ltd	16,414,000	31,573,948	2.18
Agile Property Holdings Ltd	5,870,000	15,214,299	1.05
Xingda International Holdings Ltd	9,495,000	3,347,920	0.23
		50,136,167	3.46
CHINA			
Anhui Conch Cement Co Ltd	1,320,000	16,521,534	1.14
Bank Of China Ltd	59,077,000	41,006,529	2.83
Beijing Capital International Airport	7,102,000	17,332,406	1.20
BYD Company Ltd	2,691,500	25,638,394	1.77
BYD Electronic Company Ltd	4,779,666	13,341,236	0.92
China Merchants Bank	4,971,500	29,368,662	2.03
China Petroleum & Chemical Corporation	27,391,000	59,465,072	4.11
China Railway Group Ltd	9,056,000	17,955,084	1.24
China Shenhua Energy Co Ltd	4,688,500	40,290,285	2.78
China Shipping Development	7,170,000	27,134,371	1.87
Fosun International	4,759,500	6,387,670	0.44
Ping An Insurance Group	1,810,500	27,908,195	1.93
Travelsky Technology Ltd	11,882,000	18,096,319	1.25
		340,445,757	23.51
HONG KONG			
China Mobile Ltd	4,931,500	125,451,250	8.66
China Netcom Group Corporation Ltd	7,374,500	31,788,219	2.20
China Resources Power Holdings Ltd	4,764,000	24,141,310	1.67
CNOOC Ltd	16,041,000	39,325,681	2.71
Gome Electrical Appliances Holdings Ltd	6,704,000	24,306,489	1.68
Huabao International Holdings Ltd	22,480,000	32,162,126	2.22
		277,175,075	19.14

*Geography classification is based on the place of registration/incorporation of the entities.
The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS
PORTFOLIO STATEMENT
As at 31 December 2007

	PRU Dragon Peacock Fund		
	Holdings	Fair value	Percentage of
	31/12/2007	31/12/2007	total net assets
	(units)	(\$)	attributable to
			unitholders at
			31/12/2007
			(%)
INDIA			
ICICI Bank Ltd	18,760	1,660,751	0.11
		1,660,751	0.11
INDIA (Note 1)			
Arshiya International Ltd	1,083,900	13,397,346	0.93
Bank Of Baroda	794,093	13,328,658	0.92
BGR Energy Systems Ltd	22,767	399,100	0.03
Crompton Greaves Ltd	1,680,625	24,145,722	1.67
GMR Infrastructure Ltd	2,083,697	18,879,755	1.30
HCL Infosystems Ltd	710,880	7,271,842	0.50
ICICI Bank Ltd	1,627,059	72,493,348	5.00
Idea Cellular Ltd	2,934,620	14,907,816	1.03
Infosys Technologies Ltd	545,195	35,042,861	2.42
Infrastructure Development Finance Co Ltd	2,949,710	24,507,316	1.69
ITC Ltd	2,192,855	16,773,562	1.16
Larsen & Toubro Ltd	259,453	39,487,434	2.73
Maruti Suzuki India Ltd	367,826	13,238,357	0.91
Max India Ltd	695,330	6,654,419	0.46
NTPC Ltd	1,592,164	14,588,932	1.01
Oil & Natural Gas Corporation Ltd	688,644	31,108,706	2.15
Punj Lloyd Ltd	1,675,713	33,903,492	2.34
Reliance Capital Ltd	455,889	43,038,258	2.97
Reliance Industries Ltd	1,186,353	124,824,477	8.62
Satyam Computer Services Ltd	1,031,887	16,773,541	1.16
Steel Authority of India Ltd	2,074,754	21,367,354	1.48
Sterlite Industries (India) Ltd	679,788	25,446,754	1.76
Tanla Solutions Ltd	582,482	16,205,353	1.12
Tata Consultancy Services Ltd	449,103	17,631,508	1.22
Tata Power Co Ltd	800,000	42,949,402	2.97
Unitech Ltd	1,022,128	18,262,959	1.26
Yes Bank Ltd	2,282,481	20,610,024	1.42
		727,238,296	50.23

*Note 1: The India shares are held by Dragon Peacock Investments Ltd.
The accompanying notes form an integral part of these financial statements.*

As at 31 December 2007

PRU Dragon Peacock Fund		
Holdings 31/12/2007 (units)	Fair value 31/12/2007 (\$)	Percentage of total net assets attributable to unitholders at 31/12/2007 (%)
Other Net Current Assets of Dragon Peacock Investments Ltd	19,154,166	1.32
Net Assets of Dragon Peacock Investments Ltd	746,392,462	51.55
Portfolio of investments	1,415,810,212	97.77
Other net assets	32,225,758	2.23
Net assets attributable to unitholders	1,448,035,970	100.00

*Geography classification is based on the country of registration/incorporation of the entities/issuers.

PRU Dragon Peacock Fund		
By Geography* (Summary) - Primary	Percentage of total net assets attributable to unitholders at 31/12/2007 (%)	Percentage of total net assets attributable to unitholders at 31/12/2006 (%)
Bermuda	-	4.29
Cayman Islands	3.46	10.09
China	23.51	10.94
Hong Kong	19.14	19.84
India	51.66	50.37
Jersey	-	1.19
Portfolio of investments	97.77	96.72
Other net current assets	2.23	3.28
Net assets attributable to unitholders	100.00	100.00

*Geography classification is based on the country of registration/incorporation of the entities/issuers.

The accompanying notes form an integral part of these financial statements.

PRUDENTIAL UNIT TRUSTS

PORTFOLIO STATEMENT

As at 31 December 2007

	PRU Dragon Peacock Fund		
	Fair value 31/12/2007 (\$)	Percentage of total net assets attributable to unitholders at 31/12/2007 (%)	Percentage of total net assets attributable to unitholders at 31/12/2006 (%)
By Industry (Summary) -Secondary			
Banks and Financial Institutions	178,467,972	12.31	8.53
Chemical	124,824,477	8.62	6.31
Diversified Resource	99,445,920	6.87	-
Electronics and Electrical Equipment	112,005,896	7.74	4.55
Holding and Finance Companies	24,507,316	1.69	5.50
Internet Software	77,184,563	5.33	13.33
Manufacturing	56,570,886	3.91	-
News Transmission	-	-	7.06
Petrol	144,488,391	9.98	7.45
Public Services	-	-	4.05
Real Estate Companies	15,214,299	1.05	5.11
Telecom Service	172,147,285	11.89	-
Others (Individually small)	391,799,041	27.06	32.89
	1,396,656,046	96.45	94.78
Net current assets of Dragon Peacock Investments Ltd	19,154,166	1.32	1.94
Portfolio of investments	1,415,810,212	97.77	96.72
Other net current assets	32,225,758	2.23	3.28
Net assets attributable to unitholders	1,448,035,970	100.00	100.00

The accompanying notes form an integral part of these financial statements.

1. Principal Activities

Prudential Unit Trusts (“the Trust”) is an umbrella unit trust constituted pursuant to the Trust Deed dated 5 April 2001 as amended by the subsequent Supplemental Deeds and Amending and Restating Deeds between Prudential Asset Management (Singapore) Limited (“the Manager”) and HSBC Institutional Trust Services (Singapore) Limited (“the Trustee”). The Trust Deed, Supplemental Deeds and Amending and Restating Deeds (collectively, the “Trust Deed”) are governed by the laws of the Republic of Singapore. During the financial year, the trustee was changed from RBC Dexia Trust Services Singapore Limited to HSBC Institutional Trust Services (Singapore) Limited.

As at 31 December 2007, the Trust had the following sub-funds:

Sub-Fund	Launch Date	Underlying Investments
PRU Global Technology Fund	16 April 2001	International Opportunities Funds - Global Technology
PRU Pan European Fund	16 April 2001	International Opportunities Funds - Pan European
PRU Protected Global Titans Fund (S\$)	19 September 2001	A combination of money market instruments & options
PRU Asian Balanced Fund	13 January 2003	International Opportunities Funds - Asian Equity - US Investment Grade Bond - US High Investment Grade Bond
PRU Dragon Peacock Fund	18 May 2004	Investments in China and India instruments & options
PRU Global Basics Fund	12 September 2005	M&G Investment Funds (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A
PRU Global Balanced Fund	28 August 07	M&G Investment Funds (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A Legg Mason Global Bond Trust

1. Principal Activities (continued)

The sub-funds, Global Technology Fund (“PRU Global Technology Fund”), Pan European Fund (“PRU Pan European Fund”) and Asian Balanced Fund (“PRU Asian Balanced Fund”) invest all or substantially all of their assets in the units of the corresponding sub-funds of the Luxembourg-domiciled International Opportunities Funds.

The sub-fund, Global Basics Fund (“PRU Global Basics Fund”), invests all or substantially all of their assets in the units of the corresponding sub-fund of and M&G Investment Funds (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A.

The sub-fund, Global Balanced Fund (“PRU Global Balanced Fund”) invests all or substantially all of their assets in the units of the corresponding sub-fund of M&G Investment Funds (1) – Global Basics Fund Net Accumulation Shares in Sterling Class A and Legg Mason Global Bond Trust.

The sub-fund, Protected Global Titans Fund (S\$) (“PRU Protected Global Titans Fund (S\$)”) is designed to achieve long term capital growth by gaining exposure to top global multinational companies through the Dow Jones Global Titans 50 IndexSM while, at the same time, protecting the net asset value of the sub-fund within each floor period.

The sub-fund, Dragon Peacock Fund (“PRU Dragon Peacock Fund”) is designed to maximise long-term total return by investing primarily in equity and equity-related instruments in People’s Republic of China (PRC) and the Republic of India (India). All investments in Indian domestic equities are held through an investment company, Dragon Peacock Investments Ltd (“DPI (M)”), incorporated in Mauritius.

The share capital of DPI (M) is divided into two classes. The ordinary shares are held in the name of HSBC Institutional Trust Services (Singapore) Limited as trustee of PRU Dragon Peacock Fund and the preference shares are held by PRU Dragon Peacock Fund.

The shareholders’ funds of DPI (M) are attributable solely to the holders of Preference Shares except for the par value of ordinary shares amounting to US\$100 which is attributable to the holder of the ordinary shares.

The holder of the ordinary shares does not participate in any dividends of DPI (M) or in any residual assets, over and above the par value of the paid-up share capital of the ordinary shares in the event of winding up. Accordingly, the income and expenses, assets and liabilities of DPI (M) are wholly attributed to PRU Dragon Peacock Fund by virtue of its interest in the Preference Shares and included in the financial statements of PRU Dragon Peacock Fund on this basis.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation

The financial statements (expressed in Singapore dollars), are prepared in accordance with the historical cost convention, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Certified Public Accountants of Singapore.

For the purposes of preparation of these financial statements, the basis used for calculating the ratio of expenses and portfolio turnover ratio are in accordance with the guidelines issued by the Investment Management Association of Singapore and the Code of Collective Investment Schemes under the Securities and Futures Act (Chapter 289).

2.2 Recognition of income

Dividend income is recognised when declared. Interest income is recognised on accrual basis.

2.3 Distribution policy

The sub-funds do not intend to pay dividends or other distributions. Any income (whether in the form of dividend, interest or otherwise) received by the sub-funds will be accumulated and reinvested. However, to the extent that a distribution may be paid, such distribution may be paid only from income received and realised and unrealised capital gains less realised and unrealised capital losses.

2.4 Investments

Investments in underlying funds and securities are stated at fair value based on the last bid price as at the balance sheet date. The unrealised difference between the fair value and original cost is taken directly to the Statement of Total Return. All realised gains and losses on disposal of investments are computed on the basis of the difference between weighted average cost and selling price and are taken directly to the Statement of Total Return.

Investments in options on stock market indices are initially recognised at cost and are subsequently revalued at their fair values. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate. All options are carried in assets when amounts are receivable and in liabilities when amounts are payable. Changes in fair values of derivatives are included in the Statement of Total Return.

2. Summary of Significant Accounting Policies (continued)

The PRU Dragon Peacock Fund holds all its investments in Indian domestic equities through an investment company DPI (M). The assets, liabilities and results of DPI (M) are included in PRU Dragon Peacock Fund's financial statements.

2.5 Foreign currencies

Transactions in foreign currencies are translated at the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at exchange rates at the reporting date. All exchange differences are recognised in the Statement of Total Return.

2.6 Units

All units issued by the Trust provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the applicable sub-fund's net assets at the redemption date. Accordingly, units give rise to a financial liability for the present value of the redemption amount.

2.7 Financial Derivatives

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the Statement of Total Return when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in the Statement of Total Return.

3. Taxation

The Trust is a designated unit trust under the Singapore Income Tax Act (Chapter 134). As a result, the following income will not be taxed at the Trust level on:

- gains or profits derived from Singapore or elsewhere from the disposal of securities;
- interest (other than interest for which Singapore tax has been withheld); and
- dividend derived from outside Singapore and received in Singapore.

4. Receivables

	PRU Global Technology Fund		PRU Pan European Fund	
	2007	2006	2007	2006
	S\$	S\$	S\$	S\$
Amount receivable for the creation of units	154,620	4,482	415,133	399,086
Interest receivables	-	-	-	-
Sales awaiting settlement	604,000	651,372	151,000	43,818
Miscellaneous receivables	34,162	44,576	55,641	-
	792,782	700,430	621,774	442,904

	PRU Dragon Peacock Fund		PRU Global Basics Fund	
	2007	2006	2007	2006
	S\$	S\$	S\$	S\$
Amount receivable for the creation of units	24,414,375	6,319,655	4,840,081	4,798,003
Interest receivables	-	2,985	-	-
Sales awaiting settlement	-	1,943,272	1,435,550	-
Miscellaneous receivables	-	-	-	-
	24,414,375	8,265,912	6,275,631	4,798,003

	PRU Protected Global Titans Fund (S\$)		PRU Asian Balanced Fund	
	2007	2006	2007	2006
	S\$	S\$	S\$	S\$
Amount receivable for the creation of units	168,086	-	9,587,545	4,583,558
Interest receivables	871	12,243	-	3,238
Sales awaiting settlement	-	498	503,808	-
Miscellaneous receivables	-	-	2,817	-
	168,957	12,741	10,094,170	4,586,796

4. Receivables (continued)

	<u>PRU Global Balanced Fund</u>
	2007
	S\$
Amount receivable for the creation of units	2,239,094
Interest receivables	-
Sales awaiting settlement	-
Miscellaneous receivables	69,954
	<u>2,309,048</u>

5. Payables

	<u>PRU Global Technology Fund</u>		<u>PRU Pan European Fund</u>	
	2007	2006	2007	2006
	S\$	S\$	S\$	S\$
Payable to unitholders for cancellation of units	429,817	928,879	284,780	126,913
Accrued expenses	257,033	345,651	191,717	76,169
Purchases awaiting settlement	85,000	-	67,000	147,844
	<u>771,850</u>	<u>1,274,530</u>	<u>543,497</u>	<u>350,926</u>
	<u>PRU Dragon Peacock Fund</u>		<u>PRU Global Basics Fund</u>	
	2007	2006	2007	2006
	S\$	S\$	S\$	S\$
Payable to unitholders for cancellation of units	13,025,152	701,158	3,872,999	1,039,339
Accrued expenses	5,912,313	4,220,711	158,310	440,858
Purchases awaiting settlement	-	2,665,103	2,765,081	5,548,806
Other payables	-	-	20,637	30,647
	<u>18,937,465</u>	<u>7,586,972</u>	<u>6,817,027</u>	<u>7,059,650</u>

6. Net Assets Attributable to Unitholders

	PRU Global Technology Fund		PRU Pan European Fund	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
	S\$	S\$	S\$	S\$
At the beginning of financial year	156,608,698	204,272,511	45,251,262	27,864,468
Operations				
Change in net assets attributable to unitholders resulting from operations	5,167,057	(4,448,422)	(499,910)	8,070,324
Unitholders' contributions/ (withdrawals)				
Creation of units	2,279,231	3,164,783	77,442,803	16,770,911
Cancellation of units	(47,690,178)	(46,380,174)	(39,555,780)	(7,454,441)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(45,410,947)	(43,215,391)	37,887,023	9,316,470
Total increase/(decrease) in net assets attributable to unitholders	(40,249,890)	(47,663,813)	37,387,113	17,386,794
At the end of financial year	116,358,808	156,608,698	82,638,375	45,251,262
Units in issue (Note 7)	195,587,472	271,002,202	59,687,846	33,990,344
Net Assets Attributable to Unitholders Per Unit	0.59	0.58	1.38	1.33

6. Net Assets Attributable to Unitholders (continued)

	PRU Protected Global Titans Fund (S\$)		PRU Asian Balanced Fund	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
	S\$	S\$	S\$	S\$
At the beginning of financial year	18,060,075	21,502,376	553,592,190	393,918,530
Operations				
Change in net assets attributable to unitholders resulting from operations	522,133	1,636,584	71,872,069	39,773,895
Unitholders' contributions/ (withdrawals)				
Creation of units	3,794,101	1,388,405	259,423,894	129,852,252
Cancellation of units	(6,367,222)	(6,467,290)	(128,432,202)	(9,952,487)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(2,573,121)	(5,078,885)	130,991,692	119,899,765
Total increase/(decrease) in net assets attributable to unitholders	(2,050,988)	(3,442,301)	202,863,761	159,673,660
At the end of financial year	16,009,087	18,060,075	756,455,951	553,592,190
Units in issue (Note 7)	14,245,503	16,600,123	431,018,100	353,645,481
Net Asset Attributable to Unitholders Per Unit	1.12	1.09	1.76	1.57

PRUDENTIAL UNIT TRUSTS NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2007

6. Net Assets Attributable to Unitholders (continued)

	<u>PRU Dragon Peacock Fund</u>		<u>PRU Global Basics Fund</u>	
	<u>31/12/2007</u>	<u>31/12/2006</u>	<u>31/12/2007</u>	<u>31/12/2006</u>
	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
At the beginning of financial year	986,577,450	432,413,408	419,782,410	59,481,010
Operations				
Change in net assets attributable to unitholders resulting from operations	521,007,468	237,350,871	60,024,525	38,638,801
Unitholders' contributions/ (withdrawals)				
Creation of units	713,176,644	452,535,792	220,680,449	393,545,646
Cancellation of units	(772,725,592)	(135,722,621)	(142,067,126)	(71,883,047)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(59,548,948)	316,813,171	78,613,323	321,662,599
Total increase/(decrease) in net assets attributable to unitholders	461,458,520	554,164,042	138,637,848	360,301,400
At the end of financial year	<u>1,448,035,970</u>	<u>986,577,450</u>	<u>558,420,258</u>	<u>419,782,410</u>
Units in issue (Note 7)	<u>446,739,678</u>	<u>491,499,377</u>	<u>394,855,822</u>	<u>340,541,405</u>
Net Asset Attributable to Unitholders Per Unit	<u>3.24</u>	<u>2.01</u>	<u>1.41</u>	<u>1.23</u>

6. Net Assets Attributable to Unitholders (continued)

	PRU Global Balanced Fund
	<u>31/12/2007</u>
	S\$
At the beginning of financial year	-
Operations	
Change in net assets attributable to unitholders resulting from operations	(431,650)
Unitholders' contributions/ (withdrawals)	
Creation of units	45,024,583
Cancellation of units	(12,504,953)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	<u>32,519,630</u>
Total increase/(decrease) in net assets attributable to unitholders	<u>32,087,980</u>
At the end of financial year	<u>32,087,980</u>
Units in issue (Note 7)	<u>32,801,474</u>
Net Asset Attributable to Unitholders Per Unit	<u>0.98</u>

7. Units in Issue

	PRU Global Technology Fund		PRU Pan European Fund	
	2007	2006	2007	2006
Units in beginning of the year	271,002,202	346,151,385	33,990,344	26,464,380
Units created	3,792,775	5,474,036	53,184,918	13,674,143
Units cancelled	(79,207,505)	(80,623,219)	(27,487,416)	(6,148,179)
Units at end of the year	<u>195,587,472</u>	<u>271,002,202</u>	<u>59,687,846</u>	<u>33,990,344</u>

	PRU Protected Global Titans Fund (\$\$)		PRU Asian Balanced Fund	
	2007	2006	2007	2006
Units in beginning of the year	16,600,123	21,523,837	353,645,481	271,837,862
Units created	3,424,526	1,269,881	151,551,445	88,573,611
Units cancelled	(5,779,146)	(6,193,595)	(74,178,826)	(6,765,992)
Units at end of the year	<u>14,245,503</u>	<u>16,600,123</u>	<u>431,018,100</u>	<u>353,645,481</u>

	PRU Dragon Peacock Fund		PRU Global Basics Fund	
	2007	2006	2007	2006
Units in beginning of the year	491,499,377	296,423,553	340,541,405	57,414,155
Units created	259,077,399	273,445,389	158,782,533	346,626,354
Units cancelled	(303,837,098)	(78,369,565)	(104,468,116)	(63,499,104)
Units at end of the year	<u>446,739,678</u>	<u>491,499,377</u>	<u>394,855,822</u>	<u>340,541,405</u>

	PRU Global Balanced Fund	
	2007	
Units in beginning of the year	-	
Units created	45,466,219	
Units cancelled	(12,664,745)	
Units at end of the year	<u>32,801,474</u>	

8. US dollar class

PRU Global Basics Fund

The sub-fund offers two classes of units, namely the PRU Global Basics Fund S\$ units and the PRU Global Basics Fund US\$ units. The US\$ units are for facilitation of the subscription and/or redemption in US\$. Consequently, these financial statements of PRU Global Basics Fund cover the financial information of the S\$ units only.

The US\$ units are subject to further foreign exchange risk arising from movements of S\$.

Supplementary information relating to the US\$ units are set out below.

Net asset value of US\$ units

		2007
Number of S\$ units issued to US\$ unitholders		<u>2,745,167</u>
Net asset value per S\$ unit		<u>1.41</u>
	S\$	US\$ equivalent
Value of S\$ units issued to US\$ unitholders	<u>3,880,403</u>	2,695,754
Number of US\$ units in issue		2,745,167
Value per US\$ unit at 31 December		<u>0.98</u>

9. Related Party Transactions

In the normal course of the business of the Trust, trustee fees, valuation fees and management fees have been paid or are payable to the Trustee and the Manager respectively as noted in the Statement of Total Return. During the period, the Manager has borne certain direct costs of the Fund amounting to approximately S\$ 34,162 for PRU Global Technology Fund and the S\$81,833 for PRU Global Balanced Fund. In addition, management fee rebates of 0.25% (2006: 0.25%) are received from the manager of the underlying funds for certain sub-funds.

Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

10. Financial Instruments

In the ordinary course of business, the Trust is exposed to a variety of risks as stated in the Trust's prospectus. The Manager continually monitors the exposure of the Trust to risks and appropriate procedures are in place to manage such risks. The risks relevant to the Trust are detailed below.

Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the sub-funds. Exposure to credit risk is monitored by the Manager on an ongoing basis. Cash is placed with financial institutions of good credit ratings.

Investments in fixed income securities are subject to adverse changes in the financial condition of the issuer, or in general economic conditions, or both, or an unanticipated rise in interest rates, which may impair the ability of the issuer to make payments of interest and principal. Such issuer's ability to meet its debt obligations may also be adversely affected by specific projected business forecasts, or the unavailability of additional financing.

Transactions involving the sale and purchase of financial instruments are allowed only with brokers that are of high credit quality. The sub-funds do not expect any counterparty to fail to meet their obligations. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. Concentration of the sub-funds' investments are disclosed in the portfolio statement.

Liquidity risk

The Manager monitors and maintains a level of cash deemed adequate by management to finance the sub-fund's operations and to mitigate the effects of fluctuations in cash flows.

Interest rate risk

Investments in fixed income portfolios will be subject to the usual risks of investing in bonds and other fixed income securities. Bonds and other fixed income securities are subject to interest rate fluctuations and credit risks.

10. Financial Instruments (continued)

Foreign Currency risk

The Fund's accounting books and records are kept in Singapore dollars. The sub-funds invest in underlying securities which are denominated in foreign currencies where the fluctuations in the relevant exchange rates may have an impact on the income and value of the Fund.

Generally, the Manager and the relevant sub-manager do not hedge the foreign currency exposure (if any) of the sub-funds although they have the discretion to do so.

Fair value

The fair values of the sub-fund's financial assets and liabilities approximate the carrying amounts at balance sheet date. The fair value of the investments in underlying funds and securities are based on the last bid price as at the balance sheet date.

	2007	2006
	%	%
PRU Global Technology Fund		
Expense ratio (Note 1)	1.95	1.95
Turnover ratio (Note 2)	0.79	0.52
PRU Pan European Fund		
Expense ratio (Note 1)	1.77	1.86
Turnover ratio (Note 2)	18.03	11.39
PRU Protected Global Titans Fund (S\$)		
Expense ratio (Note 1)	0.78	0.74
Turnover ratio (Note 2)	98.35	24.87
PRU Asian Balanced Fund		
Expense ratio (Note 1)	1.45	1.46
Turnover ratio (Note 2)	14.98	11.34

10. Financial Instruments (continued)

	2007	2006
	%	%
PRU Dragon Peacock Fund		
Expense ratio (Note 1)	1.68	1.70
Turnover ratio (Note 2)	72.84	54.57
PRU Global Basics Fund		
Expense ratio (Note 1)	1.75	1.81
Turnover ratio (Note 2)	9.26	5.82
PRU Global Balanced Fund		
Expense ratio (Note 1)	1.71	-
Turnover ratio (Note 2)	2.75	-

11. Financial Ratios

Note 1

The expenses used in calculating the “Ratio of expenses to average net assets” at the sub-fund level include expenses such as management fees (net of rebate), registration fees, trustees’ fees, custody fees, audit fees and other expenses incurred by the sub-fund. For feeder funds, the ratio of expenses is determined after taking into account the expenses of the underlying sub-fund.

Note 2

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the year preceding the reporting date expressed as a percentage of daily average net asset value.

12. Comparative Figures

For the sub-fund PRU Global Balanced Fund, no comparative figures has been presented as this is the first set of financial statement of the sub-fund since the constitution of the sub-fund.

Important Information

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. All application for units in the Fund must be made on the application form accompanying the prospectus. Investors should read the prospectus before deciding whether to subscribe for or purchase units in the Fund. 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. 19907631H) 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. The value of units in the Fund and the income accruing to the units, if any, may fall or rise. 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.

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Investors of the PRU Dragon Peacock Fund should 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 is 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 of 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 recognized for offer to the retail public in Singapore.