

# EASTSPRING INVESTMENTS UNIT TRUSTS

- GLOBAL TECHNOLOGY FUND
- PAN EUROPEAN FUND
- PROTECTED GLOBAL TITANS FUND (S\$)
- ASIAN BALANCED FUND
- DRAGON PEACOCK FUND
- GLOBAL BASICS FUND
- GLOBAL BALANCED FUND
- ASIAN INFRASTRUCTURE EQUITY FUND
- GLOBAL LEADERS FUND
- GLOBAL POSITIONING STRATEGY FUND
- SINGAPORE SELECT BOND FUND
- SINGAPORE ASEAN EQUITY FUND

## ANNUAL REPORTS

For the year ended 31 December 2012

## AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2012





## **EASTSPRING INVESTMENTS UNIT TRUSTS**

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## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL TECHNOLOGY FUND**

Included under the CPF Investment Scheme – Ordinary Account

### **Structure**

Eastspring Investments Unit Trusts - Global Technology Fund (the “Fund”) is organised as a feeder fund which feeds into the Luxembourg-domiciled Eastspring Investments – Global Technology Fund (“GT Underlying Fund”). The investment manager and sub-manager of the GT Underlying Fund is the Manager and the UK domiciled Henderson Global Investors 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 give them a strategic advantage in the market. The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Fund into the GT Underlying Fund which shares the same investment objective.

### **Manager’s Commentary**

#### **Fund performance**

For the full year ended 31 December 2012, the Fund gained 7.2% (bid-to-bid basis) while its benchmark rose 8.3%.

#### **Market Background**

Global equity markets generally benefitted from the receding global macroeconomic concerns towards the year end as well as from the unprecedented accommodative monetary policy measures implemented by the world’s central banks. The technology sector underperformed the broader market whilst the Fund underperformed its benchmark, the MSCI AC World Information Technology Index.

#### **Factors affecting performance<sup>1</sup>**

The strongest source of relative outperformance came from our avoidance of PC exposed names in the Semiconductors & Semiconductor Equipment and the Computers & Peripherals sectors. The Internet Software & Services sector was the largest detractor from performance.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL TECHNOLOGY FUND**

At the stock level, Samsung Electronics was amongst the largest contributors to relative positive performance. The Korean company continued to report strong results, driven in part by improved handset margins as premium smartphones such as the recently launched Galaxy S3 continue to increase share of sales mix. Offsetting this, our position in Apple detracted from absolute performance. Other strong performers included Arm Holdings, the UK based semiconductor IP Company and Virgin Media, the UK based cable provider who continued to experience strong demand for its superfast broadband and cable products. Our underweight exposure in a number of PC related companies such as Hewlett Packard and Intel contributed positively to performance as the industry continued to see very weak sales during the year.

Holdings in Netease and Baidu were negatively impacted by potential regulatory changes to their listing status in the US. MercadoLibre also underperformed after the company reported slower than anticipated growth. The fund manager had exited the position following the news. Velti, a small holding which provides mobile marketing solutions, reported mixed results with weaker than expected cashflow during the year. Verifone was also a material detractor having reported results during the year which showed revenues slightly behind the company's guidance due to foreign exchange headwinds and a fire in their Brazilian facility.

### **Key changes to the portfolio<sup>1</sup>**

A position was initiated in Facebook, as the fund manager started to see evidence of monetisation in mobile, which was previously viewed as a challenge for the company. Elsewhere, position in Velti was exited following weak results.

### **Outlook and strategy**

Economic factors will continue to dominate going forward and yet more stimulus measures are going to be necessary (and likely), especially in Europe and emerging markets to avert another crisis. The latest earnings season is likely to be mixed due to disruption caused by the US fiscal cliff. The fund manager believes in overall bias towards companies with strong barriers to entry, whatever their economic sensitivity, should cushion the portfolio from the economic and sentiment 'rollercoaster' that is likely to occur. The fund manager believes that these characteristics, combined with the gradual increase of technology's share of spending within the overall economy, offer a strong risk/reward proposition for investors relative to the world equity market.

*<sup>1</sup> Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.*

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL TECHNOLOGY FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months	6 months	1 year	3 years	5 years	10 years	Since inception <sup>+</sup>
	%	%	%	%	%	%	%
	(average annual compounded return)						
Eastspring Investments Unit Trusts- Global Technology Fund	-3.4	1.7	7.2	2.7	-2.0	4.8	-4.8
MSCI AC World Information Technology Index *	-2.5	0.8	8.3	2.7	-2.1	4.4	-3.1

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

\* From inception to 30 November 2008, the Fund was benchmarked against FTSE World information Technology Index and from 1 December 2008, the Fund was benchmarked against the MSCI AC World Information Technology Index. The two series are chain-linked to derive the longer period benchmark returns. From 1 December 2008 to 30 April 2012, the Sub-Fund was benchmarked against MSCI AC World Information Technology Index on a gross dividend basis. With effect from 1 May 2012, the benchmark returns will be on a net dividend basis. The two series are chain-linked to derive the longer period benchmark returns.

There has been no dividend distribution since the inception of the Fund.

+ 4 May 2001

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL TECHNOLOGY FUND

### Schedule of Investments

(As at 31 December 2012)

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	<u>Luxembourg</u> Eastspring Investments - Global Technology Fund Class Cs		
12,520,788		78,054,591	99.99
<b>Total Investments</b>		<b>78,054,591</b>	<b>99.99</b>
Other Net Assets		10,083	0.01
<b>Total Net Assets Attributable to Unitholders</b>		<b>78,064,674</b>	<b>100.00</b>

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

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL TECHNOLOGY FUND**

(As at 31 December 2012)

### **Exposure to Derivatives**

Nil

### **Global exposure**

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### **Collateral**

Nil for the year ended 31 December 2012.

### **Securities Lending or repurchase Transactions**

Nil for the year ended 31 December 2012.

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

The Eastspring Investments Unit Trusts - Global Technology Fund invests SGD 78,054,591 equivalent to 99.99% of its net asset value attributable to unitholders, in Eastspring Investments - Global Technology Fund Class Cs.

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### **Borrowings**

Nil

### **Related Party Transactions**

The Fund invests SGD 78,054,591 equivalent to 99.99% of its net asset value, in Eastspring Investments - Global Technology Fund. Some directors of the Eastspring Investments, an open-ended investment company registered in Luxembourg, are also directors of Eastspring Investments (Singapore) Limited.

Refer to Note 10 of “Notes to the Financial Statements”.

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL TECHNOLOGY FUND

### Total Subscriptions and Redemptions for the year ended 31 December 2012

	<b>SGD</b>
Subscriptions	4,601,655
Redemptions	9,366,096

### **Annualised Expense Ratio\*\***

1.74% (2011: 1.73%)

*\*\* 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**

4.10% (2011: 5.46%)

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

## EASTSPRING INVESTMENTS – GLOBAL TECHNOLOGY FUND

### Top 10 Holdings

(As at 31 December 2012)

	Market Value USD	% of Net Assets***
Apple Inc	4,963,005	7.30
Samsung Electronics Company Limited	4,419,959	6.51
Microsoft Corporation	4,179,599	6.15
Google Inc	4,173,948	6.14
International Business Machines Corporation	3,109,894	4.58
Oracle Corporation	2,559,585	3.77
Qualcomm Inc	2,316,026	3.41
CISCO Systems Inc	2,227,610	3.28
VISA Inc	1,813,459	2.67
Mastercard Inc	1,774,523	2.61

### Top 10 Holdings

(As at 31 December 2011)

	Market Value USD	% of Net Assets***
Apple Computer Inc	6,607,999	10.34
Google Inc	4,467,009	6.99
Microsoft Corporation	4,174,533	6.53
International Business Machines Corporation	3,613,868	5.65
Intel Corporation	2,737,456	4.28
Oracle Corporation	2,637,182	4.13
Samsung Electronics Company Limited	2,588,977	4.05
Qualcomm Inc	2,368,923	3.71
CISCO Systems Inc	2,158,868	3.38
Mastercard Inc	1,680,675	2.63

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

### Annualised Expense Ratio\*\*

1.11% (2011: 1.12%)

\*\* 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

65.87% (2011: 83.36%)

## **EASTSPRING INVESTMENTS UNIT TRUSTS – PAN EUROPEAN FUND**

Included under the CPF Investment Scheme – Ordinary Account

### **Structure**

Eastspring Investments Unit Trusts - Pan European Fund (the “Fund”) is organised as a feeder fund which feeds into the Luxembourg-domiciled Eastspring Investments – Pan European Fund (“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. The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Fund into the PE Underlying Fund which shares the same investment objective.

### **Manager’s Commentary**

#### **Fund performance**

Over the review period, the Fund gained 12.3% (bid-to-bid basis) while its benchmark rose 12.6%.

#### **Market Background**

Global equity markets remained stressed for much of the review period, with newsflow relating to the ongoing European debt crisis driving periods of extreme volatility, and generally muted global growth prospects having a souring effect on investor sentiment. However, as we moved through the autumn months, investors became increasingly willing to take on risk as confidence picked up, despite concerns over the US ‘fiscal cliff’; the combination of spending cuts and tax increases that were due to come in at the beginning of 2013, which could have had severe ramifications for the US recovery.

Policy moves in Europe, the US, China and Japan, upbeat earnings reports and improved economic data all added to the positive mood, which saw some of the more cyclical sectors, particularly financials, returning to favour. For the year as a whole, financials as well as the consumer discretionary and information technology sectors produced the best returns, while the telecommunications, energy and utilities sectors all underperformed.

#### **Factors affecting performance<sup>1</sup>**

One of the Fund’s strongest performers for the year was UK-based auto retailer and distributor Inchcape. The company’s share price has risen since July, when it published first-half results which exceeded expectations, and this was reinforced in the autumn by positive third-quarter figures. The company’s strength stems from its unique global distribution network, while it also boasts good structural growth drivers. These particularly relate to expanding retail operations in numerous emerging markets, which have witnessed increasing demand for luxury vehicles.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – PAN EUROPEAN FUND**

Other strong performers for the year included Amadeus, a provider of IT outsourcing for airlines, which has benefited from the growing trend for airlines to use external providers for their technology solutions, and Christian Hansen, a Danish food ingredients maker.

Conversely, German online tyre retailer Delticom dragged on returns, with performance hindered by concerns over the competitive dynamics of online tyre retailing, combined with a generally soft replacement market, as motorists delay buying new tyres in uncertain economic conditions. French specialist steel pipe maker Vallourec also lagged, as investors reacted badly to short-term delays and cost overruns on large capital projects in the US and Brazil, but confidence appeared to be returning by the end of the review period. Elsewhere, Spanish oil and gas producer Repsol detracted from performance, as the company's share price fell sharply following the Argentinian government nationalising Yacimientos Petroliferos Fiscales, in which Repsol had held a majority stake.

### **Key changes to the portfolio<sup>1</sup>**

As active stockpickers, volatile market conditions have created opportunities to selectively purchase companies with compelling scarce assets, structural growth drivers and the potential for sustainably high returns, which became available at attractive valuations. The fund managers added four new holdings during the review period: Swedish bank Svenska Handelsbanken, Germany-based market research group GfK, and in the UK, trading systems software designer Fidessa and property company Shaftesbury.

The fund managers also closed a number of positions where they believed better opportunities were available to invest in structural growth companies. These included Austrian brick and tile manufacturer Wienerberger and German electrical engineering and electronics group Siemens, among others. CFAO, a French firm that distributes cars and pharmaceuticals throughout Africa, also left the portfolio near the end of the reporting period after the Japanese conglomerate TTC bid to take over the company.

### **Outlook and strategy**

As we passed through the second half of 2012, the market seemed to be shifting back towards fundamentals. Investors appeared more willing to differentiate between stocks rather than simply responding to macroeconomic newsflow, with credit being given to quality growth companies. As we move into the new year, the fund managers are relatively optimistic, although risks and uncertainties still exist. Geopolitical difficulties, in particular concerning Iran, debt issues in Europe and fallout from the fiscal cliff in America all threaten to undermine confidence and keep markets volatile.

As long-term investor, however, the fund managers are resolutely focused on the long-term value of the businesses in which they invest, and remain positive about their prospects going forward. The fund managers believe the Fund remains well placed to take advantage of improving sentiment and a return to fundamentals, as it contains high returning, value creating, structural growth companies not currently valued to reflect these inherent qualities.

<sup>1</sup> Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.

## EASTSPRING INVESTMENTS UNIT TRUSTS – PAN EUROPEAN FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months %	6 months %	1 year	3 years	5 years	10 years	Since inception*
			%	%	%	(%)	%
(average annual compounded return)							
Eastspring Investments Unit Trusts - Pan European Fund	7.5	11.5	12.3	-3.3	-8.4	3.7	-0.5
MSCI Europe Index *	6.6	12.2	12.6	-0.9	-6.9	5.2	1.3

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

\* The benchmark of the Fund has been changed from the FTSE World Europe (including UK) Index to MSCI Europe Index with effect from 1 January 2012 as the Manager is of the view that the MSCI index is more relevant in measuring the performance of the Fund with its peers. This change in benchmark will be applied retrospectively. From 1 January 2012 to 30 April 2012, the Fund was benchmarked against MSCI Europe Index on a gross dividend basis. With effect from 1 May 2012, the benchmark returns will be on a net dividend basis. The two series are chain-linked to derive the longer period benchmark returns.

There has been no dividend distribution since the inception of the Fund.

+ 4 May 2001

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

### Schedule of Investments

(As at 31 December 2012)

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	<u>Luxembourg</u>		
	Eastspring Investments - Pan European Fund Class Cs	38,709,968	99.91
3,702,532			
<b>Total Investments</b>		<b>38,709,968</b>	<b>99.91</b>
Other Net Assets		36,759	0.09
<b>Total Net Assets Attributable to Unitholders</b>		<b>38,746,727</b>	<b>100.00</b>

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

## **EASTSPRING INVESTMENTS UNIT TRUSTS – PAN EUROPEAN FUND**

(As at 31 December 2012)

### **Exposure to Derivatives**

Nil.

### **Global exposure**

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### **Collateral**

Nil for the year ended 31 December 2012.

### **Securities Lending or repurchase Transactions**

Nil for the year ended 31 December 2012.

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

The Fund invests SGD 38,709,968 equivalent to 99.91% of its net asset attributable to unitholders, in Eastspring Investments - Pan European Fund Class Cs.

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### **Borrowings**

Nil.

### **Related Party Transactions**

The Fund invests SGD 38,709,968 equivalent to 99.91% of its net asset attributable to unitholders, in Eastspring Investments - Pan European Fund. Some directors of the Eastspring Investments, an open-ended investment company registered in Luxembourg, are also directors of Eastspring Investments (Singapore) Limited.

Refer to Note 10 of “Notes to the Financial Statements”.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – PAN EUROPEAN FUND**

(As at 31 December 2012)

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	3,043,875
Redemptions	3,939,844

### **Annualised Expense Ratio\*\***

1.81% (2011: 1.76%)

*\*\* 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**

5.43% (2011: 6.21%)

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

## EASTSPRING INVESTMENTS – PAN EUROPEAN FUND

### Top 10 Holdings

(As at 31 December 2012)

	Market Value USD	% of Net Assets***
HSBC Holdings PLC	1,683,003	4.22
Nestle SA	1,472,384	3.69
Novartis AG	1,300,636	3.26
Unilever NV	1,277,555	3.20
Roche Holding AG	1,140,282	2.86
Zurich Insurance Group AG	1,102,248	2.76
Total SA	1,054,995	2.64
Svenska Handelsbanken	1,021,406	2.56
Vienna Insurance Group	979,570	2.45
Ericsson LM - B Shares	961,735	2.41

### Top 10 Holdings

(As at 31 December 2011)

	Market Value USD	% of Net Assets***
Nestle SA	1,416,817	3.55
Unilever NV	1,335,105	3.34
HSBC Holdings PLC	1,206,204	3.02
Zurich Financial Services	1,162,162	2.91
Total SA	1,087,891	2.72
Roche Holding AG	1,078,923	2.70
Novartis AG	1,060,386	2.65
Glaxosmithkline PLC	1,042,740	2.61
Ericsson LM - B Shares	1,014,198	2.54
Publicis Group	950,536	2.38

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

### Annualised Expense Ratio\*\*

1.13% (2011: 1.11%)

\*\* 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

17.88% (2011: 87.52%)

## **EASTSPRING INVESTMENTS UNIT TRUSTS – PROTECTED GLOBAL TITANS FUND (S\$)**

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

### **Structure**

The Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$) (the “Fund”) is a fund organised as a direct investment portfolio.

The Fund is no longer available for subscription. This is solely for the information of unitholders in the Fund and, accordingly, is not and should not be construed as an offer in the Fund or an advertisement in respect thereof.

### **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 Index<sup>SM</sup> 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 returned 0.4% (bid-to-bid basis) for the year ending 31 December 2012, underperforming its CPF Ordinary Account interest rate benchmark, which yielded 2.5% for the same period.

#### **Market background**

In 2012, equity markets saw a volatile year, fluctuating in tandem with investors’ sentiments and headline news. Despite a strong start to the year with economic data outperforming expectations in the major economies, fears of Greek exiting the Eurozone (or “Grexit”) and the European sovereign debt crisis plagued sentiments in Q2. In the second half of 2012, central banks globally undertook rounds of monetary easing, boosting risk sentiments and propping up equity markets. While stalled negotiations on the ‘fiscal cliff’ evoked fears, a combination of aggressive monetary easing by the Federal Reserve and improving economic data in the US and China led to gains in global equity markets as the year drew to a close.

#### **Factors affecting performance<sup>1</sup>**

Despite the volatility over the year, asset classes globally, including equity markets, surged and posted substantial gains, amidst an overall sentiment that markets were on course towards recovery and tail risks were reduced. The Dow Jones Global Titans 50 Index<sup>SM</sup> fared well, registering gains of 11.8% (in USD terms) for 2012. However, due to no exposure to the index via option position till mid of November 2012, the Fund did not share its gains for most part of the year.

#### **Key changes to the portfolio**

The Fund continued to maintain its exposures in short-dated fixed income holdings for most of the year, before initiating a new call option contract linked to the Dow Jones Global Titans 50 Index<sup>SM</sup> in November 2012.

#### **Outlook**

The Fund Manager is cautiously optimistic in the short term, as various market risks seem to be under control and economic data is looking rosier. Nevertheless, volatility is likely to spike over the course of the year as politics continue to steer the direction of equity markets.

<sup>1</sup> All figures in the paragraph are sourced from Bloomberg, as at 31 December 2012.

## EASTSPRING INVESTMENTS UNIT TRUSTS – PROTECTED GLOBAL TITANS FUND (S\$)

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months	6 months	1 year	3 years	5 years	10 years	Since inception*
	%	%	%	%	%	%	%
(average annual compounded return)							
Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$)	0.1	0.2	0.4	-0.7	0.6	2.0	1.3
CPF Ordinary Account Interest Rate *	0.6	1.3	2.5	2.5	2.5	2.5	2.5

Source: Eastspring Investments (Singapore) Limited and CPF Board. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested, if any. \*Proportion of 1 year CPF interest rate.

*There has been no dividend distribution since the inception of the Fund.*

+ 31 October 2001

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – PROTECTED GLOBAL TITANS FUND (S\$)

(As at 31 December 2012)

### Exposure to Derivatives

The Fund has the following exposure to derivatives as at 31 December 2012:

	Fair value 31 December 2012 S\$	Percentage of total net assets attributable to unitholders (%)
Call option	172,133	1.38

The unrealised gain at the end of the year was SGD 172,133 and realised gain/loss is Nil for the year.

### Global exposure

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### Collateral

Nil for the year ended 31 December 2012.

### Securities Lending or repurchase Transactions

Nil for the year ended 31 December 2012.

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

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### Borrowings

Nil.

### Related Party Transactions

Refer to Note 10 of "Notes to the Financial Statements".

### Total Subscriptions and Redemptions for the year ended 31 December 2012

	SGD
Subscriptions	-
Redemptions	1,470,264

## **EASTSPRING INVESTMENTS UNIT TRUSTS – PROTECTED GLOBAL TITANS FUND (S\$)**

(As at 31 December 2012)

### **Annualised Expense Ratio\*\***

0.69% (2011: 0.67%)

*\*\* 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**

99.06% (2011: 144.26%)

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

## EASTSPRING INVESTMENTS UNIT TRUSTS – PROTECTED GLOBAL TITANS FUND (\$\$)

### Top 10 Holdings

(As at 31 December 2012)

	Market Value SGD	% of Net Assets***
Citigroup Inc EMTN 4.98% 20/06/2013	1,013,847	8.13
Kookmin Bank Series GMTN 1.3% 27/03/2013	1,003,775	8.05
Shinhan Bank Series EMTN 1.3% 30/05/2013	1,000,495	8.03
FCT MTN Pte Ltd Series MTN 2.83% 12/02/2013	758,881	6.09
Ascendas Real Estate Investment Trust MTN 5% 22/07/2013	518,962	4.16
Asia Pacific Breweries Ltd MTN 3.55% 01/10/2014	516,771	4.15
Starhill Global Reit 3.405% 13/07/2015	512,232	4.11
Capitamalls Asia Treasure 2.15% 21/01/2014	508,925	4.08
Overseas Union Enterprise Ltd 3.36% 27/09/2013	508,287	4.08
General Electric Capital Corporation EMTN 3.03% 11/02/2013	506,645	4.07

### Top 10 Holdings

(As at 31 December 2011)

	Market Value SGD	% of Net Assets***
General Electric Cap Corp GMTN 3.485% 08/03/2012	1,317,426	9.50
Citigroup Inc EMTN 4.98% 20/06/2013	1,037,881	7.48
Export-Import Bank of Korea EMTN 2.8% 04/05/2012	1,009,423	7.28
Capitamalls Asia Treasure 1% 21/01/2012	756,398	5.45
National Agricultural Co Series EMTN 1.1% 05/07/2012	754,593	5.44
Morgan Stanley EMTN 3.585% 23/10/2012	754,018	5.44
Hana Bank Series EMTN 1.1% 02/07/2012	752,854	5.43
Shinhan Bank Series GMTN 1.05% 26/07/2012	750,064	5.41
Korea Development Bank EMTN 1.62% 31/10/2012	750,006	5.41
Bank of China / Hong Kong Ser FXCD 1.55% 23/11/2012	749,839	5.41

## EASTSPRING INVESTMENTS UNIT TRUSTS – PROTECTED GLOBAL TITANS FUND (\$)

### Schedule of Investments

(As at 31 December 2012)

	Market Value SGD	% of Net Assets***
<b>Country</b>		
Singapore	8,274,973	66.40
South Korea	2,004,270	16.08
United States of America	1,779,800	14.28
	<b>Market Value SGD</b>	<b>% of Net Assets***</b>
<b>Industry</b>		
Banks	5,945,006	47.70
Brewery	516,771	4.15
Consumer	508,287	4.08
Finance	2,280,450	18.30
Real estate	1,018,454	8.17
Real estate investment trusts	1,790,075	14.36
	<b>Market Value SGD</b>	<b>% of Net Assets***</b>
<b>Credit Ratings (by S&amp;P/Moody's)</b>		
AA+	506,645	4.07
A	2,004,270	16.08
A-	1,273,155	10.21
BBB+	758,881	6.09
BBB-	512,232	4.11
Baa1	518,962	4.16
Not rated	6,484,898	52.04
	<b>Market Value SGD</b>	<b>% of Net Assets***</b>
<b>Asset Class</b>		
Bonds	8,118,307	65.14
Time deposits	3,940,736	31.62
Other net current assets	404,398	3.24

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

## **EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN BALANCED FUND**

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

### **Structure**

The Eastspring Investments Unit Trusts - Asian Balanced Fund (the “Fund”) is organised as a feeder fund which feeds into the Luxembourg - domiciled Eastspring Investments – Asian Equity Fund (“Eastspring Investments – Asian Equity”) for its equity participation and Eastspring Investments - US High Investment Grade Bond Fund (“Eastspring Investments - US HIG Bond Fd”) and Eastspring Investments – US Investment Grade Bond Fund (“Eastspring Investments - US IG Bond Fd”) for its bond participation. The investment manager of Eastspring Investments - Asian Equity Fund, Eastspring Investments - US HIG Bond Fd and Eastspring Investments - US IG Bond Fd is the Manager. The investment sub-manager of the Eastspring Investments - US HIG Bond Fund and Eastspring Investments - US IG Bond Fund is PPM America, Inc.

### **Investment Objective**

The investment objective of the Fund is to maximise total return in the medium to long term by investing in a portfolio comprising 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 Commentary**

#### **Fund performance**

The Fund was up 8.3% (bid-to-bid basis) for the year 2012 but underperformed its composite benchmark return of 9.2%. Since its 24 February 2003 inception, the Fund was up by 6.2% p.a., behind its composite benchmark’s return by 0.8% p.a.

#### **Market background**

Risk assets ended 2012 surprisingly strong. The markets’ performance in the first half of the year looked like a repeat of 2011. Starting on an optimistic note, market sentiment took a turn in April/ May as investors panic about the debt burdens in Europe and the weakness in global economies. In the second half of the year, the oversold market conditions were then corrected as investors were encouraged by policy actions in Europe. Towards the end of 2012, the markets spurred higher as investors digested the impact of QE3 and became increasingly optimistic about a global cyclical upturn.

Against this global backdrop, Asian equities were volatile over the review period but ended the year with a 15.3%<sup>1</sup> gain. Philippines, Thailand and Singapore were among the top performers for the review period, whilst Indonesia, Malaysia and Taiwan were the key underperformers.

US Investment Grade Bonds delivered decent returns in US dollar terms over the review period. The gains were driven by a combination of coupon income and capital gains from contraction in credit spreads. A 6.2% appreciation of the Singapore dollar against the US dollar moderated the returns in Singapore dollar terms however. Over the review period, US high investment bond<sup>2</sup> and US investment grade bond<sup>3</sup> gained 1.5% and 4.6% respectively for the review period.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN BALANCED FUND**

### **Factors affecting performance<sup>4</sup>**

In gross of fees term, the asset allocation strategy added slight value to relative performance as the fund manager used the market volatile to adjust the allocation between US bonds and Asian equities over the review period. The US bond sub-funds securities selection also added value but this was offset by the underperformance of the Asian equity sub-fund.

Within US bonds, the overweight position to the Banking sector within the US investment grade bond sub-fund was a large positive contributor to relative returns in 2012. The positioning within the Electric-Integrated sector was also material contributors to outperformance. Within the Asian equity sub-fund, stock selection in telecommunication services and materials, and a cash position, detracted from relative performance. Among markets, China and Indonesia were big detractors. The negative contribution was, however, mitigated by stock selection with energy and industrials as well as India and Singapore. In terms of specific stock holdings, China's Parkson Retail Group and China Resources Cement Holdings Limited were the key detractors while Tata Motors Limited and ICIC Bank Limited in India were the key contributors to the Fund's relative performance.

### **Key changes to the portfolio**

For the review period, the Fund moved from an underweight equities position to a slight overweight over the first two months of the year as there was increasing evidence of a possible cyclical recovery in the global economy. However, with growth momentum faltered after February and equity valuations running ahead of its fundamentals, the Fund subsequently moved to a slight underweight equities position in March. It subsequently closed the underweight tilt and moved to neutral position in July as valuation were looking more attractive following the price correction.

### **Outlook**

While the macro environment is seemingly less precarious now, the fund manager remains concerned over corporate earnings delivery. In several equity markets (sans Europe), forward earnings expectations still appear lofty. In addition, the risk of a macro disappointment is still material, particularly if policymakers do not exercise sufficient resolve in following through with planned reforms and plans to tackle the ongoing fiscal issues. At current equity valuation, the margin of safety priced in for risks of earnings or macro disappointment is still insufficient, in the fund manager's view. For bond markets, extremely low sovereign bond yields already reflect the weak structural and economic fundamentals. There is a clear risk that yields can correct upwards considerably if the current 'near-zero rates for longer' assumption is put into question.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN BALANCED FUND**

No asset class stands out as compellingly attractive now, following the strong rally in credit markets, which have been amongst the fund manager's most favored asset class for some years now. Declining credit spreads and yields have resulted in a deteriorating risk-return profile for credit as an asset class. Thus, looking forward, the fund manager will pare down his bullish outlook on credit. Overall, he remains cautious on equities on grounds of earnings risks not sufficiently priced into valuations. As such, given the lack of extreme valuation signals currently, the Fund is maintaining its current neutral allocation between Asian equities and US bonds. However, over the medium term, the fund manager begins to see equities as being more attractive relative to US credit.

*Note: All index returns are sourced from Bloomberg (unless otherwise stated), as of 31 December 2012.*

<sup>1</sup> *Based on MSCI AC Asia ex Japan (Net) Index in Singapore dollar term*

<sup>2</sup> *Based on BoA Merrill Lynch US Corporates, A2 Rated and above Index in Singapore dollar term*

<sup>3</sup> *Based on BoA Merrill Lynch US Corporates, BBB3 - A3 Rated Index in Singapore dollar term*

<sup>4</sup> *Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.*

## EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN BALANCED FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months	6 months	1 year	3 years	5 years	Since inception <sup>+</sup>
	%	%	%	%	%	%
Eastspring Investments Unit Trusts - Asian Balanced Fund	2.5	5.3	8.3	1.7	-0.2	6.2
<b>Composite Benchmark</b>			<b>(average annual compounded return)</b>			
50% MSCI AC Asia ex Japan Index						
30% The BofA Merrill Lynch U.S. Corporates, A2 Rated and above Index (formerly known as Merrill Lynch US Corporates A-AAA rated (adjusted for A- credits))	2.9	6.0	9.2	3.2	1.3	7.0
20% The BofA Merrill Lynch U.S. Corporates, BBB3-A3 Rated Index (formerly known as Merrill Lynch US Corporates BBB – A rated) *						

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

\* 50% MSCI AC Asia ex Japan Index, 30% The BofA Merrill Lynch U.S. Corporates, A2 Rated and above Index, 20% The BofA Merrill Lynch U.S. Corporates, BBB3-A3 Rated Index. From inception to 30 September 2008, the Sub-Fund was benchmark against a composite of 50% MSCI AC Far East ex Japan Index, 30% The BofA Merrill Lynch U.S. Corporates, A2 Rated and above Index, and 20% The BofA Merrill Lynch U.S. Corporates, BBB3-A3 Rated Index. With effect from 1 May 2012, the 50% MSCI AC Asia ex Japan Index was changed from a gross dividend to a net dividend basis. The series are chain-linked to derive the longer period benchmark returns.

Please note that The BofA Merrill Lynch U.S. Corporates, A2 Rated and above Index was formerly known as Merrill Lynch US Corporates A-AAA rated (adjusted for A- credits) and The BofA Merrill Lynch U.S. Corporates, BBB3-A3 Rated Index was formerly known as Merrill Lynch US Corporates BBB – A rated.

There has been no dividend distribution since the inception of the Fund.

+ 24 February 2003

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN BALANCED FUND

### Schedule of Investments

(As at 31 December 2012)

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	<u>Luxembourg</u>		
	Eastspring Investments		
9,082,950	- Asian Equity Fund Class D	436,082,036	49.94
	Eastspring Investments		
13,997,511	- US High Investment Grade Bond Fund Class D	259,102,486	29.67
	Eastspring Investments		
8,166,274	- US Investment Grade Bond Fund Class D	175,541,883	20.10
<b>Total Investments</b>		<b>870,726,405</b>	<b>99.71</b>
Other Net Assets		2,565,481	0.29
<b>Total Net Assets Attributable to Unitholders</b>		<b>873,291,886</b>	<b>100.00</b>

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

## **EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN BALANCED FUND**

(As at 31 December 2012)

### **Exposure to Derivatives**

Nil

### **Global exposure**

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### **Collateral**

Nil for the year ended 31 December 2012.

### **Securities Lending or repurchase Transactions**

Nil for the year ended 31 December 2012.

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

The Eastspring Investments Unit Trusts - Asian Balanced Fund invests SGD 436,082,036, SGD 259,102,486 and SGD 175,541,883 equivalent to 49.94%, 29.67% and 20.10% of its net asset value attributable to unitholders in Eastspring Investments - Asian Equity Fund Class D, Eastspring Investments - US High Investment Grade Bond Fund Class D and Eastspring Investments - US Investment Grade Bond Fund Class D respectively.

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### **Borrowings**

Nil

## **EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN BALANCED FUND**

(As at 31 December 2012)

### **Related Party Transactions**

The Eastspring Investments Unit Trusts - Asian Balanced Fund invests SGD 436,082,036, SGD 259,102,486 and SGD 175,541,883 equivalent to 49.94%, 29.67% and 20.10% of its net asset value attributable to unitholders in Eastspring Investments - Asian Equity Fund, Eastspring Investments - US High Investment Grade Bond Fund and Eastspring Investments - US Investment Grade Bond Fund respectively. Some directors of the Eastspring Investments, an open-ended investment company registered in Luxembourg, are also directors of Eastspring Investments (Singapore) Limited.

Refer to Note 10 of “Notes to the Financial Statements”.

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	41,271,988
Redemptions	23,000,945

### **Annualised Expense Ratio\*\***

1.46% (2011: 1.35%)

*\*\* 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**

127.78% (2011: 33.53%)

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

## EASTSPRING INVESTMENTS – ASIAN EQUITY FUND<sup>^</sup>

### Top 10 Holdings

(As at 31 December 2012)

	Market Value USD	% of Net Assets***
Samsung Electronic Co Limited	54,172,579	7.15
Taiwan Semiconductor Manufacturing	25,332,474	3.34
Hon Hai Precision Industry	21,718,728	2.87
Cheung Kong Holdings Ltd	21,189,046	2.80
DBS Group Holdings Limited	21,027,652	2.77
China Pacific Insurance	19,729,096	2.60
China Construction Bank - H	18,435,226	2.43
Standard Chartered PLC	14,953,722	1.97
China Shenhua Energy	14,950,697	1.97
Bank Negara Indonesia Persero Tbk	14,922,660	1.97

### Top 10 Holdings

(As at 31 December 2011)

	Market Value USD	% of Net Assets***
Samsung Electronic Co Limited	32,506,865	5.37
CNOOC Ltd	19,600,580	3.24
Bank of China Limited - H	19,339,829	3.20
Taiwan Semiconductor Manufacturing	18,857,526	3.12
China Construction Bank - H	18,348,336	3.03
Hyundai Engineering & Construction	16,494,927	2.73
Sembcorp Industries Ltd	14,902,597	2.46
DBS Group Holdings Limited	14,387,332	2.38
Bangkok Bank PCL - Foreign	14,178,333	2.34
Hon Hai Precision Industry	13,990,214	2.31

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

### Annualised Expense Ratio\*\*

0.09% (2011: 1.09%)

\*\* 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

69.52% (2011: 58.31%)

<sup>^</sup> The share class of the Eastspring Investments - Asian Equity Fund into which the Eastspring Investments Unit Trusts - Asian Balanced Fund invests was changed from Class C to Class D with effect from 1 June 2012. The 2011 Annualised Expense Ratio and Turnover Ratio is based on Share Class C's information.

## EASTSPRING INVESTMENTS – US HIGH INVESTMENT GRADE BOND FUND^^

### Top 10 Holdings

(As at 31 December 2012)

	Market Value USD	% of Net Assets***
HSBC USA 2.38% 13/02/2015	5,910,089	2.19
US Treasury N/B 2.75% 15/08/2042	4,049,491	1.50
Novartis Capital Corporation 2.9% 24/04/2015	3,153,600	1.17
Wells Fargo & Co 1.25% 13/02/2015	3,027,855	1.12
Caterpillar Financial Services 2.05% 01/08/2016	2,944,183	1.09
JPMorgan Chase & Co 3.45% 01/03/2016	2,920,764	1.08
General Electric 2.3% 27/04/2017	2,592,365	0.96
International Business Machine 1.88% 15/05/2019	2,542,828	0.94
Caterpillar Financial Services 1.13% 15/12/2014	2,524,270	0.94
JPMorgan Chase & Co 6% 01/10/2017	2,423,098	0.90

### Top 10 Holdings

(As at 31 December 2011)

	Market Value USD	% of Net Assets***
Bank of New York Mellon Liquidity B Fund	8,447,213	3.17
US Treasury N/B 1.25% 31/10/2015	4,608,635	1.73
Novartis Capital Corporation 2.9% 24/04/2015	3,171,423	1.19
Westpac Bank 3% 04/08/2015	2,930,001	1.10
Caterpillar Financial Services 2.05% 01/08/2016	2,914,847	1.09
Roche Holding Inc 6% 01/03/2019	2,912,988	1.09
Credit Suisse New York 5.5% 01/05/2014	2,804,601	1.05
JPMorgan Chase & Co 3.45% 01/03/2016	2,789,914	1.05
Wells Fargo & Co 3.68% 15/06/2016	2,770,333	1.04
Wal-Mart Stores Inc 6.2% 15/04/2038	2,677,218	1.00

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

### Annualised Expense Ratio\*\*

0.07% (2011: 0.56%)

\*\* 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

187.41% (2011: 154.82%)

^^The share class of the Eastspring Investments - US High Investment Grade Bond Fund into which the Eastspring Investments Unit Trusts - Asian Balanced Fund invests was changed from Class C to Class D with effect from 1 June 2012. The 2011 Annualised Expense Ratio and Turnover Ratio is based on Share Class C's information.

## EASTSPRING INVESTMENTS – US INVESTMENT GRADE BOND FUND<sup>^^^</sup>

### Top 10 Holdings

(As at 31 December 2012)

	Market Value USD	% of Net Assets <sup>***</sup>
Bank of America Corporation 6.1% 15/06/2017	10,601,979	1.31
Bank of New York Mellon Liquidity B Fund	10,155,636	1.26
AT&T Inc 2.625% 1/12/2022	7,307,147	0.90
Abbvie Inc 1.75% 06/11/2017	7,076,510	0.88
Abbvie Inc 1.2% 06/11/2015	7,045,829	0.87
Xstrata Finance Canada Ltd 1.8% 23/10/2015	6,983,805	0.86
Morgan Stanley 3.8% 29/04/2016	5,669,233	0.70
Royal Bank Scotland Group 2.55% 18/09/2015	5,115,800	0.63
Barclays Bank PLC 7.63% 21/11/2022	4,395,488	0.54
DCP Midstream Operating 2.5% 01/12/2017	4,328,005	0.54

### Top 10 Holdings

(As at 31 December 2011)

	Market Value USD	% of Net Assets <sup>***</sup>
Morgan Stanley 3.8% 29/04/2016	5,519,652	1.17
Bank of New York Mellon Liquidity B Fund	5,504,103	1.16
CCCIT 2008 - C6 6.3% 20/06/2014	4,402,815	0.93
Teck Resources Limited 10.75% 15/05/2019	4,270,000	0.90
Dominion Resources Inc 2.25% 01/09/2015	4,088,472	0.86
American 2.75% 15/09/2015	3,827,275	0.81
Citigroup Inc 5% 15/09/2014	3,827,078	0.81
Commonwealth Edison 4% 01/08/2020	3,584,148	0.76
US Treasury N/B 1.25% 15/04/2014	3,574,375	0.76
Verizon Communications 6.4% 15/02/2038	3,518,483	0.74

<sup>\*\*\*</sup> Any differences in the percentage of the Net Asset figures are the result of rounding.

### Annualised Expense Ratio<sup>\*\*</sup>

0.06% (2011: 0.56%)

<sup>\*\*</sup> 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

149.75% (2011: 118.58%)

<sup>^^^</sup>The share class of the Eastspring Investments - US Investment Grade Bond Fund into which the Eastspring Investments Unit Trusts - Asian Balanced Fund invests was changed from Class C to Class D with effect from 1 June 2012. The 2011 Annualised Expense Ratio and Turnover Ratio is based on Share Class C's information.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – DRAGON PEACOCK FUND**

Included under the CPF Investment Scheme – Ordinary Account

### **Structure**

The Eastspring Investments Unit Trusts - 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 Fund held through the Mauritian entity. The Mauritian entity is expected to be governed by the provisions of the India-Mauritius Double Taxation Avoidance Treaty and the China-Mauritius Double Taxation Avoidance Treaty. If it is no longer beneficial to invest through the Mauritian entity, the Fund may elect to invest directly in China and/or India. The Manager has sub-delegated the investment management of the Fund’s China portfolio to the investment sub-manager, Eastspring Investments (Hong Kong) Limited.

Investors should note that the net asset value of this Fund is likely to have a high volatility due to the investment policies or portfolio management techniques of the Eastspring Investments Unit Trusts – Dragon Peacock Fund.

### **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 climbed 14.9% (bid-to-bid basis) for the 12 months ended 31 December 2012 to underperform its benchmark, which rose 17.9%.

#### **Market Background**

Equity markets in China and India recovered in 2012 and outperformed among emerging equity markets. Each country began easing monetary policy in the first half as signs of potential economic weakness and easing inflation allowed policymakers to stimulate the local economies. The markets benefited in the second half from the launch of quantitative-easing-3 by the US Federal Reserve and further policy loosening by the European Central Bank. In China, newly appointed President Xi Jinping and Premier Le Keqiang raised investor hopes in the fourth quarter with talk of structural and economic reforms. In India, investor sentiment rose on hopes of key reforms.

## EASTSPRING INVESTMENTS UNIT TRUSTS – DRAGON PEACOCK FUND

### Factors Affecting Performance<sup>1</sup>

Stock selection in the financial and consumer discretionary sectors contributed to the Fund's performance. Stock selection in the telecom and information technology sectors detracted from the Fund's performance.

Mahindra & Mahindra Financial Services Ltd., a non-benchmark stock, was among the top contributors to the Fund's performance. The company finances utility vehicles, tractors and cars, and benefitted from its strong reach in rural and semi-urban India, an area of low financing penetration. Tata Motors Ltd., another leading contributor, owns the Jaguar and Land Rover luxury vehicle brands, for which demand around the world, particularly in China, was strong.

Stock in China Unicom (Hong Kong) Ltd., a key detractor from the Fund's performance, declined as the flow of new subscribers weakened on the back of slower consumer spending on mobile data. China Resources Cement Holdings Ltd. was another key detractor. The stock underperformed due to weak cement prices in China that resulted from sluggish demand and relatively aggressive capacity additions in some regions.

### Changes to the Portfolio<sup>1</sup>

The Fund either liquidated positions in or reduced exposure to Evergrande Real Estate Group Ltd., Bank of China, China Resources Cement Holdings Ltd. and Infosys Ltd., to name a few. Proceeds were used either to add new positions or increase exposure to, for instance, Belle International Holdings Ltd., Ranbaxy Laboratories Ltd., China Shansui Cement Group Ltd. and Dongfeng Motor Group Ltd.

### Outlook

The Fund Manager believes the long-term growth potential of China and India remains strong. Domestic consumption in each country is likely to rise as middle income populations expand. China's stock market valuation is attractively below its historical average. The fund manager expects economic growth to remain strong compared with the world average. Investors look forward to China's new leadership addressing structural issues and rebalancing the economy from an investment-and-export-led model to one that is driven more by consumption. The Fund Manager also welcomes the Indian government's effort to trim the country's fiscal deficit and reform the economy.

*<sup>1</sup> Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.*

## EASTSPRING INVESTMENTS UNIT TRUSTS – DRAGON PEACOCK FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months %	6 months %	1 year %	3 years %	5 years %	Since inception* %
			(average annual compounded return)			
Eastspring Investments Unit Trusts - Dragon Peacock Fund	7.9	14.8	14.9	-4.3	-7.5	9.6
<u>Composite Benchmark</u> 50% MSCI China Index 50% MSCI India Index	6.1	13.1	17.9	-3.8	-7.2	13.0

*Source: Eastspring Investments(Singapore) Limited and Bloomberg. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested, if any.*

*There has been no dividend distribution since the inception of the Fund.*

*+ 18 June 2004*

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

## **EASTSPRING INVESTMENTS UNIT TRUSTS – DRAGON PEACOCK FUND**

(As at 31 December 2012)

### **Exposure to Derivatives**

Nil.

### **Global exposure**

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### **Collateral**

Nil for the year ended 31 December 2012.

### **Securities Lending or repurchase Transactions**

Nil for the year ended 31 December 2012.

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

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### **Borrowings**

Nil.

### **Related Party Transactions**

Refer to Note 10 of “Notes to the Financial Statements”.

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	39,358,456
Redemptions	57,663,206

### **Annualised Expense Ratio\*\***

1.66% (2011: 1.64%)

*\*\* 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**

11.25% (2011: 6.03%)

## **EASTSPRING INVESTMENTS UNIT TRUSTS – DRAGON PEACOCK FUND**

(As at 31 December 2012)

### **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 Manager in respect of Eastspring Investments Unit Trusts - Dragon Peacock Fund. The soft dollar arrangements relate essentially to the use of analytical tool provided by a broker, ITG Hong Kong Limited (“ITG HK”) for the purpose of assessing and monitoring the efficiency of trade execution. The Manager also uses an execution management system provided by ITG HK. This system enhances current equity order management workflows by increasing functionality with regard to live market data, pre and post-trade execution analytics and access to broker algorithm trading strategies. The said broker has also executed trades for other schemes managed by the Manager.

Soft-dollar commissions/arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees’ salaries or direct money payment.

The Manager confirms that the goods and services received were for the benefits of the funds, 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.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

## EASTSPRING INVESTMENTS UNIT TRUSTS – DRAGON PEACOCK FUND

### Top 10 Holdings

(As at 31 December 2012)

	Market Value SGD	% of Net Assets***
Bank of China Limited	48,971,735	4.92
Reliance Industries Limited	47,494,905	4.77
Industrial and Commercial Bank of China Company Limited	45,734,405	4.60
CNOOC Limited	39,648,304	3.99
ICICI Bank Limited	36,725,541	3.69
Dr Reddy's Laboratories Limited	36,333,566	3.65
China Mobile Limited	33,936,087	3.41
China Pacific Insurance (Group) Company Limited	32,332,733	3.25
HDFC Bank Limited	31,378,536	3.15
Tata Motors Limited Class A	30,243,675	3.04

### Top 10 Holdings

(As at 31 December 2011)

	Market Value SGD	% of Net Assets***
Bank of China Limited	56,790,528	6.43
Infosys Limited (Formerly known as Infosys Technologies Limited)	53,491,361	6.06
China Unicom (Hong Kong) Limited	47,672,708	5.40
Industrial and Commercial Bank of China Company Limited	42,476,021	4.81
Reliance Industries Limited	36,946,572	4.18
CNOOC Limited	34,488,784	3.91
China Petroleum & Chemical Corporation	33,334,756	3.77
Dr Reddy's Laboratories Limited	32,985,546	3.73
ICICI Bank Limited	28,998,725	3.28
China Mobile Limited	25,801,503	2.92

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – DRAGON PEACOCK FUND

### Schedule of Investments

(As at 31 December 2012)

	Market Value SGD	% of Net Assets***
<b>Country</b>		
China	278,672,164	28.01
Hong Kong	227,874,263	22.91
India	471,273,185	47.37
<b>Industry</b>		
Advertising	19,646,225	1.97
Automotive	43,146,347	4.34
Auto and trucks	12,235,423	1.23
Banks	195,640,563	19.66
Cement	13,882,950	1.40
City Gas	4,119,959	0.41
Computer software	62,469,219	6.27
Consumer	38,666,684	3.89
Electronics	15,218,914	1.53
Finance	55,402,597	5.57
Insurance	46,809,470	4.71
Manufacturing	10,357,398	1.04
Media	11,219,759	1.13
Medical - drugs	55,069,485	5.54
Metal products	15,663,801	1.57
Mining	25,067,339	2.52
Miscellaneous	19,608,295	1.97
Motor	15,367,312	1.54
Oil & gas	75,105,844	7.55
Paper	8,007,906	0.81
Petrochemical	47,494,905	4.77
Property	25,438,806	2.56
Real estate	13,681,947	1.37
Retail	40,662,252	4.09
Telecom services	63,585,689	6.39
Tobacco	23,570,172	2.37
Transport	2,238,812	0.23
Transport - Ship	5,211,709	0.52
<b>Asset Class</b>		
Equities	977,819,612	98.29
Other net current assets	17,013,636	1.71

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

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BASICS FUND**

Included under the CPF Investment Scheme – Ordinary Account

### **Structure**

Eastspring Investments Unit Trusts - 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 (“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 three Classes of Units in the Fund, namely, SGD Class, USD Class and Euro Class. There are no material differences between the three Classes save for the difference in the base currency of each Class. Units of the SGD Class shall hereinafter be referred to as “Eastspring Investments Unit Trusts - Global Basics Fund SGD Class”, Units of the USD Class shall hereinafter be referred to as “Eastspring Investments Unit Trusts - Global Basics Fund USD Class” and Units of the Euro Class shall hereinafter be referred to as “Eastspring Investments Unit Trusts - Global Basics Fund Euro Class”.

Investors should note that the Eastspring Investments Unit Trusts - Global Basics Fund USD Class and Eastspring Investments Unit Trusts - Global Basics Fund Euro 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. The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Fund into the M&G Global Basics Fund which shares the same investment objective.

### **Manager’s Commentary**

#### **Fund Performance<sup>1</sup>**

For the 12 months ended 31 December 2012, the Fund returned -0.5% (bid-to-bid basis), which was behind the FTSE Global Basics Composite Index, which returned 6.3%.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BASICS FUND**

### **Market background**

Following a turbulent year for global equity markets, 2012 ended positively amid strengthening economic data from the world's largest economies and supportive policy action from governments and central banks. Moves to stimulate growth in the US, China and Japan, alongside meaningful European efforts to deal with the region's crippling debt issues, helped to enliven investors, with confidence and risk tolerance improving particularly as we moved through the final quarter.

Macroeconomic factors played a significant role in the Fund's return during 2012, especially during the earlier stages of the period under review. Industrial metals and mining stocks were out of favour, underperforming the broader equity market as a whole, reflecting unresolved concerns about the pace of economic growth in China, the eurozone crisis, the looming US 'fiscal cliff' and other factors.

### **Factors affecting performance<sup>2</sup>**

Australia was, geographically, the worst area for the Fund, although country allocation of the portfolio was a direct result of the bottom-up stock selection process, and companies were chosen for their potential to add value over a full market cycle. Within Australia, mineral sands producer Iluka Resources, copper firm OZ Minerals and coal & iron miner Aquila Resources all experienced significant share price falls.

Iluka Resources, for example, made an active decision to reduce the production of zircon, a mineral used in the manufacturing of many end products including ceramics. This was in anticipation of the economic outlook materially influencing sales volumes and worsening conditions curbing demand. Although the market reacted negatively, the Fund Manager views anagement acted prudently in reducing production of zircon in order to prevent inventory build-up and price erosion.

Conversely, Singapore-listed property and beverage conglomerate Fraser & Neave was the leading positive contributor in 2012. The stock significantly appreciated in value following a bid from Heineken for Fraser & Neave's stake in Asia Pacific Breweries, and the company subsequently left the portfolio. The holdings in German flavours and fragrance developer Symrise and Irish ingredients innovator Kerry Group also added value.

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BASICS FUND

### **Key changes to the portfolio<sup>2</sup>**

The Fund Manager has been tactically moving the focus of the Fund up the 'economic curve of development', towards food & agriculture, industrials and consumer goods, where he sees the greatest opportunities over the next five years. This included the purchase of US-listed industrial conglomerate United Technologies and Anglo-Dutch food and consumer goods maker Unilever.

He also closed a number of positions over the year, notably the holdings in gold miners in which he lost conviction, as capital discipline and operating efficiency in the gold mining industry remained below what he considered an acceptable standard. These included Alacer Gold, Centerra Gold, Eldorado Gold and Newmont Mining, among others. Given how badly gold stocks were hit by negative investor sentiment during 2012, this locked in some losses. However, the decision to act swiftly when the investment thesis was compromised helped to safeguard the Fund from more significant harm.

### **Outlook**

Moving into 2013, economic data remains mixed and investors are still worried about the prospects for global growth. Unresolved issues over the US 'fiscal cliff' are a current and tangible concern, while the government debt crisis in Europe rumbles on. Nonetheless, the Fund Manager is cautiously optimistic in his outlook. He believes that global growth concerns are overstated, and continues to be encouraged by the fact that structural growth drivers, such as increasing consumer demand across Asia and Latin America, stay firmly in place. In his opinion, the transformation of developing countries into industrialised nations is a long-term phenomenon and represents an exciting opportunity for those companies exposed to these markets and who are equipped with the right assets and business strategy.

<sup>1</sup> *The performance mentioned above applies to SGD Class only and not the USD and EUR Classes.*

<sup>2</sup> *Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.*

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BASICS FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months %	6 months %	1 year %	3 years %	5 years %	Since inception* %
			(average annual compounded return)			
Eastspring Investments Unit Trusts - Global Basics Fund SGD Class	-0.9	4.7	-0.5	-0.5	-5.0	1.3
FTSE Global Basics Composite Index SGD*	2.7	5.4	6.3	2.7	-2.7	2.5
Eastspring Investments Unit Trusts - Global Basics Fund USD Class	-0.6	8.5	5.6	4.3	-1.9	3.8
FTSE Global Basics Composite Index USD*	3.1	9.3	12.8	7.6	0.6	5.6
Eastspring Investments Unit Trusts - Global Basics Fund Euro Class	-2.9	4.6	4.0	7.3	N.A.	-0.1
FTSE Global Basics Composite Index Euro*	0.6	5.2	11.1	10.7	N.A.	4.1

Source: Eastspring Investments(Singapore) Limited and M&G Investment Management Limited. The return is calculated on a bid-to-bid basis with net income reinvested, if any. The return for Eastspring Investments Unit Trusts - Global Basics Fund SGD Class is calculated in S\$, the return for Eastspring Investments Unit Trusts - Global Basics USD Class is calculated in US\$ and the return for Eastspring Investments Unit Trusts - Global Basics Fund Euro Class is calculated in Euro.

\* The FTSE Global Basics Composite Index is a customised benchmark which is derived by combining all the sector indices of the FTSE World Index save for the media, IT, telecommunications, financials and healthcare sector indices.

There has been no dividend distribution since the inception of the Fund.

+ SGD Class : 18 October 2005

USD Class : 11 September 2006

Euro Class : 6 May 2008

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BASICS FUND

### Schedule of Investments

(As at 31 December 2012)

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	<u>United Kingdom</u>		
	M&G Investment Funds (1)		
	- Global Basics Fund Net		
	Accumulation Shares in		
16,503,359	Sterling Class A	308,470,140	99.99
<b>Total Investments</b>		<b>308,470,140</b>	<b>99.99</b>
Other Net Assets		24,561	0.01
<b>Total Net Assets Attributable to Unitholders</b>		<b>308,494,701</b>	<b>100.00</b>

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BASICS FUND

(As at 31 December 2012)

### Exposure to Derivatives

The Fund has the following exposure to derivatives as at 31 December 2012:

	Fair value 31 December 2012 S\$	Percentage of total net assets attributable to unitholders (%)
Forward foreign exchange contracts	(2,696)	(0.001)

The unrealised loss at the end of the year was SGD 2,696 and realised loss is SGD 2,749 for the year.

### Global exposure

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### Collateral

Nil for the year ended 31 December 2012.

### Securities Lending or repurchase Transactions

Nil for the year ended 31 December 2012.

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

The Fund invests SGD 308,470,140 equivalent to 99.99% of its net asset attributable to unitholders, in M&G Global Basics Fund Net Accumulation Shares in Sterling Class A.

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### Borrowings

Nil

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BASICS FUND**

(As at 31 December 2012)

### **Related Party Transactions**

The Fund invests SGD 308,470,140 equivalent to 99.99% of its net asset attributable to unitholders, in M&G Global Basics Fund Net Accumulation Shares in Sterling Class A.

Refer to Note 10 of “Notes to the Financial Statements”.

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	10,211,102
Redemptions	37,984,766

### **Annualised Expense Ratio\*\***

1.76% (2011: 1.76%)

*\*\* 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**

0.90% (2011: 3.20%)

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

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

**Top 10 Holdings**

(As at 31 December 2012)

	<b>Market Value GBP</b>	<b>% of Net Assets***</b>
Symrise	310,057,585	6.14
Ansell	228,134,516	4.52
G4S	227,808,800	4.51
Monsanto	219,258,560	4.34
Tullow Oil	195,428,750	3.87
K&S AG	189,981,632	3.76
AMMB Holdings	187,773,979	3.72
Kerry Group	187,509,523	3.71
Imerys	183,195,427	3.63
Fluor	177,524,853	3.52

**Top 10 Holdings**

(As at 31 December 2011)

	<b>Market Value GBP</b>	<b>% of Net Assets***</b>
Tullow Oil	312,300,000	5.65
Fraser and Neave	284,841,702	5.16
Iluka Resources	254,407,328	4.61
Symrise	236,626,786	4.28
G4S	232,972,300	4.22
Ansell	218,230,807	3.95
Colgate-Palmolive	180,846,005	3.27
K&S AG	179,652,495	3.25
Scotts Miracle	170,563,770	3.09
OZ Minerals	170,449,509	3.09

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

**Annualised Expense Ratio\*\***

1.67%^ (2011: 1.67%)

\*\* 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**

25.50%^ (2011: 38.83%)

^ For the period 31 December 2011 to 31 December 2012.

Source: M&G Securities Limited

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BALANCED FUND**

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

### **Structure**

The Eastspring Investments Unit Trusts - 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 Western Asset Global Bond Trust (“LMWAGBT”) 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 LMWAGBT is the Singapore incorporated Western Asset Management Company Pte Ltd (“WAMC Pte Ltd”).

The investment sub-managers of the LMWAGBT are 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 LMWAGBT and WAMCL manages the Europe, UK, Scandinavia, Middle East and Japan portfolio of debt securities of the LMWAGBT while WAMC Pte Ltd oversees the overall management of the portfolio of the LMWAGBT.

### **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 Commentary**

#### **Fund performance**

The Fund gained 2.1% (bid-to-bid basis) for the year 2012 and underperformed its composite benchmark<sup>1</sup> by 4.1%.

#### **Market background**

Following a turbulent year for global equity markets, 2012 ended positively amid strengthening economic data from the world’s largest economies and supportive policy action from governments and central banks. Moves to stimulate growth in the US, China and Japan, alongside meaningful European efforts to deal with the region’s crippling debt issues, helped to enliven investors, with confidence and risk tolerance improving particularly as we moved through the final quarter. Industrial metals and mining stocks were out of favour, underperforming the broader equity market. Against this backdrop, the FTSE Global Basics Composite Index<sup>2</sup> gained 6.25% in Singapore dollar terms over the review period.

Bond yields in major government bond markets generally fell over the review period. In particular, the yield on Italian and France 10-year issues<sup>3</sup> fell by 260 basis points and 115 basis points over the corresponding period as the combined impact of European Central Bank’s (ECB) and EU’s policies, and the lack of popular mandates to deviate from them, have helped to reduce the probability of a “tail-risk” event and lifted investors’ sentiment. For the year, the Citigroup World Government Bond Index Ex-Japan (hedged to Singapore dollar) was up by 5.64%<sup>4</sup>.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BALANCED FUND**

### **Factors affecting performance<sup>5</sup>**

The Fund feeds into the M&G Global Basics Fund and the Legg Mason Western Asset Global Bond Trust. The Fund's underperformance over the review period was due to the underperformance of the M&G Global Basic Fund, which fell 0.55% in Singapore dollar terms (Sterling Class), underperforming its benchmark's 6.25% increase. Conversely, Legg Mason Western Asset Global Bond Trust rose by 6.43% in Singapore dollar terms, ahead of its benchmark by 0.79%.

Within the equity sub-fund, Australia was, geographically, the worst area for the sub-fund. In particular, mineral sands producer Iluka Resources, copper firm OZ Minerals and coal & iron miner Aquila Resources all experienced significant share price falls. Iluka Resources, for example, made an active decision to reduce the production of zircon, a mineral used in the manufacturing of many end products including ceramics. This was in anticipation of the economic outlook materially influencing sales volumes and worsening conditions curbing demand. Although the market reacted negatively, the underlying fund manager thinks management acted prudently in reducing production of zircon in order to prevent inventory build-up and price erosion. Conversely, Singapore-listed property and beverage conglomerate Fraser & Neave was the leading positive contributor in 2012. The stock significantly appreciated in value following a bid from Heineken for Fraser & Neave's stake in Asia Pacific Breweries, and the company subsequently left the portfolio. The holdings in German flavours and fragrance developer Symrise and Irish ingredients innovator Kerry Group also added value.

The bond sub-fund's has maintained an overweight to US duration with a bias for longer-dated Treasuries for majority of 2012 and this has contributed positively to relative performance especially in the second quarter. The overweight to European duration in the fourth quarter also had a positive impact on performance. The sub-fund benefitted from a long position in France and Italy as yields declined sharply in third quarter in response to the ECB announcement on the purchase of short-term periphery debt. The overweight to corporate bonds, particularly the financial sector, added to performance as risk appetite remained high and spreads to governments narrowed. In addition, the sub-fund's modest overweight exposure to agency MBS, which outperformed US Treasuries after the Fed announced a resumption in agency MBS purchases, further boosted performance.

### **Key changes to the portfolio**

The Fund has generally maintained its allocations of 60% towards global equities and 40% towards global bonds over the review period.

### **Outlook**

Looking ahead, the Fund will continue to maintain its allocations of approximately 60% in global equities and 40% in global bond.

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BALANCED FUND

The fund manager of the underlying equity sub-fund is of the view that economic data remains mixed moving into 2013 and investors are still worried about the prospects for global growth. Unresolved issues over the US ‘fiscal cliff’ are a current and tangible concern, while the government debt crisis in Europe rumbles on. Nonetheless, the fund manager is cautiously optimistic in his outlook. He believes that global growth concerns are overstated, and continues to be encouraged by the fact that structural growth drivers, such as increasing consumer demand across Asia and Latin America, stay firmly in place. In his opinion, the transformation of developing countries into industrialised nations is a long-term phenomenon and represents an exciting opportunity for those companies exposed to these markets and who are equipped with the right assets and business strategy.

The underlying bond sub-fund manager believes that the global economy will expand at a moderate pace in 2013 and that inflation will remain benign. He also believes that US monetary policy will remain highly accommodative in 2013 even if QE begins to unwind later in the year. The systemic risks that had faced the eurozone in 2012 have not disappeared but the combined impact of the ECB’s and EU policies and the lack of popular mandates to deviate from them, have at least reduced the probability of a tail-risk event. Southern European economies appear to be using the breathing space to recapitalise their banking systems and to regain their competitiveness. Given the narrowing in corporate spreads, the bond sub-fund’s focus in credit allocations remains on the senior debt of financial issuers, particularly in the US. Bank spreads remain wide relative to their historical averages and to similarly rated non-financials, and the fund manager believes that positive US fundamentals will continue to drive performance in the sector. While the fund manager continues to believe that spreads offer excessive compensation for low default risk, he expects more muted returns for 2013 and will maintain a very modest exposure unless valuations improve. He remains constructive on countries such as Canada which offer exposure to positive credit fundamentals and the potential for currency appreciation but will seek opportunities to reduce risk in peripheral European markets such as Italy that have narrowed strongly and face elections in the spring.

<sup>1</sup> *Based on a composite of 60% FTSE Global Basics Composite Index and 40% Citigroup World Government Bond Index Ex-Japan hedged Index in Singapore dollar terms.*

<sup>2</sup> *Index return provided by M&G Investment Management Limited, 23 January 2013*

<sup>3</sup> *Sourced from Bloomberg, provided by Western Asset Management Company Pte Ltd, 29 January 2012*

<sup>4</sup> *Index return provided by Western Asset Management Company Pte Ltd, 29 January 2013*

<sup>5</sup> *Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.*

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BALANCED FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months %	6 months %	1 year %	3 years %	5 years (%)	Since inception*
			(average annual compounded return)			
Eastspring Investments Unit Trusts - Global Balanced Fund	-0.1	4.0	2.1	0.7	-1.9	-2.1
<u>Composite Benchmark</u> 60% FTSE Global Basics Composite Index 40% Citigroup World Government Bond Index ex Japan hedged to S\$*	2.1	4.5	6.2	2.6	-0.3	-0.5

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

\* FTSE Global Basics Composite Index is a customised benchmark which is derived by combining all the sector indices of the FTSE World Index save for the media, IT, telecommunications, financials and healthcare sector indices.

From 1 April 2011, the Citigroup World Government Bond Index (S\$) ex Japan has changed to the Citigroup World Government Bond Index ex Japan hedged to SGD, pursuant to a similar change of one of the underlying funds' benchmark.

There has been no dividend distribution since the inception of the Fund.

+ 1 October 2007

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BALANCED FUND

### Schedule of Investments

(As at 31 December 2012)

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	<u>United Kingdom</u>		
	M&G Investment Funds (1)		
	- Global Basics Fund Net		
	Accumulation Shares in		
869,215	Sterling Class A	16,246,798	60.11
	<u>Singapore</u>		
	Legal Mason Western Asset		
8,383,964	Global Bond Trust	10,689,554	39.55
<b>Total Investments</b>		<b>26,936,352</b>	<b>99.66</b>
Other net liabilities		92,474	0.34
<b>Total Net Assets Attributable to Unitholders</b>		<b>27,028,826</b>	<b>100.00</b>

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

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BALANCED FUND**

(As at 31 December 2012)

### **Exposure to Derivatives**

Nil.

### **Global exposure**

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### **Collateral**

Nil for the year ended 31 December 2012.

### **Securities Lending or repurchase Transactions**

Nil for the year ended 31 December 2012.

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

The Fund invests SGD 16,246,798 equivalent to 60.11% and SGD 10,689,554 equivalent to 39.55% of its net asset value attributable to unitholders, in M&G Investment Funds (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A and Legg Mason Western Asset Global Bond Trust respectively.

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### **Borrowings**

Nil

### **Related Party Transactions**

The Fund invests SGD 16,246,798 equivalent to 60.11% of its net asset value attributable to unitholders, in M&G Investment Funds (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A.

Refer to Note 10 of “Notes to the Financial Statements”.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL BALANCED FUND**

(As at 31 December 2012)

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	695,370
Redemptions	5,472,056

### **Annualised Expense Ratio\*\***

1.69% (2011: 1.65%)

*\*\* 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**

2.67% (2011: 13.93%)

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

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

**Top 10 Holdings**

(As at 31 December 2012)

	<b>Market Value GBP</b>	<b>% of Net Assets***</b>
Symrise	310,057,585	6.14
Ansell	228,134,516	4.52
G4S	227,808,800	4.51
Monsanto	219,258,560	4.34
Tullow Oil	195,428,750	3.87
K&S AG	189,981,632	3.76
AMMB Holdings	187,773,979	3.72
Kerry Group	187,509,523	3.71
Imerys	183,195,427	3.63
Fluor	177,524,853	3.52

**Top 10 Holdings**

(As at 31 December 2011)

	<b>Market Value GBP</b>	<b>% of Net Assets***</b>
Tullow Oil	312,300,000	5.65
Fraser and Neave	284,841,702	5.16
Iluka Resources	254,407,328	4.61
Symrise	236,626,786	4.28
G4S	232,972,300	4.22
Ansell	218,230,807	3.95
Colgate-Palmolive	180,846,005	3.27
K&S AG	179,652,495	3.25
Scotts Miracle	170,563,770	3.09
OZ Minerals	170,449,509	3.09

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

**Annualised Expense Ratio\*\***

1.67%^ (2011: 1.67%)

\*\* 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**

25.50%^ (2011: 38.83%)

^ For the period 31 December 2011 to 31 December 2012.

Source: M&G Securities Limited.

## LEGG MASON WESTERN ASSET GLOBAL BOND TRUST

### Top 10 Holdings

(As at 30 September 2012)<sup>^^</sup>

	Market Value SGD	% of Net Assets***
Bundesrepublik Deutschland (BR) 4.25% 04/07/2017	33,113,671	9.54
Bundesrepublik Deutschland Series 06 (BR) 4% 04/07/2016	28,708,696	8.27
Bundesrepublik Deutschland Series 09 3.25% 04/01/2020	20,571,402	5.93
US Treasury Bond 4.375% 15/11/2039	17,772,698	5.12
US Treasury Note 0.875% 31/07/2019	15,802,579	4.55
Fannie Mae FRN 25/03/2042	14,077,303	4.06
UK Treasury 4.25% 07/12/2040	13,815,423	3.98
Bundesrepublik Deutschland Series 05 (BR) 3.5% 04/01/2016	12,923,577	3.72
Government of France OAT 3.25% 25/10/2021	11,797,195	3.40
Buoni Poliennali Del Tes 5% 01/09/2040	11,219,727	3.23

### Top 10 Holdings

(As at 30 September 2011)<sup>^^</sup>

	Market Value SGD	% of Net Assets***
US Treasury Bond 4.375% 15/11/2039	35,955,950	10.85
Bundesrepublik Deutschland Series 05 (BR) 3.5% 04/01/2016	25,778,203	7.78
Buoni Poliennali Del Tes 3% 01/11/2015	21,398,411	6.46
Bundesschatzanweisungen Series 1 (BR) 1% 16/03/2012	20,176,820	6.09
Government of Netherlands 4% 15/01/2037	15,687,427	4.73
Buoni Poliennali Del Tes 5% 01/09/2040	10,547,914	3.18
UK Treasury 4.25% 07/12/2040	9,574,186	2.89
Buoni Poliennali Del Tes 4.25% 01/18/2013	9,377,852	2.83
Buoni Poliennali Del Tes 3.75% 15/04/2016	9,211,646	2.78
Government of France OAT 4% 25/10/2013	9,158,702	2.76

<sup>^^</sup> The information of the Legg Mason Western Asset Global Bond Trust is disclosed based on information from the Fund's latest annual report as at 30 September 2012.

<sup>\*\*\*</sup> Any differences in the percentage of the Net Asset figures are the result of roundings.

## LEGG MASON WESTERN ASSET GLOBAL BOND TRUST

### **Annualised Expense Ratio\*\***

0.88%^ (2011: 0.81%)

*\*\* 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.*

*^ For the period 1 October 2011 to 30 September 2012. Source: Semi-Annual Report of Legg Mason Western Asset Global Bond Trust for the financial period ended 30 September 2012.*

### **Turnover Ratio**

74.42%# (2011: 101.72%)

*# For the period 1 April 2012 to 30 September 2012. Source: Semi-Annual Report of Legg Mason Western Asset Global Bond Trust for the financial period ended 30 September 2012.*

## **EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN INFRASTRUCTURE EQUITY FUND**

Included under the CPF Investment Scheme – Ordinary Account

### **Structure**

The Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund (the “Fund”) is organised as a feeder fund which feeds into the Luxembourg – domiciled Eastspring Investments– Asian Infrastructure Equity Fund (“Eastspring Investments – Asian Infrastructure Equity Fund”).

The investment manager of Eastspring Investments – Asian Infrastructure Equity Fund is the Manager.

The Manager is currently offering three Classes of Units in the Fund, namely, SGD Class, USD class and Euro Class. There are no material differences between the three classes save for the difference in the base currency of each Class. Units of the SGD Class shall hereinafter be referred to as the “SGD Class Units”, Units in the USD Class shall hereinafter be referred to as the “USD Class Units” and Units in the Euro Class shall hereinafter be referred to as the “Euro Class Units”

Investors should note that the USD Class Units and Euro Class Units 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 maximise long-term capital appreciation by investing primarily in equity and equity-related securities of corporations deriving substantial revenue from, or whose subsidiaries, related or associated corporations are engaged in, infrastructure or related business and are incorporated in, or listed in, or operating principally from the Asia ex-Japan region.

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.

The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Fund into the Eastspring Investments - Asian Infrastructure Equity Fund which shares the same investment objective.

Investors should note that “infrastructure” or “infrastructure related” may be capable of wide-ranging interpretation. The Manager has the sole discretion to decide as to what constitute “infrastructure” or “infrastructure related” investments for the purposes of any such investments under the Fund and / or Eastspring Investments - Asian Infrastructure Equity Fund.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN INFRASTRUCTURE EQUITY FUND**

### **Manager's Commentary**

#### **Fund Performance<sup>1</sup>**

The Fund rose 8.7% (bid-to-bid basis) over the review period, while its benchmark gained 9.5%.

#### **Market Background**

Looking back, 2012 was generally a good year for Asian equities with MSCI Asia excluding Japan Index achieving mid-teens return. Likewise, returns across all five infrastructure related sectors, namely energy, industrials, materials, telecommunication services and utilities, were in healthy positive territory, led by utilities. However, it has not been a smooth ride upwards as ongoing macro news flows from US, Europe and China continue to drive investors' sentiments from time to time. During the year, the chase for quality (of cashflow) and yield (i.e. dividend yield) has resulted in high correlation among stocks and made stock pickings very challenging.

#### **Factors affecting performance**

Stock selection explained most of the relative performance. Positive relative contributions came from utilities and industrial sectors which were largely offset by weak stock selection in materials, telecommunication services and energy. At the stock level, positive performance came from companies such as Thai Tap Water Supply PCL, Macquarie Korea Infrastructure Fund and Manila Water Co. Inc. Holdings in Banpu PCL, China Shenhua Energy Co. Ltd and Mongolian Mining Corp caused a drag in performance.

#### **Key changes to the portfolio<sup>2</sup>**

During the year the fund manager made changes to right size the portfolio holdings accordingly – i.e. add to names which the fund manager believed were attractively valued and trim names which were overvalued in his opinion. Specifically, names which exited from the Fund included China Steel Corp, Formosa Plastics Corp, China Shenhua Energy Co Ltd, Sterlite Industries India Ltd and Mongolian Mining Corp. Proceeds were used to fund new positions in PetroChina Co Ltd, China Oilfield Services Ltd, LG Chem Ltd and Taiwan Mobile Co Ltd.

#### **Outlook and strategy**

The fund manager remains convinced that the structural infrastructure story remains intact, especially in emerging countries in Asia. The Fund is well positioned and the fund manager will continue to focus on domestic demand driven infrastructure investments that are endorsed strongly by local governments, such as India, Indonesia, Philippines and Thailand. The fund manager is of the opinion that the alternative energy theme (including nuclear power) is here to stay. The demand for power is inevitable given the pace of growth, especially those in the emerging Asian countries, urbanization of its population and historical underinvestment in infrastructure.

<sup>1</sup> The performance mentioned above applies to SGD Class only and not the USD and EUR Classes.

<sup>2</sup> Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.

## INVESTMENTS UNIT TRUSTS – ASIAN INFRASTRUCTURE EQUITY FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months %	6 months %	1 year %	3 years %	Since inception*
			(average annual compounded return)		
Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund SGD Class	6.2	10.8	8.7	-0.7	-2.0
MSCI AC Asia ex Japan Selected Sectors Index SGD*	3.7	9.3	9.5	0.7	-2.5
Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund USD Class	6.8	14.9	15.4	4.0	0.4
MSCI AC Asia ex Japan Selected Sectors Index USD*	4.2	13.4	16.3	5.5	0.1
Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund EUR Class	4.1	10.7	13.6	7.0	4.2
MSCI AC Asia ex Japan Selected Sectors Index EUR*	1.7	9.2	14.5	8.5	3.7

Source: Eastspring Investments(Singapore) Limited and RIMES. The return is calculated on a bid-to-bid basis with net income reinvested, if any. The return for Eastspring Investments Unit Trusts - Asian Infrastructure Equity SGD Class is calculated in S\$, the return for Eastspring Investments Unit Trusts - Asian Infrastructure Equity USD Class is calculated in US\$ and return for Eastspring Investments Unit Trusts - Asian Infrastructure Equity EUR Class is calculated in Euro.

The MSCI AC Asia ex Japan Selected Sectors Index is a customised benchmark which is derived by combining the MSCI sector indices for Energy, Industrials, Materials, Telecommunication Services & Utilities in the MSCI AC Asia ex Japan Index. The country coverage for the MSCI AC Asia ex Japan Selected Sectors Index remains the same as that for MSCI AC Asia ex Japan Index. From inception to 30 April 2012, the Fund was benchmarked against MSCI AC Asia ex Japan Selected Sectors Index Index on a gross dividend basis. With effect from 1 May 2012, the benchmark returns will be on a net dividend basis. The two series are chain-linked to derive the longer period benchmark returns.

There has been no dividend distribution since the inception of the Fund.

+ 1 April 2008

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN INFRASTRUCTURE EQUITY FUND

### Schedule of Investments

(As at 31 December 2012)

<b>Number of Shares</b>	<b>Investment Funds</b>	<b>Market Value SGD</b>	<b>% of Net Assets***</b>
	<u>Luxembourg</u>		
	Eastspring Investments		
	- Asian Infrastructure		
1,101,299	Equity Fund Class C	14,848,720	99.93
<b>Total Investments</b>		<b>14,848,720</b>	<b>99.93</b>
Other Net Assets		9,775	0.07
<b>Total Net Assets Attributable to Unitholders</b>		<b>14,858,495</b>	<b>100.00</b>

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN INFRASTRUCTURE EQUITY FUND

(As at 31 December 2012)

### Exposure to Derivatives

The Fund has the following exposure to derivatives as at 31 December 2012:

	Fair value 31 December 2012 S\$	Percentage of total net assets attributable to unitholders (%)
Forward foreign exchange contracts	(89)	(0.001)

The unrealised loss at the end of the year was SGD 89 and realised loss is SGD 156 for the year.

### Global exposure

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### Collateral

Nil for the year ended 31 December 2012.

### Securities Lending or repurchase Transactions

Nil for the year ended 31 December 2012.

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

The Fund invests SGD 14,848,720 equivalent to 99.93% of its net asset value attributable to unitholders, in Eastspring Investments - Asian Infrastructure Equity Fund Class C.

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### Borrowings

Nil.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – ASIAN INFRASTRUCTURE EQUITY FUND**

(As at 31 December 2012)

### **Related Party Transactions**

The Fund invests SGD 14,848,720 equivalent to 99.93% of its net asset value, in Eastspring Investments - Asian Infrastructure Equity Fund Class C. Some directors of the Eastspring Investments, an open-ended investment company registered in Luxembourg, are also directors of Eastspring Investments (Singapore) Limited.

Refer to Note 10 of “Notes to the Financial Statements”.

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	2,389,339
Redemptions	1,664,436

### **Annualised Expense Ratio\*\***

1.88% (2011: 1.94%)

*\*\* 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**

11.81% (2011: 17.34%)

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

## EASTSPRING INVESTMENTS – ASIAN INFRASTRUCTURE EQUITY FUND

### Top 10 Holdings

(As at 31 December 2012)

	Market Value USD	% of Net Assets***
China Mobile Ltd	4,652,103	8.89
China Petroleum & Chemical	2,422,075	4.63
Posco	2,254,242	4.31
CNOOC Ltd	2,020,035	3.86
LG Chem Ltd	1,951,503	3.73
Reliance Industries Ltd	1,950,670	3.73
China Resources Power Holdings Co. Ltd	1,851,863	3.54
China Oilfield Services	1,736,098	3.32
Petrochina Co Ltd	1,708,579	3.27
SembCorp Industries Ltd	1,684,997	3.22

### Top 10 Holdings

(As at 31 December 2011)

	Market Value USD	% of Net Assets***
China Mobile Ltd	4,358,531	7.49
CNOOC Ltd	3,190,995	5.48
China Petroleum & Chemical	3,006,407	5.16
Posco	2,541,250	4.36
China Shenhua Energy	2,473,252	4.25
SembCorp Industries	2,199,000	3.78
Chunghwa Telecom Co Ltd	2,153,137	3.70
Macquarie Korea	1,828,177	3.14
Formosa Plastics Corp	1,809,255	3.11
NWS Holdings Ltd	1,806,921	3.10

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

### Annualised Expense Ratio\*\*

1.13% (2011: 1.13%)

\*\* 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

15.00% (2011: 6.39%)

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL LEADERS FUND**

Included under the CPF Investment Scheme – Ordinary Account

### **Structure**

Eastspring Investments Unit Trusts - Global Leaders Fund (the “Fund”) is organised as a feeder fund, which feeds into Euro Class A shares of the M&G Investment Funds (1) – M&G Global Leaders Fund (“M&G Global Leaders Fund”), domiciled in the United Kingdom.

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

The Manager is currently offering two Classes of Units in the Eastspring Investments Unit Trusts - Global Leaders 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 the Class. Units of the SGD Class shall hereinafter be referred to as the “SGD Class Units” and Units of the USD Class shall hereinafter be referred to as the “USD Class Units”.

Investors should note that the USD Class Units may be subject to foreign exchange risks 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 maximise long-term total return (the combination of income and growth of capital) by investing in a wide range of global equities that the Manager considers to be leading in their field. The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Fund into the M&G Global Leaders Fund which shares the same investment objective.

### **Manager’s Commentary**

#### **Fund Performance<sup>1</sup>**

For the 12-month period ended 31 December 2012, the Fund returned 5.3% (bid-to-bid basis), which was behind the MSCI AC World Index, which rose 10.0%.

#### **Market background**

Global equities delivered healthy gains in 2012, responding to efforts by central banks to stimulate economic growth with accommodative monetary policy. This was despite economic data in many countries remaining weak. In the second half of the year, the Federal Reserve announced it would increase quantitative easing and continue to purchase mortgage-backed securities, until there was evidence of a substantial improvement in the labour market. In the Eurozone, the European Central Bank said that it would do ‘whatever it takes’ to preserve the Euro, and as a result, sovereign bond markets in peripheral countries rallied strongly. Economic growth had been slowing rapidly in China earlier on in the year, but in the third quarter the authorities announced a boost in infrastructure spending. Towards the end of the year, economic growth in China showed signs of accelerating again.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL LEADERS FUND**

### **Factors affecting performance<sup>2</sup>**

Sentiment generally rose over the year, but investors continued to prefer higher quality, 'safer' companies to stocks that they perceived to be riskier. As a result the Fund's focus on improving companies, often with more volatile earnings, was disadvantageous for much of the review period.

The Fund's overweight position in Japan detracted from performance, whereas the overweight in the US and within Europe, Germany in particular, added value. Meanwhile, the Fund's underweight in financials hurt performance, but was offset by positions in other sectors, such as the underweight in utilities and overweight in consumer discretionary. Overall, stock selection detracted performance.

On-line retailer eBay performed well for the Fund. It expanded the range of retailers that were using its platform and its payment services business, PayPal, was growing strongly. Europe's second-largest airline, Deutsche Lufthansa, was another major contributor to performance. It restructured its business and its second- and third-quarter results demonstrated that profitability was improving.

The US housing market was showing signs of having turned a corner and a number of the Fund's housing-related stocks added value. These included Fortune Brands Home & Security, which manufactures doors, windows and kitchen cabinets, and home improvement retailer Lowe's.

A number of Japanese holdings hurt performance, including Nidec, a manufacturer of precision motors used in hard-disk drives, and audio and video equipment manufacturer Pioneer. As well as a weak domestic economy, some Japanese exporters have struggled to cope with a strong Yen.

Another area where performance suffered was the energy sector. A softening oil price undermined exploration and production company Forest Oil's ability to fund the development of its assets through its own cashflow, while shares in Spanish oil & gas company Repsol fell when the Argentinian government announced it was nationalizing YPF.

### **Key changes to the portfolio<sup>2</sup>**

Over the year, the fund manager consolidated the portfolio by adding to his conviction ideas and reducing the number of holdings. He added to the overweight position in industrials and reduced the overweight position in consumer discretionary and the underweight position in financials. In addition, a review of the Fund's energy holdings led to the disposal of a number of positions, including Forest Oil.

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL LEADERS FUND

### Outlook

The Fund Manager believes global equities provide exciting investment opportunities, in particular 'value' and 'restructuring' names. While many 'growth' stocks have already seen significant re-ratings, a large number of restructuring companies are pricing in little or no recovery. Investors are not yet recognising that many of these companies have improved their capital allocation decision-making and are enhancing shareholder value creation – positive developments that are already beginning to lead to enhanced company cashflows.

The Fund Manager recognises that there may be episodes of uncertainty ahead as positive macroeconomic data ebbs and flows. For example, US companies have recently cautioned about the outlook in the eurozone and China – although the situation in the latter has improved as of late. In an environment where the economic backdrop remains challenging, the Fund Manager believes that self-help companies which are capable of improving their fortunes independent of the external factors stand well placed to generate healthy returns for investors. This is something that bodes well for the Fund's investment approach.

<sup>1</sup> *The performance mentioned above applies to SGD Class only.*

<sup>2</sup> *Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.*

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL LEADERS FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months	6 months	1 year	3 years	Since inception*
	%	%	%	%	%
Eastspring Investments Unit Trusts -Global Leaders Fund SGD Class	1.1	5.1	5.3	-1.8	-4.8
MSCI AC World Index SGD*	2.6	6.2	10.0	2.3	-0.1
(average annual compounded return)					
Eastspring Investments Unit Trusts -Global Leaders Fund USD Class	1.6	9.0	11.6	N.A	13.6
MSCI AC World Index USD*	3.0	10.2	16.8	N.A	19.7

Source: Eastspring Investments (Singapore) Limited and Bloomberg. The return is calculated on a bid-to-bid basis with net income reinvested, if any. The return for Eastspring Investments Unit Trusts – Global Leaders Fund SGD Class is calculated in S\$ and the return for Eastspring Investments Unit Trusts – Global Leaders Fund USD Class is calculated in US\$.

There has been no dividend distribution since the inception of the Fund.

\* With effect from 1 January 2012, the benchmark of the Fund was changed from the FTSE World Index to the MSCI AC World Index as the Manager is of the view that the MSCI index is more relevant in measuring the performance of the Fund with its peers. The change in benchmark is applied retrospectively.

+ SGD Class : 22 July 2008  
USD Class : 30 September 2011

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

### Schedule of Investments

(As at 31 December 2012)

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	<u>United Kingdom</u>		
	M&G Investment Funds (1)		
	- Global Leaders Fund Euro		
	Class A shares	4,667,789	98.17
234,321		<b>4,667,789</b>	<b>98.17</b>
<b>Total Investments</b>		86,958	1.83
Other Net Assets		<b>4,754,747</b>	<b>100.00</b>
<b>Total Net Assets Attributable to Unitholders</b>			

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL LEADERS FUND

(As at 31 December 2012)

### Exposure to Derivatives

The Fund has the following exposure to derivatives as at 31 December 2012:

	Fair value 31 December 2012	Percentage of total net assets attributable to unitholders
	S\$	(%)
Forward foreign exchange contracts	(400)	(0.01)

The unrealised loss at the end of the year was SGD 400 and realised loss is SGD 501 for the year.

### Global exposure

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### Collateral

Nil for the year ended 31 December 2012.

### Securities Lending or repurchase Transactions

Nil for the year ended 31 December 2012.

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

The Fund invests SGD 4,667,789 equivalent to 98.17% of its net asset value attributable to unitholders, in M & G Investment Funds (1) - Global Leaders Fund Euro Class A Shares.

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### Borrowings

Nil

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL LEADERS FUND**

(As at 31 December 2012)

### **Related Party Transactions**

The Fund invests SGD 4,667,789 equivalent to 98.17% of its net asset value attributable to unitholders, in M & G Investment Funds (1) - Global Leaders Fund Euro Class A Shares.

Refer to Note 10 of "Notes to the Financial Statements".

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	1,556,381
Redemptions	384,807

### **Annualised Expense Ratio\*\***

1.92% (2011: 1.94%)

*\*\* 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**

5.12% (2011: 26.38%)

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

## M&G GLOBAL LEADERS FUND

### Top 10 Holdings

(As at 31 December 2012)

	<b>Market Value GBP</b>	<b>% of Net Assets***</b>
General Electric	29,757,730	3.53
Wells Fargo	25,406,378	3.01
Pfizer	23,768,748	2.82
Sanofi-Aventis	22,134,824	2.63
Ebay	21,946,912	2.60
Aia	20,466,280	2.43
Citigroup	20,090,731	2.38
Eli Lilly & Co	19,560,331	2.32
Novartis	19,168,033	2.27
Deutsche Lufthansa	18,423,167	2.19

### Top 10 Holdings

(As at 31 December 2011)

	<b>Market Value GBP</b>	<b>% of Net Assets***</b>
Sanofi-Aventis	21,632,132	2.51
Qualcomm	21,144,706	2.45
General Electric	20,167,683	2.34
Cisco Systems	19,236,373	2.23
Pfizer	19,058,201	2.21
Heinz	17,916,752	2.08
Lowe's	17,287,724	2.00
CVS Caremark	17,236,229	2.00
Wells Fargo	16,950,308	1.96
Intel	16,861,355	1.95

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

## **M&G GLOBAL LEADERS FUND**

### **Annualised Expense Ratio\*\***

1.93%^ (2011: 1.92%)

*\*\* 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**

79.70%^ (2011: 135.54%)

*^ For the period 31 December 2011 to 31 December 2012.*

*Source: M&G Securities Limited.*

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL POSITIONING STRATEGY FUND**

### **Structure**

The Eastspring Investments Unit Trusts - Global Positioning Strategy Fund (the “Fund”) is organised as a feeder fund which feeds into the Luxembourg - domiciled Eastspring Investments – Global Market Navigator Fund (“Eastspring Investments – Global Market Navigator Fund”).

The investment manager of Eastspring Investments – Global Market Navigator Fund is the Manager.

The Manager is currently offering two Classes of Units in the Eastspring Investments Unit Trusts - Global Positioning Strategy 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 the Class. Units of the SGD Class shall hereinafter be referred to as the “SGD Class Units” and Units of the USD Class shall hereinafter be referred to as the “USD Class Units”.

Investors should note that the USD Class Units may be subject to foreign exchange risks 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.

Investors should note that the net asset value of this Fund is likely to have a high volatility due to the investment policies or portfolio management techniques of the Eastspring Investments – Global Market Navigator Fund.

### **Investment Objective**

The investment objective of the Fund is to achieve positive absolute returns over the medium-term through the implementation of an actively managed asset allocation strategy in a diversified range of global assets including cash, equities, bonds and currencies. Exposure to each of the asset classes will be primarily through exchange traded funds (“ETF”), index futures, direct equity and bonds, swaps, options and foreign exchange forwards, each of which may be traded through recognized exchanges or via the over the counter markets.

The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Fund into the Eastspring Investments - Global Market Navigator Fund which shares the same investment objective. For the avoidance of doubt, the actively managed asset allocation strategy will be implemented by the Manager only at the underlying fund level.

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL POSITIONING STRATEGY FUND

### Manager's Commentary

#### Fund performance\*

The Fund rose 5.9% (bid-to-bid basis) over the review period.

#### Market Background

2012 turned out to be a pleasant surprise for risky assets. The markets' performance in the first half of the year was a repeat of 2011. Starting with an optimistic note, the market sentiment took a turn in April/ May, panicking about the debt burden in Europe and the weakness in global economies. In the second half of the year, the oversold market conditions were corrected as investors were encouraged by the policy actions. Towards the end of 2012, the markets spurred higher as investors digested the impact of QE3 and became increasingly optimistic about a global cyclical upturn.

Against this backdrop, global equity markets<sup>1</sup> registered a return of 16.1% in 2012, led by Asia Pacific ex Japan<sup>2</sup> (+22.3%) and EMEA<sup>3</sup> (+21.9%). Israel (-4.7%), Brazil (0.0%) and Czech Republic (+2.5%) were among the worst performers. In contrast, emerging markets including Turkey (+64.2%), the Philippines (+46.4%) and Poland (+39.2%) performed the best<sup>4</sup>.

Credit markets held up relatively well in the current low interest rate environment as investors sought high-yielding assets. In general, lower-quality higher-yielding credits outperformed better quality ones. US investment grade credit gained 10.4%<sup>5</sup>, whilst US high yield credit and emerging market bonds gained 15.6%<sup>6</sup> and 18.0%<sup>7</sup> respectively. Developed bond markets were less favored, only posting a return of +1.6%<sup>8</sup> in 2012 while emerging market local currency bonds performed better, increasing by 7.5%<sup>9</sup> over the corresponding period.

In currency markets, the US dollar marginally depreciated in general. Among the major currencies, Japanese yen (-12.7%) depreciated against the US dollar whilst the British pound (+4.4%) and euro (+1.9%) appreciated. Select emerging market currencies such as the Brazilian real (-9.9%), Indian rupee (-3.7%) and Indonesian rupiah (-6.3%) fell significantly against the US dollar.

#### Factors affecting performance<sup>10</sup>

The Fund's equity holdings boosted absolute return, notwithstanding the market volatility. The major positive contributors were the Fund's holdings of US and Europe equities (especially Germany and Italy equities). Conversely, holdings in Brazil equities detracted value. Most of the Fund's fixed income holdings added value. Most markedly was its holding of Mexican Peso government bond as both declining bond yields and strengthening of the Peso versus the US dollar contributed positively to the Fund's return. Holdings in US investment grade and high yield credit ETFs, UK investment grade ETF and the Russian sovereign USD bond also added value.

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL POSITIONING STRATEGY FUND

### **Key changes to the portfolio<sup>10</sup>**

The Fund's overall equity exposure rose from 41% as of end of December 2011 to a high of 64% by the end of February, before being adjusted down to 48% of as end of April 2012. Following the market correction in June, the Fund added its equity exposure back to neutral (60%). In the 4th quarter, the fund manager reduced its equity exposure to 53%, as the margin of safety became thinner after the QE-driven rally.

The Fund switched out of US equities into Italian and German equities on relative valuation grounds. The Fund then partly sold them in September/October after their strong rallies resulted in the narrowing of the valuations gap. The Fund reduced its holding in Asian equities due to its least supportive valuation, but instead added to cheaper markets within the region such as Korea. The Fund closed its exposure to India, again following a strong rebound in the market, and switched into global Metals & Mining sector ETF, where valuation was amongst the most attractive on price-to-book basis.

In the fixed income space, the Fund closed its long-dated US Treasuries position, and then added it back towards the end of the year following the correction in yield level. A new position was created for Vietnamese dong government bonds. The Fund initiated the position of UK investment grade credit in July, and subsequently sold it in November after its strong performance. The Fund also sold its Russia USD bond in the mid of the year and shortened the duration of its Mexican Peso government bond position.

### **Outlook and strategy**

While the fund manager agrees that the macro environment is seemingly less precarious now, his deep concern is still corporate earnings delivery. In several equity markets (sans Europe), forward earnings expectations still appear lofty. In addition, the risk of a macro disappointment is still material – that policymakers do not exercise sufficient resolve in following through with planned reforms and plans to tackle the ongoing fiscal issues. At current equity valuation, the margin of safety priced in for risks of earnings or macro disappointment is still insufficient, in his view.

For bond markets, extremely low sovereign bond yields reflect the weak structural and economic fundamentals. There is a clear risk that yields can correct upwards considerably if the current 'near-zero rates for longer' assumption is put into question.

No asset class stands out as compellingly attractive now, following the strong rally in credit markets, which have been amongst our most favored asset class for some years now. Declining credit spreads and yields have resulted in a deteriorating risk-return profile for credit as an asset class. Thus, looking forward, the fund manager will pare his bullish call on credit. Overall the fund manager remains cautious on equities on grounds of earnings risks not sufficiently priced into valuations. However, over the medium term, the fund manager is beginning to see equities as being more attractive than credit.

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL POSITIONING STRATEGY FUND

So while the fund manager still hold an (albeit reduced) overweight position in credit alongside an under-weight in equities (overall neutral risk position), he will look to cut this credit overweight into equities. Valuation convergence within equities also underpinned our recent strategy change to close out over-weights in previously cheap markets (notably Japan and Germany) back to US where he has been holding an under-weight bet.

*Note: All index returns are sourced from Thomson Reuters Datastream in US dollar terms (unless otherwise stated) as of 31 December 2012*

*\* The performance mentioned above applies to SGD Class only.*

*<sup>1</sup> Using MSCI AC World Total Return Index (Net) in US dollar terms as a proxy*

*<sup>2</sup> Using MSCI AC Asia Pacific ex Japan Total Return Index (Net) in US dollar terms as a proxy*

*<sup>3</sup> Using MSCI EM (Emerging Markets) Europe, Middle East and Africa Index Total Return Index (Net) in US dollar terms as a proxy*

*<sup>4</sup> All single market returns are based on MSCI Total Return Index (Net) for the respective market in US dollar terms*

*<sup>5</sup> Using Merrill Lynch US Corporate Master Index as a proxy*

*<sup>6</sup> Using Merrill Lynch US High Yield Master II Index as a proxy*

*<sup>7</sup> Using JP Morgan Emerging Market Bond Index Plus as a proxy*

*<sup>8</sup> Using Citigroup World Government Bond Index as a proxy*

*<sup>9</sup> Using JP Morgan Emerging Local Markets Index Plus as a proxy*

*<sup>10</sup> Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.*

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL POSITIONING STRATEGY FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months	6 months	1 year	3 years	Since inception*
	%	%	%	%	%
(average annual compounded return)					
Eastspring Investments Unit Trusts - Global Positioning Strategy Fund SGD Class	1.6	5.3	5.9	-1.6	-1.4
N.A. *	N.A.	N.A.	N.A.	N.A.	N.A.
Eastspring Investments Unit Trusts - Global Positioning Strategy Fund USD Class	2.1	9.3	12.5	N.A	12.9
N.A. *	N.A.	N.A.	N.A.	N.A.	N.A.

Source: Eastspring Investments(Singapore) Limited. The return is calculated on a bid-to-bid basis with net income reinvested, if any. The return for Eastspring Investments Unit Trusts – Global Positioning Strategy Fund SGD Class is calculated in S\$ and the return for Eastspring Investments Unit Trusts – Global Positioning Strategy Fund USD Class is calculated in US\$.

\* There is currently no suitable benchmark for the Fund. Prior to 24 June 2010, the benchmark for the Fund was (USD 3-month LIBOR + 3%) per annum. The high market volatility experienced in recent years showed that financial market returns are not normally distributed as assumed in almost all financial models, which has underestimated risk. Given that the Fund is largely invested in risky assets, the Manager is of the view that a cash-plus benchmark no longer reflects the Fund's investment objective, focus and approach over a short period of time.

There has been no dividend distribution since the inception of the Fund.

+ SGD Class : 30 September 2008

USD Class : 30 September 2011

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL POSITIONING STRATEGY FUND

(As at 31 December 2012)

### Schedule of Investments

(As at 31 December 2012)

Number of Shares	Investment Funds	Market Value SGD	% of Net Assets***
	<u>Luxembourg</u>		
	Eastspring Investments : -		
	Global Market Navigator		
147,275	Fund Class C	2,037,873	99.49
<b>Total Investments</b>		<b>2,037,873</b>	<b>99.49</b>
Other Net Assets		10,439	0.51
<b>Total Net Assets Attributable to Unitholders</b>		<b>2,048,312</b>	<b>100.00</b>

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

### Exposure to Derivatives

The Fund has the following exposure to derivatives as at 31 December 2012:

	Fair value 31 December 2012 S\$	Percentage of total net assets attributable to unitholders (%)
Forward foreign exchange contracts	(13)	(0.001)

The unrealised loss at the end of the year was SGD 13 and realised gain is SGD 48 for the year.

### Global exposure

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- The sum of the values of cash collateral received pursuant to :
  - the reduction of exposure to counterparties of OTC financial derivatives; and
  - EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – GLOBAL POSITIONING STRATEGY FUND**

(As at 31 December 2012)

### **Collateral**

Nil for the year ended 31 December 2012.

### **Securities Lending or repurchase Transactions**

Nil for the year ended 31 December 2012.

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

The Fund invests SGD 2,037,873 equivalent to 99.49% of its net asset value attributable to unitholders, in Eastspring Investments - Global Market Navigator Fund Class C.

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### **Borrowings**

Nil.

### **Related Party Transactions**

The Fund invests SGD 2,037,873 equivalent to 99.49% of its net asset value, in Eastspring Investments - Global Market Navigator Fund. Some directors of the Eastspring Investments, an open-ended investment company registered in Luxembourg, are also directors of Eastspring Investments (Singapore) Limited.

Refer to Note 10 of “Notes to the Financial Statements”.

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	353,080
Redemptions	287,371

### **Annualised Expense Ratio\*\***

3.22% (2011: 3.02%)

*\*\* 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**

13.66% (2011: 13.37%)

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

## EASTSPRING INVESTMENTS – GLOBAL MARKET NAVIGATOR FUND

### Top 10 Holdings

(As at 31 December 2012)

	Market Value USD	% of Net Assets***
CS ETF (IE) ON S&P 500	1,407,343	13.23
iShares IBoxx \$ Investment Grade Corporate Bond	1,128,834	10.61
ishares Markit iboxx \$ High Yield Capped Bond	1,103,413	10.37
ishares USD Corporate Bond ETF	864,225	8.12
US Treasury N/B 1.625% 11/2022	745,013	7.00
iShares PLC-Ishares FTSE 100	649,282	6.10
DB X-Trackers MSCI Japan TRN	582,222	5.47
CSETF ON EURO STOXX 50 EU	522,844	4.92
ishares MSCI GLSET Metals & Mining Producers	480,870	4.52
CS ETF (IE) ON MSCI Russia ETF	452,853	4.26

As at 31 December 2012, the Eastspring Investments-Global Market Navigator Fund had the following open futures contracts:

Number of contracts	Contract/Description	Expiration Date	Notional Amount USD	Unrealised Gain/(Loss) USD
3	FTSE / MIB Index	March 2013	323,262	4,186
4	S&P 500 E-mini Index	March 2013	280,250	(5,130)
2	KOSPI 200 Index	March 2013	248,558	7,095
			<b>852,070</b>	<b>6,151</b>

## EASTSPRING INVESTMENTS – GLOBAL MARKET NAVIGATOR FUND

### Top 10 Holdings

(As at 31 December 2011)

	Market Value USD	% of Net Assets***
iShares IBoxx \$ Investment Grade Corporate Bond	2,303,238	19.24
CS ETF (IE) ON S&P 500	1,256,242	10.49
US Treasury N/B 4.25% 15/05/2039	887,688	7.41
iShares iBoxx \$ High Yield Corporate Bond	697,398	5.82
Russian - Eurobond 12.75% 24/06/2028	679,736	5.68
Japan Government Bond 0.1% 15/11/2012	647,753	5.41
iShares PLC-Ishares FTSE 100	619,619	5.17
DBX-Trackers EURO STXX 50	491,575	4.11
BK Negara Monetary Note 0% 01/2012	363,097	3.03
Korea Monetary Stab Bond 3.620% 04/2012	360,341	3.01

As at 31 December 2011, the Eastspring Investments-Global Market Navigator Fund had the following open futures contracts:

Number of contracts	Contract/Description	Expiration Date	Notional Amount USD	Unrealised Gain/(Loss) USD
8	TOPIX Index	March 2012	754,600	(17,326)
17	Euro Stoxx 50	March 2012	507,287	2,711
18	S&P 500 E-mini Index	March 2012	1,131,750	25,380
			<b>2,393,637</b>	<b>10,765</b>

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

### Annualised Expense Ratio\*\*

1.21% (2011: 1.14%)

\*\* 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

110.69% (2011: 113.74%)

## **EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE SELECT BOND FUND**

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

### **Structure**

The Eastspring Investments Unit Trusts - Singapore Select Bond Fund (the “Fund”) is a fund organised as a direct investment portfolio.

The Manager is currently offering two Classes of Units in the Fund, namely, Class A and Class A<sub>D</sub>. There are no material differences between the two Classes save that Class A is an accumulation share class whereby no dividends will be declared and paid out whilst in respect of Class A<sub>D</sub>, the Manager may at its sole discretion declare and pay out dividends on an annual basis. Units of Class A shall hereinafter be referred to as the “Class A Units” and Units of Class A<sub>D</sub> shall hereinafter be referred to as the “Class A<sub>D</sub> Units”.

Investors should note that a separate Net Asset Value per Unit which may differ as a consequence of the aforesaid variable factors will be calculated for each Class.

### **Investment Objective**

The Fund aims to maximise total returns over time by investing primarily in Singapore-dollar denominated debt securities and foreign currency debt securities which will be hedged back into Singapore Dollars.

### **Manager’s Commentary**

#### **Fund performance**

The Fund returned 7.3%<sup>^</sup> (bid-to-bid basis) over the year, outperforming the benchmark, HSBC Singapore Local Currency All Bond Index, which rose 4.0%.

#### **Market background**

2012 was a year of pronounced volatility for markets, dominated by investors’ sentiments and headline news. Throughout the year, the European debt crisis and budget negotiations on resolving the ‘fiscal cliff’ in the US undermined investors’ confidence, while monetary easing by central governments and signs of green shoots in the US and China kept hopes of a recovery alive. This resulted in large swings in risk assets’ prices, although both bonds and equities saw significant gains over the year. Cautious investors facing a high inflationary environment chose to invest in traditionally safer asset classes, leading to global government bonds seeing a broad based decline in yields. Yields on Singapore government securities (SGS) fell correspondingly, as 10-year yields fell 33 bps to 1.30%.

Singapore’s GDP growth remained largely subdued over the year, on the lower end of earlier projections made by the Ministry of Trade and Industry. For the entire year, Singapore’s GDP grew an estimated 1.2% in comparison to the 4.9% growth in 2011, as the manufacturing sector struggled in the midst of weaker exports.

<sup>^</sup> Performance for share class A

## **EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE SELECT BOND FUND**

### **Factors affecting performance**

The Fund's overweight in corporate credits over the year contributed to performance, benefitting from the fall in SGS yields as well as tightening of credit spreads. The pickup in yield from corporate credits further added to outperformance over the benchmark.

### **Key changes to portfolio**

The Fund continued to maintain its overweight in corporate credits within the Asian Pacific region for the attractive yield pick-up over government bonds and their relatively sound corporate fundamentals.

### **Outlook**

Macroeconomic data in the two largest economies are showing signs of improvement, with the official China purchasing managers' index in positive territory and an improving housing market in the US. Tail risks in the Eurozone have been curtailed following positive developments in the region. With the aggressive monetary easing positions undertaken by various central banks globally, interest rates are expected to remain at record low levels over 2013. Singapore and Asia credits should continue the positive momentum, although there now is lesser room for further spread tightening than the previous year. Market sentiments should continue to be highly influenced by politics over the year. Hence, the Fund Manager will practice active duration management within expected trading range. The Fund Manager continues to maintain the 'carry play' strategy going into 2013, while exercising careful selection of credits.

## EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE SELECT BOND FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months %	6 months %	1 year %	3 years %	Since inception <sup>+</sup> %
			(average annual compounded return)		
Eastspring Investments Unit Trusts - Singapore Select Bond Fund Class A	1.5	3.8	7.3	N.A.	6.6
HSBC Singapore Local Currency All Bond Index	0.9	1.8	4.0	N.A.	5.0

Fund / Benchmark	3 months %	6 months %	1 year %	3 years %	Since inception <sup>+</sup> %
Eastspring Investments Unit Trusts - Singapore Select Bond Fund Class Ad	N.A.	N.A.	N.A.	N.A.	0.2
HSBC Singapore Local Currency All Bond Index	N.A.	N.A.	N.A.	N.A.	0.1

Source: Eastspring Investments (Singapore) Limited. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested, if any.

There has been no dividend distribution since the inception of the Fund.

\* Class A : 8 April 2011

Class Ad : 9 November 2012

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE SELECT BOND FUND

(As at 31 December 2012)

### Exposure to Derivatives

The Fund has the following exposure to derivatives as at 31 December 2012:

	Fair value 31 December 2012 S\$	Percentage of total net assets attributable to unitholders (%)
Forward foreign exchange contracts	648,316	0.25

The unrealised gain at the end of the year was SGD 648,316 and realised gain is SGD 612,003 for the year.

### Global exposure

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### Collateral

Nil for the year ended 31 December 2012.

### Securities Lending or repurchase Transactions

Nil for the year ended 31 December 2012.

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

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### Borrowings

Nil

### Related Party Transactions

Refer to Note 10 of "Notes to the Financial Statements".

## **EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE SELECT BOND FUND**

(As at 31 December 2012)

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	131,127,716
Redemptions	7,413,935

### **Annualised Expense Ratio\*\***

0.64% (2011: 0.70%#)

*\*\* 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**

69.27% (2011: 71.81%#)

*# For the period from 11 April 2011 to 31 December 2011.*

### **Soft Dollar Commission**

Nil for the Fund.

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

Nil.

### **Pre-determined payouts**

The Fund does not offer pre-determined payouts.

## EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE SELECT BOND FUND

(As at 31 December 2012)

### Top 10 Holdings

(As at 31 December 2012)

	Market Value SGD	% of Net Assets***
Government of Singapore 3.5% 01/03/2027	19,340,058	7.50
Government of Singapore 3.125% 01/09/2022	16,501,348	6.40
Government of Singapore 3% 01/09/2024	10,663,886	4.14
Government of Singapore 2.25% 01/06/2021	8,171,789	3.17
Government of Singapore 2.75% 01/04/2042	6,462,959	2.51
NTUC Income Insurance (Reg) Var 23/08/2027	6,231,695	2.42
Government of Singapore 2.875% 01/09/2030	6,141,551	2.38
United Overseas Bank Limited (Regs) Series EMTN Var 11/07/2022	5,906,782	2.29
Mapletree Industrial Trust MTN (BR) 3.75% 08/03/2019	4,658,304	1.81
DBS Bank Limited/Singapore 4.7% Perpetual	4,198,498	1.63

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

### Top 10 Holdings

(As at 31 December 2011)

	Market Value SGD	% of Net Assets***
Government of Singapore 3.25% 01/09/2020	7,892,585	6.44
Government of Singapore 2.25% 01/06/2021	7,183,696	5.86
Government of Singapore 3.5% 01/03/2027	7,167,221	5.85
Government of Singapore 3% 01/09/2024	6,335,484	5.17
Government of Singapore 3.125% 01/09/2022	6,231,323	5.08
Government of Singapore 2.875% 01/09/2030	5,159,037	4.21
Government of Singapore 4% 01/09/2018	3,819,073	3.12
Government of Singapore 2.5% 01/06/2019	3,524,779	2.88
Westpac Capital Trust III (Regs) Var Perp	2,832,940	2.31
Standard Chartered Bank HK Series EMTN (BR) Var 27/10/2021	2,799,914	2.28

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

## EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE SELECT BOND FUND

### Schedule of Investments

(As at 31 December 2012)

	Market Value USD	% of Net Assets***
<b>Country</b>		
Australia	4,859,931	1.89
People's Republic of China	11,556,821	4.48
Great Britain	5,770,499	2.24
Hong Kong	13,521,411	5.24
Republic of India	1,662,876	0.65
Malaysia	11,086,572	4.30
The Netherlands	1,532,259	0.59
Qatar	245,574	0.10
Singapore	183,382,107	71.12
South Korea	2,537,312	0.98
Thailand	11,217,870	4.35
United States of America	5,402,644	2.10
<b>Industry</b>		
Agriculture	2,522,046	0.98
Banks	61,063,414	23.71
Building construction	528,215	0.20
Computer software	3,079,091	1.19
Finance	30,383,754	11.77
Government	73,153,833	28.37
Hotels	6,078,437	2.36
Industrials	253,258	0.10
Insurance	7,008,801	2.72
Investment	5,378,518	2.09
Metal products	1,037,484	0.40
Miscellaneous	7,146,250	2.77
Oil and gas	4,041,005	1.57
Petrochemical	2,571,750	1.00
Print and publish	516,619	0.20
Property	1,321,742	0.51
Real estate	24,470,709	9.50
Real estate investment trusts	16,633,188	6.44
Retail	734,208	0.28
Telecom services	245,574	0.10
Transport	2,045,402	0.79
Transport - Rail	513,677	0.20
Transport - Ship	2,048,901	0.79

## EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE SELECT BOND FUND

### Schedule of Investments

(As at 31 December 2012)

	Market Value USD	% of Net Assets***
<b>Credit Ratings (by S&amp;P/Moody's)</b>		
AAA	74,096,255	28.74
Aa3	250,697	0.09
AA-	3,712,356	1.44
A+	22,070,683	8.56
A	1,997,376	0.78
A-	11,539,045	4.48
A1	3,048,003	1.18
A3	4,857,403	1.88
BBB+	31,167,649	12.10
BBB	6,001,244	2.33
BBB-	8,988,498	3.49
Baa1	3,148,500	1.22
Baa2	5,125,506	1.99
Baa3	6,250,303	2.42
Not rated	91,298,657	35.41
<b>Asset Class</b>		
Bonds	252,775,876	98.04
Other net current assets	5,057,130	1.96

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

## **EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE ASEAN EQUITY FUND**

### **Structure**

The Eastspring Investments Unit Trusts – Singapore ASEAN Equity Fund (the “Fund”) is a fund organized as a direct investment portfolio.

### **Investment Objective**

The Fund aims to maximise total return in the medium to long term by investing primarily in equities and equity-related securities of companies which are incorporated, quoted or listed in, or have their area of primary activity in Singapore and other ASEAN markets.

### **Manager’s Commentary**

#### **Fund performance**

The Fund was incepted on 14 March 2012. During the period under review, the Fund returned 5.0% (bid-to-bid basis), against the benchmark which yielded 7.2%.

#### **Market Background**

In 2012, ASEAN markets generally underperformed the broader Asia Pacific benchmark. In Singapore, 2012’s GDP growth came in at 1.3%<sup>1</sup>. 2012’s IPO market started full of potential but eventually fizzled as the likes of F1, Manchester United and Reliance plugged plans due to uncertain market conditions. Notable M&As and divestments during the year include Heineken’s purchase of APB and SIA’s disposal of Virgin Atlantic.

Malaysia defied market trends in 2012 as its economy stayed robust despite its exposure to exports. GDP grew over 5.0%<sup>1</sup>, fuelled by government spending, investments and a populist election budget. Its IPO market was poised to end the year as the fourth-largest in the world powered by billion dollar IPOs such as Felda and IHH. Mega project and M&As dominated headlines, including contracts for the Klang Valley MRT and CIMB’s purchase of RBS’s assets. Other notable events included the proposal to introduce minimum wages from early 2013.

Indonesia’s 2012 GDP, although robust and projected to grow at 6.2%<sup>1</sup>, was marred by the depreciation of the Rupiah and increasing inflation pressures. Significant events included the signing of the Land Acquisition act, introduction of infrastructure projects, new bank-ownership rules, cap in foreign ownership of mines, imposition of export tax on minerals, SOE spin offs through IPOs and increase in minimum wages.

Thailand bounced back strongly after 2011’s flood, spurred by reconstruction projects, rebound in autos and other stimulus efforts by the government, which included a three-year debt moratorium for farmers and low-income earners. Meanwhile, Thai conglomerates, led by Ratch, EGCO, and SCC, defied global trends and went ahead with bullish expansion plans, mostly into their LVMC neighbours, particularly Myanmar.

## **EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE ASEAN EQUITY FUND**

Despite territorial tensions with China, Philippines was the outperformer in ASEAN. Growth continued to be strong while inflation was expected to remain manageable. The government awarded two PPP projects and rolled out eight during the year.

### **Factors Affecting Performance<sup>2</sup>**

Performance in 2012 has been driven by good stock picking, primarily in the form of Ezion Holdings Ltd, CapitaLand Ltd, Filinvest Land Inc, Siam Commercial Bank PCL and Alliance Global Group Inc. Positions in Bank Rakyat Indonesia Persero Tbk PT, Noble Group Ltd and Bumi Serpong Damai PT hampered portfolio returns.

### **Key Changes to the Portfolio<sup>2</sup>**

The Fund Manager built notable positions in UOL Group Ltd, Jardine Matheson Holdings Ltd, Capital retail China REIT Trust, Fraser and Neave Ltd, Indika Energy Tbk PT and Bumi Serpong Damai PT. The Fund Manager notably reduced positions in Ezion Holdings Ltd, Noble Group Ltd, Filinvest Land Inc, United Tractors Tbk PT and Public Bank Bhd.

### **Outlook**

The Fund Manager remains constructive on the outlook of the ASEAN economies due to improvement in macro fundamentals and favourable demographics. ASEAN markets have generally performed well in 2012 and may be susceptible to profit taking in the near term. The Fund Manager is mindful of internal and external concerns and will continue to monitor the macro situation while maintaining our bottom-up, valuation-driven investment approach.

<sup>1</sup> Source: Bloomberg, as at 22 February 2013

<sup>2</sup> Please note that the securities mentioned herein are included for illustrative 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 at the time you received this material or that securities sold have not been repurchased.

## EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE ASEAN EQUITY FUND

### Fund Performance

(As at 31 December 2012)

Fund / Benchmark	3 months %	6 months %	1 year %	3 years %	Since inception+ %
Eastspring Investments Unit Trusts - Singapore Asean Equity Fund	3.0	8.7	N.A.	N.A.	5.0
Customised blended FTSE ST All-Share and FTSE ASEAN (ex-Singapore)	4.1	10.7	N.A.	N.A.	7.2

*Source: Eastspring Investments (Singapore) Limited. The return is in S\$, and calculated on a bid-to-bid basis with net income reinvested, if any.*

*There has been no dividend distribution since the inception of the Fund.*

*The customised benchmark is derived by combining the FTSE ST All-Share Index and the non-Singapore constituents in the FTSE ASEAN index.*

+ 14 March 2012

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

## **EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE ASEAN EQUITY FUND**

(As at 31 December 2012)

### **Exposure to Derivatives**

Nil

### **Global exposure**

Global derivative exposure is computed using the commitment approach which is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) The sum of the values of cash collateral received pursuant to :
  - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### **Collateral**

Nil for the year ended 31 December 2012.

### **Securities Lending or repurchase Transactions**

Nil for the year ended 31 December 2012.

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

Refer to the Portfolio Statement in the Financial Statements for investment in other schemes including but not limited to REITs and ETFs.

### **Borrowings**

Nil

### **Related Party Transactions**

Refer to Note 10 of “Notes to the Financial Statements”.

### **Total Subscriptions and Redemptions for the year ended 31 December 2012**

	<b>SGD</b>
Subscriptions	63,441,859
Redemptions	-

## EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE ASEAN EQUITY FUND

### Annualised Expense Ratio\*\*

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

23.20%#

# For the period from 15 March to 31 December 2012.

### Soft Dollar Commission

Nil for the Fund.

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

Nil.

### Pre-determined payouts

The Fund does not offer pre-determined payouts.

### Top 10 Holdings

(As at 31 December 2012)

	Market Value USD	% of Net Assets***
Singapore Telecommunications Limited	3,243,900	4.89
DBS Group Holdings Limited	3,123,878	4.71
United Overseas Bank Limited	2,773,400	4.18
Jardine Matheson Holdings Limited	2,484,042	3.75
Capitaland Limited	2,175,600	3.28
Bank Rakyat Indonesia	2,106,322	3.18
Public Bank	2,040,067	3.08
Golden Agri-Resources Limited	1,681,515	2.54
Bank Mandiri	1,642,161	2.48
Kasikornbank PCL	1,528,344	2.31

## EASTSPRING INVESTMENTS UNIT TRUSTS – SINGAPORE ASEAN EQUITY FUND

### Schedule of Investments

(As at 31 December 2012)

	Market Value SGD	% of Net Assets***
<b>Country</b>		
Hong Kong	5,312,257	8.02
Indonesia	11,590,263	17.49
Malaysia	12,248,879	18.48
Philippines	5,062,074	7.64
Singapore	23,681,618	35.72
Thailand	7,348,572	11.09
<b>Industry</b>		
Agriculture	2,577,285	3.89
Automobile	1,202,500	1.81
Banks	16,749,251	25.27
Brewery	859,125	1.30
Building construction	676,866	1.02
Chemical	910,179	1.37
Commerce	669,980	1.01
Computer software	538,200	0.81
Diversified resources	5,587,213	8.43
Electronics	1,841,912	2.78
Engineering	1,372,180	2.07
Entertainment	2,074,365	3.13
Finance	1,011,507	1.53
Food and beverage	1,027,441	1.55
Foods	802,996	1.21
Hotels	1,114,494	1.68
Industrials	435,600	0.66
Investment	639,959	0.96
Machine tools	225,393	0.34
Metal products	480,000	0.72
Miscellaneous	2,413,869	3.64
Oil and gas	1,454,382	2.20
Public utility	1,281,646	1.93
Real estate	9,485,959	14.32
Real estate investment trusts	1,724,825	2.61
Retail	1,245,264	1.88
Rubber	985,242	1.49
Shipbuilding	1,505,630	2.27
Telecom services	3,243,900	4.89
Transport - Air	491,480	0.74
Transport - Ship	615,020	0.93
<b>Asset Class</b>		
Equities	65,243,663	98.44
Other net current assets	1,033,332	1.56

## REPORT OF THE TRUSTEE

The Trustee is under a duty to take into custody and hold the assets of Eastspring Investments Unit Trusts (“the Trust”) 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 Trust during the year covered by these financial statements set out on pages 101 to 166, 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  
20 March 2013

## **STATEMENT BY THE MANAGER**

In the opinion of the directors of Eastspring Investments (Singapore) Limited, the accompanying financial statements set out on pages 101 to 166, 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 Eastspring Investments Unit Trusts as at 31 December 2012 and the total return for the year then 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 Eastspring Investments Unit Trusts will be able to meet its financial obligations as and when they materialise.

For and on behalf of the directors of  
**Eastspring Investments Singapore Limited**

.....  
**Lakshman Kumar Mylavarapu**  
Director

Singapore  
20 March 2013

## **INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF EASTSPRING INVESTMENTS UNIT TRUSTS**

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

We have audited the accompanying financial statements of Eastspring Investments Unit Trusts (the "Trust"), which comprise the statement of total return for the year ended 31 December 2012, balance sheet and portfolio statement as at 31 December 2012, and a summary of significant accounting policies and other explanatory information, as set out on pages 101 to 166.

### *Manager's responsibility for the financial statements*

The Manager of the Trust 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, and for such internal control as the Manager of the Trust determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *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 about 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 judgment, 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 Trust'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 Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager of the Trust, 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.

**INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF  
EASTSPRING INVESTMENTS 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 2012 and the financial position of the Trust as at 31 December 2012 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 LLP**

*Public Accountants and  
Certified Public Accountants*

Singapore  
20 March 2013

## **FINANCIAL STATEMENTS**

For the year ended 31 December 2012 (audited)

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**EASTSPRING INVESTMENTS UNIT TRUSTS**
**Statement of Total Return**

Year ended 31 December 2012

	Eastspring Investments Unit Trusts - Global Technology Fund		Eastspring Investments Unit Trusts - Pan European Fund	
	Year ended	Year ended	Year ended	Year ended
	Note 31/12/2012	31/12/2011	31/12/2012	31/12/2011
	S\$	S\$	S\$	S\$
<b>Income</b>				
Interest	11	-	9	-
Dividend	-	-	-	-
Others	-	5,406	-	-
	11	5,406	9	-
<b>Less: Expenses</b>				
Audit fees	8,532	8,626	5,995	6,732
Management fees	405,891	403,347	183,004	202,036
Others	42,929	37,694	31,820	23,780
Registration fees	12,995	14,027	13,299	14,579
Trustee fees	32,464	32,253	14,636	16,153
	502,811	495,947	248,754	263,280
<b>Net losses</b>	(502,800)	(490,541)	(248,745)	(263,280)
<b>Net gains/(losses) on value of investments</b>				
Net realised gains/(losses) on investments sold	1,615,516	1,178,751	(1,059,127)	(2,028,996)
Net change in fair value on investments	4,357,616	(2,428,308)	5,618,816	(3,957,405)
<b>Net gains/(losses) on value of investments</b>	5,973,132	(1,249,557)	4,559,689	(5,986,401)
<b>Total return/(deficit) for the year before income tax</b>	5,470,332	(1,740,098)	4,310,944	(6,249,681)
<b>Less: Income tax</b>	3	-	-	-
<b>Total return/(deficit) for the year after income tax before distribution</b>	5,470,332	(1,740,098)	4,310,944	(6,249,681)
<b>Less: Distributions</b>	-	-	-	-
<b>Total return/(deficit) for the year</b>	5,470,332	(1,740,098)	4,310,944	(6,249,681)

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

**EASTSPRING INVESTMENTS UNIT TRUSTS**
**Statement of Total Return**

Year ended 31 December 2012

	Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$)		Eastspring Investments Unit Trusts - Asian Balanced Fund	
	Year ended	Year ended	Year ended	Year ended
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Note	S\$	S\$	S\$	S\$
<b>Income</b>				
Interest	8,284	6,137	358	-
Dividend	-	-	-	-
Others	2,813	1,493	-	980
	11,097	7,630	358	980
<b>Less: Expenses</b>				
Audit fees	4,147	5,441	17,525	11,020
Custody fees	1,086	816	-	-
Management fees	59,589	67,315	8,119,968	3,981,243
Others	13,811	14,269	485,841	280,802
Registration fees	6,293	6,739	16,348	16,991
Trustee fees	5,297	5,984	335,323	318,500
	90,223	100,564	8,975,005	4,608,556
<b>Net losses</b>	(79,126)	(92,934)	(8,974,647)	(4,607,576)
<b>Net gains/(losses) on value of investments</b>				
Net realised gains on investments sold	119,152	251,312	83,319,166	28,049,030
Net change in fair value on investments	(146,579)	(147,686)	(8,407,170)	(80,885,061)
Net realised gains on financial derivatives	-	-	-	-
Net change in fair value on financial derivatives	172,133	-	-	-
Net foreign exchange (losses)/gains	(1,114)	19,438	(72)	(76,481)
<b>Net gains/(losses) on value of investments</b>	143,592	123,064	74,911,924	(52,912,512)
<b>Total return/(deficit) for the year before income tax</b>	64,466	30,130	65,937,277	(57,520,088)
<b>Less: Income tax</b>	3	-	-	-
<b>Total return/(deficit) for the year after income tax before distribution</b>	64,466	30,130	65,937,277	(57,520,088)
<b>Less: Distributions</b>	-	-	-	-
<b>Total return/(deficit) for the year</b>	64,466	30,130	65,937,277	(57,520,088)

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

**EASTSPRING INVESTMENTS UNIT TRUSTS**
**Statement of Total Return**

Year ended 31 December 2012

	Eastspring Investments Unit Trusts - Dragon Peacock Fund		Eastspring Investments Unit Trusts - Global Basics Fund	
	Year ended	Year ended	Year ended	Year ended
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Note	S\$	S\$	S\$	S\$
<b>Income</b>				
Interest	-	-	72	-
Dividend	14,309,655	15,547,205	-	-
Others	-	60,359	-	26,929
	<u>14,309,655</u>	<u>15,607,564</u>	<u>72</u>	<u>26,929</u>
<b>Less: Expenses</b>				
Audit fees	21,719	12,252	13,855	10,820
Custody fees	82,453	85,045	-	-
Management fees	13,985,008	16,721,348	-	-
Others	548,358	398,950	125,764	147,915
Registration fees	17,925	20,696	19,146	21,711
Trustee fees	372,933	445,903	129,429	156,300
	<u>15,028,396</u>	<u>17,684,194</u>	<u>288,194</u>	<u>336,746</u>
<b>Net losses</b>	(718,741)	(2,076,630)	(288,122)	(309,817)
<b>Net gains/(losses) on value of investments</b>				
Net realised losses on investments sold	(3,726,273)	(4,588,385)	(2,669,797)	(1,360,446)
Net change in fair value on investments	135,746,529	(349,493,442)	1,198,979	(48,235,557)
Net realised losses on financial derivatives	-	-	(2,220)	-
Net change in fair value on financial derivatives	-	-	(2,696)	529
Net foreign exchange losses	(215,492)	(279,572)	(73,713)	(139,379)
<b>Net gains/(losses) on value of investments</b>	<u>131,804,764</u>	<u>(354,361,399)</u>	<u>(1,549,447)</u>	<u>(49,734,853)</u>
<b>Total return/(deficit) for the year before income tax</b>	131,086,023	(356,438,029)	(1,837,569)	(50,044,670)
<b>Less: Income tax</b>	3 (1,098,539)	(1,140,104)	-	-
<b>Total return/(deficit) for the year after income tax before distribution</b>	<u>129,987,484</u>	<u>(357,578,133)</u>	<u>(1,837,569)</u>	<u>(50,044,670)</u>
<b>Less: Distributions</b>	-	-	-	-
<b>Total return/(deficit) for the year</b>	<u>129,987,484</u>	<u>(357,578,133)</u>	<u>(1,837,569)</u>	<u>(50,044,670)</u>

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

**EASTSPRING INVESTMENTS UNIT TRUSTS**
**Statement of Total Return**

Year ended 31 December 2012

	Eastspring Investments Unit Trusts - Global Balanced Fund		Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund	
	Year ended	Year ended	Year ended	Year ended
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Note	S\$	S\$	S\$	S\$
<b>Income</b>				
Interest	16	-	3	-
Dividend	-	-	-	-
Others	-	840	-	-
	16	840	3	-
<b>Less: Expenses</b>				
Audit fees	8,372	8,873	7,034	7,828
Management fees	44,436	54,930	68,685	67,957
Others	19,928	34,391	18,218	22,369
Registration fees	13,163	14,102	6,543	6,562
Reimbursement from the Manager	-	-	(3,500)	-
Trustee fees	11,646	13,947	5,495	5,437
	97,545	126,243	102,475	110,153
<b>Net losses</b>	(97,529)	(125,403)	(102,472)	(110,153)
<b>Net gains/(losses) on value of investments</b>				
Net realised (losses)/gains on investments sold	(70,237)	(183,702)	11,776	184,140
Net change in fair value on investments	756,967	(1,346,327)	1,244,062	(2,497,098)
Net realised losses on financial derivatives	-	-	(156)	-
Net change in fair value on financial derivatives	-	-	(89)	-
Net foreign exchange (losses)/gains	(2,789)	1,104	(7,572)	(14,576)
<b>Net gains/(losses) on value of investments</b>	683,941	(1,528,925)	1,248,021	(2,327,534)
<b>Total return/(deficit) for the year before income tax</b>	586,412	(1,654,328)	1,145,549	(2,437,687)
<b>Less: Income tax</b>	-	-	-	-
<b>Total return/(deficit) for the year after income tax before distribution</b>	586,412	(1,654,328)	1,145,549	(2,437,687)
<b>Less: Distributions</b>	-	-	-	-
<b>Total return/(deficit) for the year</b>	586,412	(1,654,328)	1,145,549	(2,437,687)

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

**EASTSPRING INVESTMENTS UNIT TRUSTS**
**Statement of Total Return**

Year ended 31 December 2012

	Note	Eastspring Investments Unit Trusts - Global Leaders Fund		Eastspring Investments Unit Trusts - Global Positioning Strategy Fund	
		Year ended 31/12/2012	Year ended 31/12/2011	Year ended 31/12/2012	Year ended 31/12/2011
		S\$	S\$	S\$	S\$
<b>Income</b>					
Interest		2	-	2	-
Dividend		-	-	-	-
Others		-	-	-	-
		<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>
<b>Less: Expenses</b>					
Audit fees		6,014	7,069	4,846	6,067
Management fees		-	-	9,798	10,488
Others		14,253	7,255	17,921	16,066
Registration fees		7,285	6,009	6,054	6,207
Reimbursement from the Manager	10	(27,921)	(21,102)	-	-
Trustee fees		1,566	1,461	784	839
		<u>1,197</u>	<u>692</u>	<u>39,403</u>	<u>39,667</u>
<b>Net losses</b>		<u>(1,195)</u>	<u>(692)</u>	<u>(39,401)</u>	<u>(39,667)</u>
<b>Net gains/(losses) on value of investments</b>					
Net realised (losses)/gains on investments sold		(18,469)	(80,039)	(485)	(3,019)
Net change in fair value on investments		230,499	(405,495)	153,125	(128,494)
Net realised (losses)/gains on financial derivatives		(637)	-	48	-
Net change in fair value on financial derivatives		(400)	(136)	(13)	-
Net foreign exchange losses		(1,568)	(5,803)	(866)	(2,879)
<b>Net gains/(losses) on value of investments</b>		<u>209,425</u>	<u>(491,473)</u>	<u>151,809</u>	<u>(134,392)</u>
<b>Total return/(deficit) for the year before income tax</b>		<u>208,230</u>	<u>(492,165)</u>	<u>112,408</u>	<u>(174,059)</u>
<b>Less: Income tax</b>	3	-	-	-	-
<b>Total return/(deficit) for the year after income tax before distribution</b>		<u>208,230</u>	<u>(492,165)</u>	<u>112,408</u>	<u>(174,059)</u>
<b>Less: Distributions</b>		-	-	-	-
<b>Total return/(deficit) for the year</b>		<u>208,230</u>	<u>(492,165)</u>	<u>112,408</u>	<u>(174,059)</u>

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

**EASTSPRING INVESTMENTS UNIT TRUSTS**
**Statement of Total Return**

Year ended 31 December 2012

	Eastspring Investments Unit Trusts - Singapore Select Bond Fund		Eastspring Investments Unit Trusts – Singapore ASEAN Equity Fund
	Year ended 31/12/2012	Period from 14/3/2011 to 31/12/2011	Period from 14/3/2012 to 31/12/2012
Note	S\$	S\$	S\$
<b>Income</b>			
Interest	1,367	95	57
Dividend	-	-	1,114,574
Others	-	-	-
	1,367	95	1,114,631
<b>Less: Expenses</b>			
Audit fees	9,108	7,970	8,000
Custody fees	82,785	26,245	31,022
Management fees	878,717	301,365	592,278
Others	66,769	53,011	64,580
Preliminary expenses	-	34,461	30,943
Registration fees	12,533	8,237	-
Trustee fees	70,297	24,109	15,794
	1,120,209	455,398	742,617
<b>Net (losses)/gains</b>	(1,118,842)	(455,303)	372,014
<b>Net gains/(losses) on value of investments</b>			
Net realised gains on investments sold	6,800,776	1,565,602	336,539
Net change in fair value on investments	4,367,136	1,576,100	2,248,544
Net realised gains on financial derivatives	348,864	-	-
Net change in fair value on financial derivatives	648,316	(263,139)	-
Net foreign exchange gain/ (losses)	515,175	(349,043)	(52,195)
<b>Net gains on value of investments</b>	12,680,267	2,529,520	2,532,888
<b>Total return for the year / period before income tax</b>	11,561,425	2,074,217	2,904,902
<b>Less: Income tax</b>	3	-	(69,766)
<b>Total return for the year / period after income tax before distribution</b>	11,561,425	2,074,217	2,835,136
<b>Less: Distributions</b>	-	-	-
<b>Total return for the year / period</b>	11,561,425	2,074,217	2,835,136

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

**EASTSPRING INVESTMENTS UNIT TRUSTS**
**Balance Sheet**  
 Year ended 31 December 2012

	Note	Eastspring Investments Unit Trusts - Global Technology Fund		Eastspring Investments Unit Trusts - Pan European Fund	
		2012	2011	2012	2011
		S\$	S\$	S\$	S\$
<b>Assets</b>					
Portfolio of investments		78,054,591	77,348,459	38,709,968	35,322,279
Receivables	4	228,641	107,322	136,119	103,768
Cash and bank balances		-	73,120	3,664	66,150
<b>Total assets</b>		<b>78,283,232</b>	<b>77,528,901</b>	<b>38,849,751</b>	<b>35,492,197</b>

<b>Liabilities</b>					
Bank overdraft		24,173	-	-	-
Payables	6	194,385	170,118	103,024	160,445
Net assets attributable to unitholders	7	78,064,674	77,358,783	38,746,727	35,331,752
<b>Total liabilities</b>		<b>78,283,232</b>	<b>77,528,901</b>	<b>38,849,751</b>	<b>35,492,197</b>

	Note	Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$)		Eastspring Investments Unit Trusts - Asian Balanced Fund	
		2012	2011	2012	2011
		S\$	S\$	S\$	S\$
<b>Assets</b>					
Portfolio of investments		12,059,043	13,621,566	870,726,405	779,688,472
Receivables	4	2,035	1,729	7,441,929	1,855,883
Financial derivatives, at fair value	5	172,133	-	-	-
Cash and bank balances		288,375	258,646	4,038,730	8,157,209
<b>Total assets</b>		<b>12,521,586</b>	<b>13,881,941</b>	<b>882,207,064</b>	<b>789,701,564</b>

<b>Liabilities</b>					
Payables	6	58,145	12,702	8,915,178	617,998
Net assets attributable to unitholders	7	12,463,441	13,869,239	873,291,886	789,083,566
<b>Total liabilities</b>		<b>12,521,586</b>	<b>13,881,941</b>	<b>882,207,064</b>	<b>789,701,564</b>

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

**EASTSPRING INVESTMENTS UNIT TRUSTS**
**Balance Sheet**  
 Year ended 31 December 2012

	Note	Eastspring Investments Unit Trusts - Dragon Peacock Fund		Eastspring Investments Unit Trusts - Global Basics Fund	
		2012	2011	2012	2011
		S\$	S\$	S\$	S\$
<b>Assets</b>					
Portfolio of investments		977,819,612	862,370,691	308,470,140	338,036,723
Receivables	4	2,101,818	1,748,747	617,783	1,751,525
Financial derivatives, at fair value	5	-	-	209	4,061
Cash and bank balances		17,130,723	20,397,211	134,352	252,782
<b>Total assets</b>		<u>997,052,153</u>	<u>884,516,649</u>	<u>309,222,484</u>	<u>340,045,091</u>
<b>Liabilities</b>					
Payables	6	2,218,905	1,366,135	724,878	1,935,624
Financial derivatives, at fair value	5	-	-	2,905	3,533
Net assets attributable to unitholders	7	994,833,248	883,150,514	308,494,701	338,105,934
<b>Total liabilities</b>		<u>997,052,153</u>	<u>884,516,649</u>	<u>309,222,484</u>	<u>340,045,091</u>
	Note	Eastspring Investments Unit Trusts - Global Balanced Fund		Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund	
		2012	2011	2012	2011
		S\$	S\$	S\$	S\$
<b>Assets</b>					
Portfolio of investments		26,936,352	31,335,730	14,848,720	12,975,259
Receivables	4	148,277	82,561	220,641	170,879
Financial derivatives, at fair value	5	-	-	5	-
Cash and bank balances		11,537	155,155	27,750	57,023
<b>Total assets</b>		<u>27,096,166</u>	<u>31,573,446</u>	<u>15,097,116</u>	<u>13,203,161</u>
<b>Liabilities</b>					
Payables	6	67,340	354,346	238,527	215,118
Financial derivatives, at fair value	5	-	-	94	-
Net assets attributable to unitholders	7	27,028,826	31,219,100	14,858,495	12,988,043
<b>Total liabilities</b>		<u>27,096,166</u>	<u>31,573,446</u>	<u>15,097,116</u>	<u>13,203,161</u>

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

**EASTSPRING INVESTMENTS UNIT TRUSTS**
**Balance Sheet**  
 Year ended 31 December 2012

	Note	Eastspring Investments Unit Trusts - Global Leaders Fund		Eastspring Investments Unit Trusts - Global Positioning Strategy Fund	
		2012 S\$	2011 S\$	2012 S\$	2011 S\$
<b>Assets</b>					
Portfolio of investments		4,667,789	3,351,989	2,037,873	1,860,007
Receivables	4	107,450	27,547	16,026	11,649
Cash and bank balances		62,916	35,952	15,283	30,330
<b>Total assets</b>		<b>4,838,155</b>	<b>3,415,488</b>	<b>2,069,182</b>	<b>1,901,986</b>

<b>Liabilities</b>					
Payables	6	83,008	40,409	20,857	31,791
Financial derivatives, at fair value	5	400	136	13	-
Net assets attributable to unitholders	7	4,754,747	3,374,943	2,048,312	1,870,195
<b>Total liabilities</b>		<b>4,838,155</b>	<b>3,415,488</b>	<b>2,069,182</b>	<b>1,901,986</b>

	Note	Eastspring Investments Unit Trusts - Singapore Select Bond Fund		Eastspring Investments Unit Trusts – Singapore ASEAN Equity Fund	
		2012 S\$	2011 S\$	2012 S\$	
<b>Assets</b>					
Portfolio of investments		252,775,876	119,025,465	65,243,663	
Receivables	4	5,235,944	1,898,222	721,328	
Financial derivatives, at fair value	5	756,883	11,370	-	
Cash and bank balances		4,221,696	3,313,499	1,304,973	
<b>Total assets</b>		<b>262,990,399</b>	<b>124,248,556</b>	<b>67,269,964</b>	

<b>Liabilities</b>					
Payables	6	5,048,826	1,416,247	992,969	
Financial derivatives, at fair value	5	108,567	274,509	-	
Net assets attributable to unitholders	7	257,833,006	122,557,800	66,276,995	
<b>Total liabilities</b>		<b>262,990,399</b>	<b>124,248,556</b>	<b>67,269,964</b>	

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

**Eastspring Investments Unit Trusts  
- Global Technology Fund**

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders	
			31/12/2012 (%)	31/12/2011 (%)
<b>Quoted Underlying Investment Fund</b>				
Eastspring Investments: - Global Technology Fund Class Cs	12,520,788	78,054,591	99.99	99.99
<b>Portfolio of investments</b>		78,054,591	99.99	99.99
<b>Other net assets</b>		10,083	0.01	0.01
<b>Net assets attributable to unitholders</b>		78,064,674	100.00	100.00

**Eastspring Investments Unit Trusts  
- Pan European Fund**

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders	
			31/12/2012 (%)	31/12/2011 (%)
<b>Quoted Underlying Investment Fund</b>				
Eastspring Investments: - Pan European Fund Class Cs	3,702,532	38,709,968	99.91	99.97
<b>Portfolio of investments</b>		38,709,968	99.91	99.97
<b>Other net assets</b>		36,759	0.09	0.03
<b>Net assets attributable to unitholders</b>		38,746,727	100.00	100.00

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

**Eastspring Investments Unit Trusts  
- Asian Balanced Fund**

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders	
			31/12/2012 (%)	31/12/2011 (%)
<b>Quoted Underlying Investment Fund</b>				
Eastspring Investments:				
- Asian Equity Fund Class D	9,082,950	436,082,036	49.94	42.02
- US High Investment Grade Bond Fund Class D	13,997,511	259,102,486	29.67	33.31
- US Investment Grade Bond Fund Class D	8,166,274	175,541,883	20.10	23.48
<b>Portfolio of investments</b>		870,726,405	99.71	98.81
<b>Other net assets</b>		2,565,481	0.29	1.19
<b>Net assets attributable to unitholders</b>		873,291,886	100.00	100.00

The share class of the underlying funds into which the Eastspring Investments Unit Trusts - Asian Balanced Fund invests has been changed as follows:

	<b>Prior to 1 June 2012</b>	<b>From 1 June 2012</b>
Asian Equity Fund	Class C	Class D
US High Investment Grade Bond Fund	Class B	Class D
US Investment Grade Bond Fund	Class B	Class D

Hence, the percentage of total net assets attributable to unitholders as at 31 December 2011 refers to the share class prior to 1 June 2012.

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

Eastspring Investments Unit Trusts  
- Global Basics Fund

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders	
			31/12/2012 (%)	31/12/2011 (%)
<b>Quoted Underlying Investment Fund</b>				
M&G Investment Funds (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A	16,503,359	308,470,140	99.99	99.98
<b>Portfolio of investments</b>		308,470,140	99.99	99.98
<b>Other net assets</b>		24,561	0.01	0.02
<b>Net assets attributable to unitholders</b>		308,494,701	100.00	100.00

Eastspring Investments Unit Trusts  
- Global Balanced Fund

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders	
			31/12/2012 (%)	31/12/2011 (%)
<b>Quoted Underlying Investment Fund</b>				
M&G Investment Funds (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A	869,215	16,246,798	60.11	59.39
Legg Mason Western Asset Global Bond Trust	8,383,964	10,689,554	39.55	40.99
<b>Portfolio of investments</b>		26,936,352	99.66	100.38
<b>Other net assets/(liabilities)</b>		92,474	0.34	(0.38)
<b>Net assets attributable to unitholders</b>		27,028,826	100.00	100.00

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

**Eastspring Investments Unit Trusts  
- Asian Infrastructure Equity Fund**

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders	
			31/12/2012 (%)	31/12/2011 (%)
<b>Quoted Underlying Investment Fund</b>				
Eastspring Investments: - Asian Infrastructure Equity Fund Class C	1,101,299	14,848,720	99.93	99.90
<b>Portfolio of investments</b>		14,848,720	99.93	99.90
<b>Other net assets</b>		9,775	0.07	0.10
<b>Net assets attributable to unitholders</b>		14,858,495	100.00	100.00

**Eastspring Investments Unit Trusts  
- Global Leaders Fund**

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders	
			31/12/2012 (%)	31/12/2011 (%)
<b>Quoted Underlying Investment Fund</b>				
M&G Investment Funds (1) - Global Leaders Fund Euro Class A	234,321	4,667,789	98.17	99.32
<b>Portfolio of investments</b>		4,667,789	98.17	99.32
<b>Other net assets</b>		86,958	1.83	0.68
<b>Net assets attributable to unitholders</b>		4,754,747	100.00	100.00

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

**Eastspring Investments Unit Trusts  
- Global Positioning Strategy Fund**

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (S\$)	Percentage of total net assets attributable to unitholders	
			31/12/2012 (%)	31/12/2011 (%)
<b>Quoted Underlying Investment Fund</b>				
Eastspring Investments:				
- Global Market Navigator Fund Class C	147,275	2,037,873	99.49	99.46
<b>Portfolio of investments</b>		2,037,873	99.49	99.46
<b>Other net assets</b>		10,439	0.51	0.54
<b>Net assets attributable to unitholders</b>		2,048,312	100.00	100.00

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

**Eastspring Investments Unit Trusts**  
**- Protected Global Titans Fund (\$\$)**

	<b>Holdings</b>	<b>Fair value</b>	<b>Percentage of</b>
	<b>31/12/2012</b>	<b>31/12/2012</b>	<b>total net assets</b>
	<b>(units)</b>	<b>(\$\$)</b>	<b>to unitholders</b>
			<b>31/12/2012</b>
			<b>(%)</b>
<b>By Geography* - Primary</b>			
<b>Quoted bonds</b>			
<b>Singapore</b>			
Ascendas Real Estate Investment Trust MTN 5% 22/07/2013	500,000	518,962	4.16
Asia Pacific Breweries Ltd MTN 3.55% 01/10/2014	500,000	516,771	4.15
CapitaMalls Asia Treasure 2.15% 21/01/2014	500,000	508,925	4.08
City Developments Limited Series MTN 3.82% 13/11/2014	250,000	257,555	2.07
FCT MTN Pte Ltd Series MTN 2.83% 12/02/2013	750,000	758,881	6.09
Maybank Kim Eng Holdings Series MTN 1.7% 21/06/2013	500,000	500,650	4.02
Overseas Union Enterprise Ltd 3.36% 27/09/2013	500,000	508,287	4.08
Starhill Global Reit 3.405% 13/07/2015	500,000	512,232	4.11
Street Square Pte Ltd 3.02% 05/05/2014	250,000	251,974	2.02
		4,334,237	34.78
<b>South Korea</b>			
Kookmin Bank Series GMTN 1.3% 27/03/2013	1,000,000	1,003,775	8.05
Shinhan Bank Series EMTN 1.3% 30/05/2013	1,000,000	1,000,495	8.03
		2,004,270	16.08

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

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

**Eastspring Investments Unit Trusts  
- Protected Global Titans Fund (\$\$)**

	<b>Holdings 31/12/2012 (units)</b>	<b>Fair value 31/12/2012 (\$\$)</b>	<b>Percentage of total net assets attributable to unitholders 31/12/2012 (%)</b>
<b>By Geography* - Primary (continued)</b>			
<b>United States of America</b>			
Citigroup Inc EMTN 4.98% 20/06/2013	1,000,000	1,013,847	8.13
General Electric Capital Corporation EMTN 3.03% 11/02/2013	500,000	506,645	4.07
Merrill Lynch & Co EMTN 4.1% 04/02/2014	250,000	259,308	2.08
		<u>1,779,800</u>	<u>14.28</u>
<b>Total quoted bonds</b>		<u>8,118,307</u>	<u>65.14</u>
<b>Time deposits</b>			
<b>Singapore</b>			
Australia & New Zealand Bank, Singapore Branch		750,230	6.02
Overseas-Chinese Banking Corporation Limited		1,000,278	8.03
Standard Chartered Bank, Singapore Branch		2,190,228	17.57
<b>Total time deposits</b>		<u>3,940,736</u>	<u>31.62</u>
<b>Portfolio of investments</b>		12,059,043	96.76
<b>Other net assets</b>		404,398	3.24
<b>Net assets attributable to unitholders</b>		<u>12,463,441</u>	<u>100.00</u>

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

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

**EASTSPRING INVESTMENTS UNIT TRUSTS**

**Portfolio Statement**  
Year ended 31 December 2012

	<b>Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$)</b>	
	<b>Percentage of total net assets attributable to unitholders</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>
	( <b>%</b> )	( <b>%</b> )
<b>By Geography* (summary) - Primary</b>		
Singapore	66.40	41.41
South Korea	16.08	28.97
United States of America	14.28	22.42
People's Republic of China	-	5.41
<b>Portfolio of investments</b>	96.76	98.21
<b>Other net assets</b>	3.24	1.79
<b>Net assets attributable to unitholders</b>	100.00	100.00

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

	<b>Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$)</b>		
	<b>Percentage of total net assets attributable to unitholders</b>		
<b>Fair value</b>	<b>31/12/2012</b>	<b>31/12/2012</b>	<b>31/12/2011</b>
	( <b>S\$</b> )	( <b>%</b> )	( <b>%</b> )
<b>By Industry – Secondary</b>			
Banks	5,945,006	47.70	57.64
Brewery	516,771	4.15	-
Consumer	508,287	4.08	-
Electronic	-	-	9.50
Finance	2,280,450	18.30	16.59
Government	-	-	5.40
Real estate	1,018,454	8.17	9.08
Real estate investment trusts	1,790,075	14.36	-
<b>Portfolio of investments</b>	12,059,043	96.76	98.21
<b>Other net assets</b>	404,398	3.24	1.79
<b>Net assets attributable to unitholders</b>	12,463,441	100.00	100.00

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

Eastspring Investments Unit Trusts  
- Dragon Peacock Fund

	Holdings	Fair value	Percentage of
	31/12/2012	31/12/2012	total net assets
	(units)	(\$)	attributable
			to unitholders
			31/12/2012
			(%)
<b>By Geography* - Primary</b>			
<b>Quoted shares</b>			
<b>People's Republic of China</b>			
Bank of China Ltd	89,551,300	48,971,735	4.92
China Merchants Bank Co Ltd	2,076,500	5,589,383	0.56
China Merchants Holdings International Co Ltd	572,825	2,238,812	0.23
China Petroleum & Chemical Corp	17,255,000	23,875,562	2.40
China Shenhua Energy Co Ltd	4,699,000	25,067,339	2.52
China Shanshui Cement Group Ltd	15,564,000	13,882,950	1.40
Dongfeng Motor Group Co Ltd	8,208,000	15,367,312	1.54
Focus Media Holding Ltd	626,800	19,646,225	1.97
Fosun International Ltd	13,358,000	10,357,398	1.04
Industrial and Commercial Bank of China Ltd	52,763,820	45,734,405	4.60
Lenovo Group Ltd	9,136,000	10,092,952	1.01
Nine Dragons Paper Holdings Ltd	7,259,000	8,007,906	0.81
Ping An Insurance Group Co of China Ltd	1,416,500	14,476,737	1.46
Sinotrans Shipping Ltd	17,590,500	5,211,709	0.52
Travelsky Technology Ltd	18,940,500	12,357,650	1.24
Wumart Stores Inc	6,810,000	17,794,089	1.79
		<u>278,672,164</u>	<u>28.01</u>

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

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

Eastspring Investments Unit Trusts  
- Dragon Peacock Fund

	Holdings	Fair value	Percentage of
	31/12/2012	31/12/2012	total net assets
	(units)	(\$)	attributable
			to unitholders
			31/12/2012
			(%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted shares (continued)</b>			
<b>Hong Kong</b>			
China Mobile Ltd	2,386,000	33,936,087	3.41
China Resources Land Ltd	4,144,000	13,681,947	1.37
China Resources Power Holding Co Ltd	4,902,000	15,218,914	1.53
China Unicorn Hong Kong Ltd	9,853,990	19,256,525	1.94
China Pacific Insurance Group Co Ltd	7,161,000	32,332,733	3.25
CNOOC Ltd	14,993,000	39,648,304	3.99
Belle International Holdings Ltd	7,482,000	19,691,477	1.98
Franshion Properties China Ltd	57,856,000	25,438,806	2.56
Gome Electrical Appliances Holdings Ltd	21,910,000	3,176,686	0.32
Huabao International Holdings Ltd	24,525,000	14,803,074	1.49
Xingda International Holdings Ltd	17,000,000	10,689,710	1.07
		<u>227,874,263</u>	<u>22.91</u>

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Eastspring Investments Unit Trusts  
- Dragon Peacock Fund

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders 31/12/2012 (%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted shares (continued)</b>			
<b>Republic of India (Note 1)</b>			
Axis Bank Ltd	36,244	1,093,105	0.11
Bank of Baroda	866,757	16,698,545	1.68
Cairn India Ltd	1,388,901	9,859,082	0.99
Colgate Palmolive India Ltd	683,129	23,863,610	2.40
Dr Reddy's Laboratories Ltd	891,684	36,333,566	3.65
Gail India Ltd	519,976	4,119,959	0.41
HDFC Bank Ltd	2,075,615	31,378,536	3.15
Hindalco Industries Ltd	5,408,737	15,633,801	1.57
ICICI Bank Ltd	1,447,360	36,725,541	3.69
Idea Cellular Ltd	4,501,963	10,393,077	1.04
IndusInd Bank Ltd	1,015,200	9,449,313	0.95
Infosys Ltd	556,677	28,703,410	2.89
ITC Ltd	3,696,618	23,570,172	2.37
Larsen & Toubro Ltd	249,324	8,918,585	0.90
LIC Housing Finance Ltd	4,119,295	26,738,179	2.69
Mahindra & Mahindra Ltd	588,669	12,235,423	1.23
Mahindra & Mahindra Financial Services Ltd	1,179,518	28,664,418	2.88
Mphasis Ltd	1,318,286	11,315,207	1.14
Oil India Ltd	166,015	1,722,896	0.17
Ranbaxy Laboratories Ltd	1,669,104	18,735,919	1.88
Reliance Industries Ltd	2,545,092	47,494,905	4.77
Sun TV Network Ltd	1,177,076	11,219,759	1.13
Tata Motors Ltd Class A	7,821,105	30,243,675	3.04
Tata Motors Ltd	1,850,209	12,902,672	1.30
		458,043,355	46.03
Other net assets of Dragon Peacock Investment Ltd ("DPI(M)")		13,229,830	1.34
		471,273,185	47.37

Note 1: The India shares are held by Dragon Peacock Investments Ltd. (see note 2.4)

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

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**Eastspring Investments Unit Trusts  
- Dragon Peacock Fund**

	<b>Holdings 31/12/2012 (units)</b>	<b>Fair value 31/12/2012 (S\$)</b>	<b>Percentage of total net assets attributable to unitholders 31/12/2012 (%)</b>
<b>By Geography* - Primary (continued)</b>			
<b>Portfolio of investments</b>		977,819,612	98.29
<b>Other net assets</b>		17,013,636	1.71
<b>Net assets attributable to unitholders</b>		994,833,248	100.00

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

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

**Eastspring Investments Unit  
Trusts – Dragon Peacock Fund****Percentage of total net assets  
attributable to unitholders**

31/12/2012	31/12/2011
(%)	(%)

**By Geography\* (summary) - Primary**

Republic of India	47.37	46.61
People's Republic of China	28.01	25.66
Hong Kong	22.91	25.38
<b>Portfolio of investments</b>	<b>98.29</b>	<b>97.65</b>
<b>Other net assets</b>	<b>1.71</b>	<b>2.35</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

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

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Eastspring Investments Unit Trusts  
- Dragon Peacock Fund

	Percentage of total net assets		
	Fair value 31/12/2012 (S\$)	attributable to 31/12/2012 (%)	unitholders 31/12/2011 (%)
<b>By Industry - Secondary</b>			
Advertising	19,646,225	1.97	1.83
Automotive	43,146,347	4.34	3.04
Auto and trucks	12,235,423	1.23	1.74
Banks	195,640,563	19.66	19.71
Cement	13,882,950	1.40	2.32
Citygas	4,119,959	0.41	1.54
Computer software	62,469,219	6.27	10.16
Consumer	38,666,684	3.89	4.20
Diversified resources	-	-	0.52
Electronics	15,218,914	1.53	1.64
Finance	55,402,597	5.57	4.47
Insurance	46,809,470	4.71	3.93
Manufacturing	10,357,398	1.04	0.89
Media	11,219,759	1.13	1.21
Medical - drugs	55,069,485	5.54	3.73
Metal products	15,663,801	1.57	1.70
Mining	25,067,339	2.52	2.70
Miscellaneous	19,608,295	1.97	1.12
Motor	15,367,312	1.54	-
Oil and gas	75,105,844	7.55	9.24
Paper	8,007,906	0.81	-
Petrochemical	47,494,905	4.77	4.18
Property	25,438,806	2.56	1.27
Real estate	13,681,947	1.37	1.81
Retail	40,662,252	4.09	0.74
Services	-	-	0.73
Telecom services	63,585,689	6.39	10.21
Tobacco	23,570,172	2.37	1.83
Transport	2,238,812	0.23	0.24
Transport - Ship	5,211,709	0.52	0.53
	964,589,782	96.95	97.23
Other net assets of Dragon Peacock Investments Ltd	13,229,830	1.34	0.42
<b>Portfolio of investments</b>	977,819,612	98.29	97.65
<b>Other net assets</b>	17,013,636	1.71	2.35
<b>Net assets attributable to unitholders</b>	994,833,248	100.00	100.00

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

**Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund**

	<b>Holdings</b>	<b>Fair value</b>	<b>Percentage of</b>
	<b>31/12/2012</b>	<b>31/12/2012</b>	<b>total net assets</b>
	<b>(units)</b>	<b>(\$)</b>	<b>to unitholders</b>
			<b>31/12/2012</b>
			<b>(%)</b>
<b>By Geography* - Primary (continued)</b>			
<b>Quoted bonds</b>			
<b>Australia</b>			
Australia and New Zealand Banking Group EMTN (Regs) (BR) 3.45% 08/08/2022	600,000	766,001	0.30
Lend Lease Fin International Limited Series EMTN (Regs) 4.625% 24/07/2017	1,500,000	1,571,386	0.61
National Capital Trust II Var Perp	500,000	612,707	0.24
Westpac Banking Corporation EMTN (Regs) FRN 28/02/2023	1,500,000	1,909,837	0.74
		4,859,931	1.89
<b>People's Republic of China</b>			
Amber Circle Funding Limited (Regs) 2% 04/12/2017	500,000	619,862	0.24
Amber Circle Funding Limited (Regs) 3.25% 04/12/2022	2,500,000	3,092,494	1.20
Baidu Inc (Reg) 3.5% 28/11/2022	2,500,000	3,079,091	1.19
BOC Aviation Pte Limited Series EMTN (Regs) 2.875% 10/10/2017	800,000	976,515	0.38
China Overseas Finance Series (Regs) 5.35% 15/11/2042	1,000,000	1,275,669	0.50
Cosco Finance Co Limited (Regs) 4% 03/12/2022	2,000,000	2,513,190	0.97
		11,556,821	4.48

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Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund

	Holdings	Fair value	Percentage of
	31/12/2012	31/12/2012	total net assets
	(units)	(\$)	attributable
			to unitholders
			31/12/2012
			(%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted bonds (continued)</b>			
<b>Great Britain</b>			
Standard Chartered Bank HK Series EMTN (BR) Var 27/10/2021	2,750,000	2,895,861	1.12
Standard Chartered PLC 5.7% 25/01/2022	700,000	966,207	0.38
Standard Chartered PLC Series EMTN (Regs) (BR) Var 12/07/2022	1,500,000	1,908,431	0.74
		5,770,499	2.24
<b>Hong Kong</b>			
Bank of East Asia Limited Series EMTN Var 13/09/2022	2,500,000	2,625,521	1.02
Chinatrust Comm Bank (Regs) Var Perp	500,000	621,566	0.24
Dah Sing Bank Limited Series EMTN (Reg) 4.875% 09/02/2022	3,000,000	3,148,500	1.22
Henderson Land MTN Pte Limited Series EMTN (Reg) 4% 19/09/2018	250,000	256,309	0.10
Joynote Limited (BR) 3.408% 20/07/2018	3,000,000	3,065,092	1.19
LS Finance 2022 Limited (Regs) 4.25% 16/10/2022	600,000	734,208	0.28
Sun Hung Kai Ppt (Cap) Series EMTN (BR) 4.5% 14/02/2022	1,000,000	1,321,742	0.51
Wheelock MTN Pte Limited MTN (BR) 3.5% 15/12/2014	1,000,000	1,012,988	0.39
Wing Lung Bank Limited EMTN (Regs) 3.5% 07/11/2022	600,000	735,485	0.29
		13,521,411	5.24

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**Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund**

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (S\$)	Percentage of total net assets attributable to unitholders 31/12/2012 (%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted bonds (continued)</b>			
<b>Republic of India</b>			
Bharat Petroleum Corporation Limited (Regs) 4.625% 25/10/2022	300,000	378,594	0.15
State Bank India/London (Regs) 4.125% 01/08/2017	1,000,000	1,284,282	0.50
		1,662,876	0.65
<b>Malaysia</b>			
IOI Investment Series EMTN (Reg) 4.375% 27/06/2022	2,000,000	2,522,046	0.98
Malayan Banking EMTN (Regs) Var 20/09/2022	1,500,000	1,851,815	0.72
Malayan Banking Berhad Var Perp	3,750,000	4,131,851	1.60
SSG Resources Limited (Regs) 4.25% 04/10/2022	2,000,000	2,580,860	1.00
		11,086,572	4.30
<b>The Netherlands</b>			
ABN Amro Bank (Regs) Var 25/10/2022	1,500,000	1,532,259	0.59
<b>Qatar</b>			
Qtel International Fin (Regs) 3.25% 21/02/2023	200,000	245,574	0.10

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**Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund**

	<b>Holdings</b>	<b>Fair value</b>	<b>Percentage of</b>
	<b>31/12/2012</b>	<b>31/12/2012</b>	<b>total net assets</b>
	<b>(units)</b>	<b>(\$)</b>	<b>attributable</b>
			<b>to unitholders</b>
			<b>31/12/2012</b>
			<b>(%)</b>
<b>By Geography* - Primary (continued)</b>			
<b>Quoted bonds (continued)</b>			
<b>Singapore</b>			
AACI REIT MTN Pte Limited Series MTN (BR) 4.9% 08/08/2016	1,250,000	1,300,333	0.50
AACI REIT MTN Pte Limited Series MTN (Regs) (BR) 4.35% 05/12/2019	1,000,000	1,000,918	0.39
Ascott Capital MTE Pte Limited Series EMTN (BR) 3.8% 16/12/2015	3,750,000	3,826,016	1.48
Ascott Capital Pte Limited Series MTN (BR) 3.78% 16/08/2019	2,000,000	2,042,961	0.79
Ascott REIT MTN Pte Limited 4.3% 30/11/2018	2,250,000	2,316,735	0.90
BOC Aviation Pte Limited (Regs) (BR) 3.25% 24/04/2014	1,000,000	1,011,166	0.39
Cambridge MTN Pte Limited MTN (BR) 4.75% 13/03/2015	500,000	510,598	0.20
Capitaland Treasury Limited Series MTN 4.3% 31/08/2020	2,000,000	2,103,970	0.82
Capitamall Trust (Regs) 2.125% 19/04/2014	2,500,000	2,614,045	1.01
Capitamalls Asia Treasur EMTN 3.95% 24/08/2017	1,000,000	1,051,419	0.41
Capitaland Limited (Regs) 2.875% 03/09/2016	2,000,000	2,156,404	0.84
Capitaland Treasury Limited MTN 4.35% 31/10/2019	1,000,000	1,056,770	0.41
CCT MTN Pte Limited MTN (BR) 3.25% 15/12/2015	1,250,000	1,268,305	0.49

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Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders 31/12/2012 (%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted bonds (continued)</b>			
<b>Singapore (continued)</b>			
CCT MTN Pte Limited MTN 3.64% 18/02/2015	250,000	257,296	0.10
CDLHT MTN Pte Limited Series MTN (BR) Var 19/08/2013	1,000,000	1,003,102	0.39
CMT MTN Pte Limited MTN 3.55% 01/09/2017	1,000,000	1,042,827	0.40
DBS Bank Limited Series MTN (Regs) (BR) Var 14/02/2023	750,000	766,065	0.30
DBS Bank Limited/Singapore 4.7% Perpetual	4,000,000	4,198,498	1.63
DBS Bank Limited Singapore MTN Var 15/07/2021	500,000	533,456	0.21
DBS Capital Funding II Var Perp 15/06/2018	2,000,000	2,142,972	0.83
Ezion Holdings Limited Series MTN Var (Regs) Perpetual	2,000,000	2,048,901	0.79
FCL Treasury Pte Limited Series MTN (BR) 3.7% 05/04/2019	1,500,000	1,555,182	0.60
FCT MTN Pte Limited Series MTN (BR) 2.3% 12/06/2015	2,250,000	2,252,543	0.87
Genting Singapore PLC STP Perp	3,500,000	3,558,227	1.38
Global Logistic Properti EMTN Var Perp	2,250,000	2,350,280	0.91
GLL IHT Pte Limited Series MTN (BR) 4.35% 12/09/2017	500,000	509,144	0.20
Goodpack Limited MTN (BR) 4.25% 27/01/2016	500,000	512,149	0.20
Goodpack Limited MTN (BR) 4.7% 19/06/2017	500,000	513,677	0.20

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**Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund**

	<b>Holdings 31/12/2012 (units)</b>	<b>Fair value 31/12/2012 (\$)</b>	<b>Percentage of total net assets attributable to unitholders 31/12/2012 (%)</b>
<b>By Geography* - Primary (continued)</b>			
<b>Quoted bonds (continued)</b>			
<b>Singapore (continued)</b>			
Goodpack Limited Series MTN (Regs) 4.5% 18/10/2019	250,000	253,258	0.10
Government of Singapore 2.25% 01/06/2021	7,500,000	8,171,789	3.17
Government of Singapore 2.75% 01/04/2042	6,000,000	6,462,959	2.51
Government of Singapore 2.875% 01/09/2030	5,450,000	6,141,551	2.38
Government of Singapore 3% 01/09/2024	9,200,000	10,663,886	4.14
Government of Singapore 3.125% 01/09/2022	14,000,000	16,501,348	6.40
Government of Singapore 3.25% 01/09/2020	3,500,000	4,104,982	1.59
Government of Singapore 3.5% 01/03/2027	16,000,000	19,340,058	7.50
Great Eastern Life Assurance Series EMTN (BR) FRN 19/01/2026	750,000	777,106	0.30
Housing & Development Board MTN (BR) 2.505% 27/06/2024	1,000,000	1,014,678	0.39
Housing & Development Board Series MTN 2.088% 30/08/2022	2,000,000	2,008,782	0.78
Keppel Corporation Limited MTN (BR) 3.145% 14/02/2022	1,000,000	1,010,012	0.39
Keppel Land Limited (Regs) 2.5% 23/06/2013	2,000,000	2,011,233	0.78
Keppel Land Limited 1.875% 29/11/2015	4,000,000	3,924,752	1.52
Lmirt Capital Pte Limited Series EMTN (BR) 4.88% 06/07/2015	750,000	786,827	0.30

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Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund

	Holdings	Fair value	Percentage of
	31/12/2012	31/12/2012	total net assets
	(units)	(\$)	attributable
			to unitholders
			31/12/2012
			(%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted bonds (continued)</b>			
<b>Singapore (continued)</b>			
Mapletree Commercial Trust EMTN (Regs) (BR) 3.6% 24/08/2020	3,500,000	3,599,905	1.40
Mapletree Industrial Trust MTN (BR) 3.75% 08/03/2019	4,500,000	4,658,304	1.81
Mapletree Logistics Trust Var Perp	1,500,000	1,579,274	0.61
Mapletree Treasury Services MTN 4.45% 07/03/2018	2,000,000	2,167,709	0.84
Maybank Kim Eng Holdings Series MTN (BR) 1.7% 21/06/2013	1,000,000	1,001,300	0.39
NTUC Income Insurance (Reg) Var 23/08/2027	6,000,000	6,231,695	2.42
Oversea-Chinese Banking Corporation Limited (BR) 27/03/2019	2,000,000	2,110,474	0.82
Oversea-Chinese Banking 4% Perp	3,750,000	3,787,036	1.47
Overseas Union Enterprise Limited Series MTN 4.25% 30/10/2019	1,500,000	1,517,108	0.59
Sabana Treasury Pte Limited (Regs) Conv 4.5% 24/09/2017	2,000,000	2,067,490	0.80
Singapore Labour Foundation Series MTN 1.3% 08/06/2017	750,000	752,582	0.29
Singapore Post Limited Var Perp	500,000	520,224	0.20
Singapore Press Holdings Limited MTN 2.81% 02/03/2015	500,000	516,619	0.20
SMRT Capital Pte Limited Series MTN (Regs) (BR) 2.363% 05/10/2022	1,500,000	1,525,178	0.59
Starhill Global Reit 3.405% 13/07/2015	1,000,000	1,024,464	0.40
Straits Trading Co Limited Series EMTN 4.3% 09/11/2016	1,000,000	1,037,484	0.40

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Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders 31/12/2012 (%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted bonds (continued)</b>			
<b>Singapore (continued)</b>			
Street Square Pte Limited 3.02% 05/05/2014	750,000	755,924	0.29
Suntec Reit Series MTN (BR) 3.1% 08/08/2016	3,250,000	3,294,589	1.28
Temasek Financial I Limited (Regs) 3.375% 23/07/2042	1,000,000	1,184,504	0.46
Ubitech Hub Pte Limited (BR) 4.2% 12/06/2017	2,000,000	2,026,305	0.79
United Engineers Limited Series MTN (BR) 4.2% 26/01/2017	500,000	528,215	0.20
United Overseas Bank Limited EMTN 01/04/2021	1,500,000	1,540,734	0.60
United Overseas Bank Limited (Regs) Series EMTN Var 11/07/2022	5,750,000	5,906,782	2.29
United Overseas Land Limited MTN 2.493% 08/05/2015	2,000,000	2,004,289	0.78
Wharf MTN SG Pte Limited Series MTN (BR) 4.3% 28/10/2018	3,250,000	3,366,739	1.31
		<u>183,382,107</u>	<u>71.12</u>
<b>South Korea</b>			
Korea Development Bank GMTN 1.12% 24/04/2013	250,000	250,697	0.09
Kookmin Bank Series GMTN 1.25% 04/03/2013	250,000	251,059	0.10
Shinhan Bank Series EMTN 1.3% 30/05/2013	1,500,000	1,500,743	0.58
Shinhan Bank Series EMTN 3.93% 16/01/2016	500,000	534,813	0.21
		<u>2,537,312</u>	<u>0.98</u>

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

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

Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund

	Holdings 31/12/2012 (units)	Fair value 31/12/2012 (\$)	Percentage of total net assets attributable to unitholders 31/12/2012 (%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted bonds (continued)</b>			
<b>Thailand</b>			
Bangkok Bank Public Co (HK) (Regs) 4.8% 18/10/2020	1,000,000	1,355,100	0.53
Kasikornbank PCL (Series EMTN) (Regs) 3% 20/03/2018	1,900,000	2,351,919	0.91
PTT Global Chemical PCL (Regs) 4.25% 19/09/2022	2,000,000	2,571,750	1.00
PTT PCL (Regs) 4.5% 25/10/2042	3,000,000	3,662,411	1.42
Siam Commercial Bank (HK) (Regs) 3.375% 19/09/2017	1,000,000	1,276,690	0.49
		<u>11,217,870</u>	<u>4.35</u>
<b>United States of America</b>			
CBA Capital Trust II (Regs) Var Perp	1,500,000	1,901,394	0.74
Citigroup Inc EMTN 3.83% 18/03/2014	500,000	525,260	0.20
Morgan Stanley EMTN 3.8% 29/01/2016	250,000	256,928	0.10
Westpac Capital Trust III (Regs) Var Perp	2,200,000	2,719,062	1.06
		<u>5,402,644</u>	<u>2.10</u>
<b>Portfolio of investments</b>		252,775,876	98.04
<b>Other net assets</b>		5,057,130	1.96
<b>Net assets attributable to unitholders</b>		<u>257,833,006</u>	<u>100.00</u>

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

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

**EASTSPRING INVESTMENTS UNIT TRUSTS****Portfolio Statement**  
Year ended 31 December 2012**Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund  
Percentage of total net assets  
attributable to unitholders**

	31/12/2012	31/12/2011
	(%)	(%)

**By Geography\* (summary) - Primary****Quoted bonds (continued)**

Singapore	71.12	74.35
Hong Kong	5.24	1.63
People's Republic of China	4.48	0.41
Thailand	4.35	0.74
Malaysia	4.30	2.30
Great Britain	2.24	2.88
United States of America	2.10	4.96
Australia	1.89	1.88
South Korea	0.98	6.39
Republic of India	0.65	0.52
The Netherlands	0.59	-
Qatar	0.10	-
British Virgin Islands	-	1.06
<b>Portfolio of investments</b>	<b>98.04</b>	<b>97.12</b>
<b>Other net assets</b>	<b>1.96</b>	<b>2.88</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

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

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

Eastspring Investments Unit Trusts  
- Singapore Select Bond Fund

	Fair value 31/12/2012 (S\$)	Percentage of total net assets attributable to unitholders	
		31/12/2012 (%)	31/12/2011 (%)
<b>By Industry – Secondary</b>			
<b>Quoted bonds (continued)</b>			
Agriculture	2,522,046	0.98	-
Banks	61,063,414	23.71	21.53
Building construction	528,215	0.20	-
Computer software	3,079,091	1.19	-
Finance	30,383,754	11.77	12.42
Food and beverage	-	-	0.21
Government	73,153,833	28.37	39.50
Hotels	6,078,437	2.36	2.04
Industrials	253,258	0.10	1.81
Insurance	7,008,801	2.72	-
Investment	5,378,518	2.09	1.74
Metal products	1,037,484	0.40	0.82
Miscellaneous	7,146,250	2.77	2.03
Oil and gas	4,041,005	1.57	-
Petrochemical	2,571,750	1.00	-
Print and publish	516,619	0.20	0.42
Property	1,321,742	0.51	-
Real estate	24,470,709	9.50	6.94
Real estate investment trusts	16,633,188	6.44	5.55
Retail	734,208	0.28	2.11
Telecom services	245,574	0.10	-
Transport	2,045,402	0.79	-
Transport – Rail	513,677	0.20	-
Transport – Ship	2,048,901	0.79	-
<b>Portfolio of investments</b>	<b>252,775,876</b>	<b>98.04</b>	<b>97.12</b>
<b>Other net assets</b>	<b>5,057,130</b>	<b>1.96</b>	<b>2.88</b>
<b>Net assets attributable to unitholders</b>	<b>257,833,006</b>	<b>100.00</b>	<b>100.00</b>

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

Eastspring Investments Unit Trusts  
- Singapore ASEAN Equity Fund

	Holdings	Fair value	Percentage of
	31/12/2012	31/12/2012	total net assets
	(units)	(\$)	attributable
			to unitholders
			31/12/2012
			(%)
<b>By Geography* - Primary</b>			
<b>Quoted investment funds</b>			
<b>Singapore</b>			
Capitaretail China Trust	395,000	645,825	0.98
Mapletree Industrial Trust	489,000	662,595	1.00
Perennial China Retail Trust	737,000	416,405	0.63
		<u>1,724,825</u>	<u>2.61</u>
<b>Quoted Shares</b>			
<b>Hong Kong</b>			
Hongkong Land Holdings Ltd	177,000	1,509,115	2.28
Jardine Matheson Holdings Ltd	32,800	2,484,042	3.75
Noble Group Ltd	1,142,078	1,319,100	1.99
		<u>5,312,257</u>	<u>8.02</u>
<b>Indonesia</b>			
Astra International Tbk PT	1,310,000	1,245,264	1.88
Bank Mandiri Persero Tbk PT	1,609,500	1,642,161	2.48
Bank Rakyat Indonesia Persero Tbk PT	2,408,500	2,106,322	3.18
Bumi Serpong Damai PT	6,770,000	952,446	1.44
Ciputra Development Tbk PT	8,246,500	825,706	1.25
Gajah Tunggal Tbk PT	3,574,000	985,242	1.49
Indika Energy Tbk PT	5,398,500	951,080	1.43
Indofood Sukses Makmur Tbk PT	1,083,000	802,996	1.21
Semen Indonesia Persero Tbk PT ("formerly known as Semen Gresik Persero Tbk PT")	338,000	676,866	1.02
Summarecon Agung Tbk PT	3,064,000	730,089	1.10
Telekomunikasi Indonesia Persero Tbk PT	396,000	446,698	0.67
United Tractors Tbk PT	90,500	225,393	0.34
		<u>11,590,263</u>	<u>17.49</u>

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

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

Eastspring Investments Unit Trusts  
- Singapore ASEAN Equity Fund

	Holdings	Fair value	Percentage of
	31/12/2012	31/12/2012	total net assets
	(units)	(\$)	attributable
			to unitholders
			31/12/2012
			(%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted Shares (continued)</b>			
<b>Malaysia</b>			
Airasia BHD	450,700	491,480	0.74
Alliance Financial Group Bhd	580,800	1,011,507	1.53
Astro Malaysia Holdings Bhd	546,800	639,959	0.96
Axiata Group Bhd	555,700	1,462,789	2.21
CIMB Group Holdings Bhd	318,900	971,930	1.47
Genting Bhd	405,200	1,487,445	2.24
Genting Malaysia Bhd	790,400	1,114,494	1.68
Multi-purpose Holdings BHD	611,500	852,468	1.29
Petronas Chemicals Group Bhd	163,000	410,189	0.62
Public Bank Bhd	314,100	2,040,067	3.08
Sime Darby Bhd	245,000	931,603	1.40
Tenaga Nasional Bhd	302,500	834,948	1.26
		<u>12,248,879</u>	<u>18.48</u>
<b>The Philippines</b>			
Alliance Global Group Inc	2,068,200	1,027,441	1.55
Filinvest Land Inc	28,437,000	1,260,428	1.90
First Gen Corp	1,669,900	1,107,754	1.67
Metropolitan Bank & Trust Company	95,860	290,576	0.44
Vista Land & Lifescapes Inc	9,536,500	1,375,875	2.08
		<u>5,062,074</u>	<u>7.64</u>

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

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

Eastspring Investments Unit Trusts  
- Singapore ASEAN Equity Fund

	Holdings	Fair value	Percentage of
	31/12/2012	31/12/2012	total net assets
	(units)	(\$)	attributable
			to unitholders
			31/12/2012
			(%)
<b>By Geography* - Primary (continued)</b>			
<b>Quoted Shares (continued)</b>			
<b>Singapore</b>			
Capitaland Limited	588,000	2,175,600	3.28
CSE Global Ltd	690,000	538,200	0.81
DBS Group Holdings Ltd	210,788	3,123,878	4.71
Dyna-Mac Holdings Ltd	1,000,000	480,000	0.72
Ezion Holdings Ltd	428,000	721,180	1.09
Fraser and Neave Ltd	45,000	435,600	0.66
Golden Agri-Resources Ltd	2,607,000	1,681,515	2.54
Jardine Cycle & Carriage Ltd	25,000	1,202,500	1.81
Keppel Corp Ltd	137,000	1,505,630	2.27
Overseas Union Enterprise Ltd	241,000	669,980	1.01
Sembcorp Industries Ltd	124,000	651,000	0.98
Singapore Press Holdings Ltd	146,000	586,920	0.89
Singapore Telecommunications Ltd	983,000	3,243,900	4.89
United Overseas Bank Ltd	140,000	2,773,400	4.18
UOL Group Ltd	110,000	656,700	0.99
Wilmar International Limited	269,000	895,770	1.35
Yangzijiang Shipbuilding (Holdings) Ltd	644,000	615,020	0.93
		<u>21,956,793</u>	<u>33.11</u>

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

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

**Eastspring Investments Unit Trusts  
- Singapore ASEAN Equity Fund**

	<b>Holdings</b>	<b>Fair value</b>	<b>Percentage of</b>
	<b>31/12/2012</b>	<b>31/12/2012</b>	<b>total net assets</b>
	<b>(units)</b>	<b>(\$)</b>	<b>to unitholders</b>
			<b>31/12/2012</b>
			<b>(%)</b>
<b>By Geography* - Primary (continued)</b>			
<b>Quoted Shares (continued)</b>			
<b>Thailand</b>			
Glow Energy PCL	238,000	734,158	1.11
Kasikornbank PCL	197,800	1,528,344	2.31
Krung Thai Bank PCL	1,655,075	978,123	1.47
PTT Exploration & Production PCL	103,555	674,020	1.02
PTT Global Chemical PCL	185,500	499,990	0.75
PTT PCL	59,400	780,362	1.18
Siam Commercial Bank PCL	181,100	1,294,450	1.95
Thai Beverage PCL	2,175,000	859,125	1.30
		7,348,572	11.09
<b>Portfolio of investments</b>		65,243,663	98.44
<b>Other net assets</b>		1,033,332	1.56
<b>Net assets attributable to unitholders</b>		66,276,995	100.00

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

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

**Eastspring Investments Unit Trusts**  
**- Singapore ASEAN Equity Fund**  


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**Percentage of total net assets**  
**attributable to unitholders**  
**31/12/2012**  
 (%)

**By Geography\* (summary) - Primary**

Singapore	35.72
Malaysia	18.48
Indonesia	17.49
Thailand	11.09
Hong Kong	8.02
The Philippines	7.64
<b>Portfolio of investments</b>	98.44
<b>Other net assets</b>	1.56
<b>Net assets attributable to unitholders</b>	100.00

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

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

# EASTSPRING INVESTMENTS UNIT TRUSTS

**Portfolio Statement**  
Year ended 31 December 2012

	<b>Fair value</b>	<b>Percentage of</b>
	<b>31/12/2012</b>	<b>total net assets</b>
	<b>(\$)</b>	<b>attributable</b>
<b>By Industry - Secondary</b>		<b>to unitholders</b>
		<b>31/12/2012</b>
		<b>(%)</b>
Agriculture	2,577,285	3.89
Automobile	1,202,500	1.81
Banks	16,749,251	25.27
Brewery	859,125	1.30
Building construction	676,866	1.02
Chemical	910,179	1.37
Commerce	669,980	1.01
Computer software	538,200	0.81
Diversified resources	5,587,213	8.43
Electronics	1,841,912	2.78
Engineering	1,372,180	2.07
Entertainment	2,074,365	3.13
Finance	1,011,507	1.53
Food and beverage	1,027,441	1.55
Food	802,996	1.21
Hotels	1,114,494	1.68
Industrials	435,600	0.66
Investment	639,959	0.96
Machine tools	225,393	0.34
Metal products	480,000	0.72
Miscellaneous	2,413,869	3.64
Oil and gas	1,454,382	2.20
Public utility	1,281,646	1.93
Real estate	9,485,959	14.32
Real estate investment trusts	1,724,825	2.61
Retail	1,245,264	1.88
Rubber	985,242	1.49
Shipbuilding	1,505,630	2.27
Telecom services	3,243,900	4.89
Transport - Air	491,480	0.74
Transport - Ship	615,020	0.93
<b>Portfolio of investments</b>	<b>65,243,663</b>	<b>98.44</b>
<b>Other net assets</b>	<b>1,033,332</b>	<b>1.56</b>
<b>Net assets attributable to unitholders</b>	<b>66,276,995</b>	<b>100.00</b>

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

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 1 Principal activities

Eastspring Investments 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 Eastspring Investments (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.

As at 31 December 2012, the Trust had the following sub-funds:

<b>Sub-fund</b>	<b>Launch date</b>	<b>Underlying investments</b>
Eastspring Investments Unit Trusts - Global Technology Fund	16 April 2001	Eastspring Investments - Global Technology Fund
Eastspring Investments Unit Trusts - Pan European Fund	16 April 2001	Eastspring Investments - Pan European Fund
Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$)	19 September 2001	A combination of money market instruments & options
Eastspring Investments Unit Trusts - Asian Balanced Fund	13 January 2003	Eastspring Investments - Asian Equity Fund - US Investment Grade Bond Fund - US High Investment Grade Bond Fund
Eastspring Investments Unit Trusts - Dragon Peacock Fund	18 May 2004	Investments in China and India equities and equity-related instruments
Eastspring Investments Unit Trusts - Global Basics Fund	12 September 2005	M&G Investment Funds (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A

**EASTSPRING INVESTMENTS UNIT TRUSTS** Notes to the Financial Statements

Year ended 31 December 2012

**1 Principal activities (continued)**

<b>Sub-fund</b>	<b>Launch date</b>	<b>Underlying investments</b>
Eastspring Investments Unit Trusts - Global Balanced Fund	28 August 2007	M&G Investment Funds (1) - Global Basics Fund Net Accumulation Shares in Sterling Class A - Legg Mason Western Asset Global Bond Trust
Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund	6 March 2008	Eastspring Investments - Asian Infrastructure Equity Fund Class C
Eastspring Investments Unit Trusts - Global Leaders Fund	4 June 2008	M&G Investment Funds (1) - Global Leaders Fund Euro Class A
Eastspring Investments Unit Trusts - Global Positioning Strategy Fund	18 August 2008	Eastspring Investments - Global Market Navigator Fund Class C
Eastspring Investments Unit Trusts - Singapore Select Bond Fund	14 March 2011	Investments in Singapore-dollar debt securities
Eastspring Investments Unit Trusts - Singapore ASEAN Equity Fund	14 March 2012	Investments in Singapore and other ASEAN equities and equity-related securities

The sub-funds, Global Technology Fund (“Eastspring Investments Unit Trusts - Global Technology Fund”), Pan European Fund (“Eastspring Investments Unit Trusts - Pan European Fund”), Asian Balanced Fund (“Eastspring Investments Unit Trusts - Asian Balanced Fund”), Asian Infrastructure Equity Fund (“Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund”) and Global Positioning Strategy Fund (“Eastspring Investments Unit Trusts - Global Positioning Strategy Fund”) invest all or substantially all of their assets in the units of the corresponding sub-funds of the Luxembourg-domiciled Eastspring Investments.

**1 Principal activities (continued)**

The sub-fund Global Basics Fund (“Eastspring Investments Unit Trusts - Global Basics Fund”) invests all or substantially all of its 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.

The sub-fund Global Balanced Fund (“Eastspring Investments Unit Trusts - Global Balanced Fund”) invests all or substantially all of its assets in the units of the corresponding sub-funds 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 Global Leaders Fund (“Eastspring Investments Unit Trusts - Global Leaders Fund”) invests all or substantially all of its assets in the units of the corresponding sub-fund of M&G Investment Funds (1) – Global Leaders Fund Euro Class A shares.

The sub-fund Protected Global Titans Fund (S\$) (“Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$)”) aims to achieve long term capital growth by gaining exposure to top global multinational companies through the Dow Jones Global Titans 50 Index<sup>SM</sup> while, at the same time, protecting the net asset value of the sub-fund within each floor period.

The sub-fund Dragon Peacock Fund (“Eastspring Investments Unit Trusts - Dragon Peacock Fund”) aims to maximise long-term total return by investing primarily in equity and equity-related instruments in the People’s Republic of China and the Republic of India. Investments in India are mainly held through an investment company, Dragon Peacock Investments Ltd (“DPI (M)”), incorporated in Mauritius.

The shareholders’ funds of DPI (M) are attributable solely to Eastspring Investments Unit Trusts - Dragon Peacock Fund.

The sub-fund Singapore Select Bond Fund (“Eastspring Investments Unit Trusts - Singapore Select Bond Fund”) aims to maximise total returns over time by investing primarily in Singapore-dollar denominated debt securities and foreign currency debt securities which will be hedged back into Singapore dollars.

The sub-fund Singapore ASEAN Equity Fund’s (“Eastspring Investments Unit Trusts - Singapore ASEAN Equity Fund”) investments include, but are not limited to listed securities, depository receipts including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), rights and warrants arising from corporate action of underlying listed equities, and cash and near cash instruments.

## **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.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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 in profit or loss on the date that the Trust’s right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date. Interest income is recognised as it accrues, using the effective interest method. Interest income from debt securities received during the year is recognised in net realised gains on investments sold and accrued interest income from debt securities is recognised in net change in fair value on investments.

### **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 Summary of significant accounting policies (continued)****2.4 Investments**

Investments in quoted underlying investment 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.

The Eastspring Investments Unit Trusts - Dragon Peacock Fund holds its investments in Indian domestic equities through an investment company, DPI (M) incorporated in Mauritius. The assets, liabilities and results of DPI (M) are accounted based on the accounting policies of the Eastspring Investments Unit Trusts - Dragon Peacock Fund. The investments, net assets and returns are included in the Eastspring Investments Unit Trusts - Dragon Peacock Fund. This has the same effect as consolidating DPI (M) into the Eastspring Investments Unit Trusts - Dragon Peacock Fund.

**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. For investments at fair value, the unrealised exchange differences are recognised in the net change in fair value on investments 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 include forward foreign exchange contracts and call options on stock market indices. 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.

Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

**2 Summary of significant accounting policies (continued)**

2.8 New standards, interpretations and revised recommended accounting practice not yet adopted

Recommended Accounting Practice (RAP 7)

On 29 June 2012, ICPAS issued a revised version of RAP 7. RAP 7 (2012) will become effective for the Trust's financial statements for the year ending 31 December 2013, and has not been applied in preparing these financial statements. The Manager does not expect the application of RAP 7 (2012) to have any significant impact on the financial statements of the Trust.

**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
- dividends derived from outside Singapore and received in Singapore.

	<b>Eastspring Investments Unit Trusts – Dragon Peacock Fund</b>		<b>Eastspring Investments Unit Trusts – Singapore ASEAN Equity Fund</b>
	<b>2012</b>	<b>2011</b>	<b>2012</b>
	\$	\$	\$
Overseas tax suffered	1,098,539	1,140,104	69,766

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 4 Receivables

	<b>Eastspring Investments Unit Trusts - Global Technology Fund</b>		<b>Eastspring Investments Unit Trusts - Pan European Fund</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Amount receivable from the creation of units	80,128	62,411	50,750	29,622
Sales awaiting settlement	118,000	18,000	71,000	61,000
Miscellaneous receivables	30,513	26,911	14,369	13,146
	<u>228,641</u>	<u>107,322</u>	<u>136,119</u>	<u>103,768</u>
	<b>Eastspring Investments Unit Trusts - Protected Global Titans Fund (\$S)</b>		<b>Eastspring Investments Unit Trusts - Asian Balanced Fund</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Amount receivable from the creation of units	-	-	1,742,002	1,781,382
Sales awaiting settlement	-	1,729	5,496,750	-
Miscellaneous receivables	2,035	-	203,177	74,501
	<u>2,035</u>	<u>1,729</u>	<u>7,441,929</u>	<u>1,855,883</u>
	<b>Eastspring Investments Unit Trusts - Dragon Peacock Fund</b>		<b>Eastspring Investments Unit Trusts - Global Basics Fund</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Amount receivable from the creation of units	1,739,248	1,463,595	149,769	301,006
Dividend receivables	72,856	-	-	-
Sales awaiting settlement	-	-	463,955	1,444,389
Miscellaneous receivables	289,714	285,152	4,059	6,130
	<u>2,101,818</u>	<u>1,748,747</u>	<u>617,783</u>	<u>1,751,525</u>

**EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements**

Year ended 31 December 2012

**4 Receivables (continued)**

	<b>Eastspring Investments Unit Trusts - Global Balanced Fund</b>		<b>Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Amount receivable from the creation of units	-	48,855	171,925	169,323
Sales awaiting settlement	119,133	-	47,046	-
Miscellaneous receivables	29,144	33,706	1,670	1,556
	<u>148,277</u>	<u>82,561</u>	<u>220,641</u>	<u>170,879</u>
	<b>Eastspring Investments Unit Trusts - Global Leaders Fund</b>		<b>Eastspring Investments Unit Trusts - Global Positioning Strategy Fund</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Amount receivable from the creation of units	104,323	17,257	15,545	11,062
Sales awaiting settlement	-	7,958	-	-
Miscellaneous receivables	3,127	2,332	481	587
	<u>107,450</u>	<u>27,547</u>	<u>16,026</u>	<u>11,649</u>
	<b>Eastspring Investments Unit Trusts – Singapore Select Bond Fund</b>		<b>Eastspring Investments Unit Trusts - Singapore ASEAN Equity Fund</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>	
Amount receivable from the creation of units	5,215,803	1,898,222	650,000	
Dividend receivables	-	-	67,770	
Miscellaneous receivables	20,141	-	3,558	
	<u>5,235,944</u>	<u>1,898,222</u>	<u>721,328</u>	

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 5 Fair value of financial derivatives

Financial derivative contracts for Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$) comprise call option. Financial derivative contracts for Eastspring Investments Unit Trusts - Global Basics Fund, Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund, Eastspring Investments Unit Trusts - Global Leaders Fund, Eastspring Investments Unit Trusts - Global Positioning Strategy Fund and Eastspring Investments Unit Trusts - Singapore Select Bond Fund, comprise forward foreign exchange contracts, executed for the sale and purchase of foreign currencies. The year-end positive/negative fair value represents the unrealised gains/(losses) on revaluation of financial derivative contracts at the balance sheet date.

Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$)						
	Contract or underlying principal amount		Positive fair value		Negative fair value	
	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$
Call option <sup>1</sup>	5,900,000	-	172,133	-	-	-

Eastspring Investments Unit Trusts - Global Basics Fund						
	Contract or underlying principal amount		Positive fair value		Negative fair value	
	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$
Forward foreign exchange contracts	442,836	1,397,294	209	4,061	2,905	3,533

Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund						
	Contract or underlying principal amount		Positive fair value		Negative fair value	
	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$
Forward foreign exchange contracts	95,932	-	5	-	94	-

<sup>1</sup> Call option is an Over-the-Counter 3 Months Quanto SGD Call Option on Dow Jones Global Titans 50 Index, settled in SGD with an expiration date on 19 February 2013.

**EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements**

Year ended 31 December 2012

**5 Fair value of financial derivatives (continued)**

<b>Eastspring Investments Unit Trusts - Global Leaders Fund</b>						
	<b>Contract or underlying principal amount</b>		<b>Positive fair value</b>		<b>Negative fair value</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Forward foreign exchange contracts	82,589	30,857	-	-	400	136

<b>Eastspring Investments Unit Trusts – Global Positioning Strategy Fund</b>						
	<b>Contract or underlying principal amount</b>		<b>Positive fair value</b>		<b>Negative fair value</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Forward foreign exchange contracts	6,985	-	-	-	13	-

<b>Eastspring Investments Unit Trusts – Singapore Select Bond Fund</b>						
	<b>Contract or underlying principal amount</b>		<b>Positive fair value</b>		<b>Negative fair value</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Forward foreign exchange contracts	52,657,319	19,166,386	756,883	11,370	108,567	274,509

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 6 Payables

	Eastspring Investments Unit Trusts - Global Technology Fund		Eastspring Investments Unit Trusts - Pan European Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
Payable to unitholders for cancellation of units	73,621	55,043	54,024	113,449
Accrued expenses	62,764	60,075	33,000	29,996
Purchases awaiting settlement	58,000	55,000	16,000	17,000
	<u>194,385</u>	<u>170,118</u>	<u>103,024</u>	<u>160,445</u>
	Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$)		Eastspring Investments Unit Trusts - Asian Balanced Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
Payable to unitholders for cancellation of units	41,990	1,954	194,365	238,773
Accrued expenses	16,155	10,748	1,018,713	379,225
Purchases awaiting settlement	-	-	7,695,450	-
Other payables	-	-	6,650	-
	<u>58,145</u>	<u>12,702</u>	<u>8,915,178</u>	<u>617,998</u>
	Eastspring Investments Unit Trusts - Dragon Peacock Fund		Eastspring Investments Unit Trusts - Global Basics Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
Payable to unitholders for cancellation of units	901,058	189,398	640,474	1,824,926
Accrued expenses	1,317,847	1,176,737	31,202	29,398
Purchases awaiting settlement	-	-	53,202	81,300
	<u>2,218,905</u>	<u>1,366,135</u>	<u>724,878</u>	<u>1,935,624</u>

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 6 Payables (continued)

	Eastspring Investments Unit Trusts - Global Balanced Fund		Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
Payable to unitholders for cancellation of units	25,923	307,862	44,036	9,346
Accrued expenses	40,594	46,484	13,613	12,790
Purchases awaiting settlement	-	-	180,878	192,339
Other payables	823	-	-	643
	<u>67,340</u>	<u>354,346</u>	<u>238,527</u>	<u>215,118</u>
	Eastspring Investments Unit Trusts - Global Leaders Fund		Eastspring Investments Unit Trusts - Global Positioning Strategy Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
Payable to unitholders for cancellation of units	1,302	8,231	155	3,808
Accrued expenses	(883)	1,321	6,718	6,989
Purchases awaiting settlement	82,589	30,857	13,984	20,951
Other payables	-	-	-	43
	<u>83,008</u>	<u>40,409</u>	<u>20,857</u>	<u>31,791</u>
	Eastspring Investments Unit Trusts – Singapore Select Bond Fund		Eastspring Investments Unit Trusts – Singapore ASEAN Equity Fund	
	2012	2011	2012	
	\$	\$	\$	
Payable to unitholders for cancellation of units	78,857	49,457	-	
Accrued expenses	129,989	69,835	101,039	
Purchases awaiting settlement	4,839,980	1,296,955	891,930	
	<u>5,048,826</u>	<u>1,416,247</u>	<u>992,969</u>	

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 7 Net assets attributable to unitholders

	Eastspring Investments Unit Trusts - Global Technology Fund		Eastspring Investments Unit Trusts - Pan European Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
<b>At the beginning of the year</b>	77,358,783	83,423,845	35,331,752	44,975,937
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations	5,470,332	(1,740,098)	4,310,994	(6,249,681)
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units	4,601,655	7,937,468	3,043,875	4,194,773
Cancellation of units	(9,366,096)	(12,262,432)	(3,939,844)	(7,589,277)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(4,764,441)	(4,324,964)	(895,969)	(3,394,504)
Total increase/ (decrease) in net assets attributable to unitholders	705,891	(6,065,062)	3,414,975	(9,644,185)
<b>At the end of the year</b>	78,064,674	77,358,783	38,746,727	35,331,752
<b>Units in issue (number)</b>	144,897,727	153,799,577	43,430,337	44,487,392
<b>Net assets attributable to unitholders per unit (\$)</b>	0.54	0.50	0.89	0.79

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 7 Net assets attributable to unitholders (continued)

	Eastspring Investments Unit Trusts - Protected Global Titans Fund (\$)		Eastspring Investments Unit Trusts - Asian Balanced Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
<b>At the beginning of the year</b>	13,869,239	16,618,046	789,083,566	824,182,063
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations	64,466	30,130	65,937,277	(57,520,088)
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units	-	-	41,271,988	52,894,065
Cancellation of units	(1,470,264)	(2,778,937)	(23,000,945)	(30,472,474)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(1,470,264)	(2,778,937)	18,271,043	22,421,591
Total increase/ (decrease) in net assets attributable to unitholders	(1,405,798)	(2,748,807)	84,208,320	(35,098,497)
<b>At the end of the year</b>	12,463,441	13,869,239	873,291,886	789,083,566
<b>Units in issue (number)</b>	10,740,326	12,010,521	501,564,517	490,776,292
<b>Net assets attributable to unitholders per unit (\$)</b>	1.16	1.15	1.74	1.61

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 7 Net assets attributable to unitholders (continued)

	Eastspring Investments Unit Trusts - Dragon Peacock Fund		Eastspring Investments Unit Trusts - Global Basics Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
<b>At the beginning of the year</b>	883,150,514	1,335,750,667	338,105,934	433,009,666
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations	129,987,484	(357,578,133)	(1,837,569)	(50,044,670)
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units	39,358,456	49,677,912	10,211,102	30,155,213
Cancellation of units	(57,663,206)	(144,699,932)	(37,984,766)	(75,014,275)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(18,304,750)	(95,022,020)	(27,773,664)	(44,859,062)
Total (decrease)/ increase in net assets attributable to unitholders	111,682,734	(452,600,153)	(29,611,233)	(94,903,732)
<b>At the end of the year</b>	994,833,248	883,150,514	308,494,701	338,105,934
<b>Units in issue (number)</b>	454,515,598	463,836,115	282,374,766	307,688,983
<b>Net assets attributable to unitholders per unit (\$\$)</b>	2.19	1.90	1.09	1.10

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 7 Net assets attributable to unitholders (continued)

	Eastspring Investments Unit Trusts - Global Balanced Fund		Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
<b>At the beginning of the year</b>	31,219,100	36,785,309	12,988,043	14,275,804
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations	568,412	(1,654,328)	1,145,549	(2,437,687)
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units	695,370	5,497,297	2,389,339	3,752,075
Cancellation of units	(5,472,056)	(9,409,178)	(1,664,436)	(2,602,149)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(4,776,686)	(3,911,881)	724,903	1,149,926
Total (decrease)/ increase in net assets attributable to unitholders	(4,190,274)	(5,566,209)	1,870,452	(1,287,761)
<b>At the end of the year</b>	27,028,826	31,219,100	14,858,495	12,988,043
<b>Units in issue (number)</b>	30,378,058	35,806,369	16,419,274	15,601,866
<b>Net assets attributable to unitholders per unit (\$)</b>	0.89	0.87	0.90	0.83

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 7 Net assets attributable to unitholders (continued)

	Eastspring Investments Unit Trusts - Global Leaders Fund		Eastspring Investments Unit Trusts - Global Positioning Strategy Fund	
	2012	2011	2012	2011
	\$	\$	\$	\$
<b>At the beginning of the year</b>	3,374,943	4,100,658	1,870,195	2,431,921
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations	208,230	(492,165)	112,408	(174,059)
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units	1,556,381	996,298	353,080	317,432
Cancellation of units	(384,807)	(1,229,848)	(287,371)	(705,099)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	1,174,574	(233,550)	65,709	(387,667)
Total increase/ (decrease) in net assets attributable to unitholders	1,379,804	(725,715)	178,117	(561,726)
<b>At the end of the year</b>	4,754,747	3,374,943	2,408,312	1,870,195
<b>Units in issue (number)</b>	5,933,215	4,433,895	2,189,920	2,117,318
<b>Net assets attributable to unitholders per unit (\$)</b>	0.80	0.76	0.94	0.88

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 7 Net assets attributable to unitholders (continued)

	Eastspring Investments Unit Trusts - Singapore Select Bond Fund		Eastspring Investments Unit Trusts – Singapore ASEAN Equity Fund
	2012	2011	2012
	\$	\$	\$
<b>At the beginning of the year/date of launch</b>	122,557,800	-	-
<b>Operations</b>			
Change in net assets attributable to unitholders resulting from operations	11,561,425	2,074,217	2,835,136
<b>Unitholders' contributions/ (withdrawals)</b>			
Creation of units	131,127,716	124,243,405	63,441,859
Cancellation of units	(7,413,935)	(3,759,822)	-
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	123,713,781	120,483,583	63,441,859
Total increase in net assets attributable to unitholders	135,275,206	122,557,800	66,276,995
<b>At the end of the year / period</b>	257,833,006	122,557,800	66,276,995
<b>Units in issue (number)</b>	231,179,749	117,798,640	66,613,786
<b>Net assets attributable to unitholders per unit (\$)</b>	1.12	1.04	1.04

# EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements

Year ended 31 December 2012

## 8 Units in issue

	<b>Eastspring Investments Unit Trusts - Global Technology Fund</b>		<b>Eastspring Investments Unit Trusts - Pan European Fund</b>	
	<b>2012 Units</b>	<b>2011 Units</b>	<b>2012 Units</b>	<b>2011 Units</b>
Units at beginning of the year	153,799,577	162,732,632	44,487,392	48,479,679
Units created	8,355,549	15,290,497	3,658,542	4,839,273
Units cancelled	(17,257,399)	(24,223,552)	(4,715,597)	(8,831,560)
Units at the end of the year	<u>144,897,727</u>	<u>153,799,577</u>	<u>43,430,337</u>	<u>44,487,392</u>

  

	<b>Eastspring Investments Unit Trusts - Protected Global Titans Fund (\$)</b>		<b>Eastspring Investments Unit Trusts - Asian Balanced Fund</b>	
	<b>2012 Units</b>	<b>2011 Units</b>	<b>2012 Units</b>	<b>2011 Units</b>
Units at beginning of the year	12,010,521	14,417,802	490,776,292	477,435,822
Units created	-	-	24,545,405	31,899,262
Units cancelled	(1,270,195)	(2,407,281)	(13,757,180)	(18,558,792)
Units at the end of the year	<u>10,740,326</u>	<u>12,010,521</u>	<u>501,564,517</u>	<u>490,776,292</u>

  

	<b>Eastspring Investments Unit Trusts - Dragon Peacock Fund</b>		<b>Eastspring Investments Unit Trusts - Global Basics Fund</b>	
	<b>2012 Units</b>	<b>2011 Units</b>	<b>2012 Units</b>	<b>2011 Units</b>
Units at beginning of the year	463,836,115	505,534,297	307,688,983	346,684,503
Units created	19,377,192	21,762,814	9,389,408	24,817,935
Units cancelled	(28,697,709)	(63,460,996)	(34,703,625)	(63,813,455)
Units at the end of the year	<u>454,515,598</u>	<u>463,836,115</u>	<u>282,374,766</u>	<u>307,688,983</u>

**EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements**

Year ended 31 December 2012

**8 Units in issue (continued)**

	<b>Eastspring Investments Unit Trusts - Global Balanced Fund</b>		<b>Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>Units</b>	<b>Units</b>	<b>Units</b>	<b>Units</b>
Units at beginning of the year	35,806,369	40,277,475	15,601,866	14,386,991
Units created	791,095	6,131,856	2,775,688	4,050,226
Units cancelled	(6,219,406)	(10,602,962)	(1,958,280)	(2,835,351)
Units at the end of the year	<u>30,378,058</u>	<u>35,806,369</u>	<u>16,419,274</u>	<u>15,601,866</u>
	<b>Eastspring Investments Unit Trusts - Global Leaders Fund</b>		<b>Eastspring Investments Unit Trusts - Global Positioning Strategy Fund</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>Units</b>	<b>Units</b>	<b>Units</b>	<b>Units</b>
Units at beginning of the year	4,433,895	4,732,563	2,117,318	2,532,313
Units created	1,994,428	1,208,066	391,267	346,424
Units cancelled	(495,108)	(1,506,733)	(318,665)	(761,419)
Units at the end of the year	<u>5,933,215</u>	<u>4,433,895</u>	<u>2,189,920</u>	<u>2,117,318</u>
	<b>Eastspring Investments Unit Trusts – Singapore Select Bond Fund</b>		<b>Eastspring Investments Unit Trusts – Singapore ASEAN Equity Fund</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	
	<b>Units</b>	<b>Units</b>	<b>Units</b>	
Units at beginning of the year / period	117,798,640	-	-	
Units created	120,228,523	121,416,480	63,613,786	
Units cancelled	(6,847,414)	(3,617,840)	-	
Units at the end of the year / period	<u>231,179,749</u>	<u>117,798,640</u>	<u>63,613,786</u>	

**9 US dollar class and Euro class**

***Eastspring Investments Unit Trusts – Global Basics Fund***

The sub-fund offers three classes of units, namely the Eastspring Investments Unit Trusts - Global Basics Fund S\$ units, the Eastspring Investments Unit Trusts - Global Basics Fund US\$ units and the Eastspring Investments Unit Trusts - Global Basics Fund EUR units. The US\$ and EUR units are for facilitation of the subscription and/or redemption in US\$ and Euro respectively.

The US\$ units and EUR units are subject to further foreign exchange risk arising from movements of S\$ against these currencies, hence these financial statements of Eastspring Investments Unit Trusts - Global Basics Fund presents the financial information in S\$ terms only.

Supplementary information relating to the US\$ units and EUR units is set out below.

***Net asset value of US\$ units***

	<b>2012</b>	<b>2011</b>
Number of US\$ units in issue	1,374,206	2,719,970
	<b>S\$</b>	<b>US\$ equivalent</b>
	<b>2012</b>	<b>2012</b>
		<b>2011</b>
Net asset value of US\$ units in issue	1,501,321	1,229,080
Net asset value per US\$ unit at 31 December	0.89	0.85

***Net asset value of EUR units***

	<b>2012</b>	<b>2011</b>
Number of EUR units in issue	247,665	371,110
	<b>S\$</b>	<b>EUR equivalent</b>
	<b>2012</b>	<b>2012</b>
		<b>2011</b>
Net asset value of EUR units in issue	270,574	168,014
Net asset value per EUR unit at 31 December	0.68	0.65

**9 US dollar class and Euro class (continued)**

***Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund***

The sub-fund offers three classes of units, namely the Eastspring Investments Unit Trusts - Asian Equity Fund S\$ units, the Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund US\$ units and the Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund EUR units. The US\$ units and EUR units are for facilitation of the subscription and/or redemption in US\$ and Euro respectively.

The US\$ units and EUR units are subject to further foreign exchange risk arising from movements of S\$ against these currencies, hence these financial statements of Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund presents the financial information in S\$ terms only.

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

***Net asset value of US\$ units***

		<b>2012</b>	<b>2011</b>
Number of US\$ units in issue		87,183	106,805
	<b>S\$</b>	<b>US\$ equivalent</b>	
	<b>2012</b>	<b>2012</b>	<b>2011</b>
Net asset value of US\$ units in issue	78,895	64,589	68,570
Net asset value per US\$ unit at 31 December		0.74	0.64

***Eastspring Investments Unit Trusts - Global Leaders Fund***

The sub-fund offers two classes of units, namely the Eastspring Investments Unit Trusts - Global Leaders Fund S\$ units and the Eastspring Investments Unit Trusts - Global Leaders Fund US\$ units. The US\$ units launched during the year, is for facilitation of the subscription and/or redemption in US\$.

The US\$ units is subject to further foreign exchange risk arising from movements of S\$ against US\$, hence these financial statements of Eastspring Investments Unit Trusts - Global Leaders Fund presents the financial information in S\$ terms only.

**9 US dollar class and Euro class (continued)**

***Eastspring Investments Unit Trusts - Global Leaders Fund (continued)***

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

***Net asset value of US\$ units***

	<b>2012</b>	
Number of US\$ units in issue		<u>2,136</u>
	<b>S\$</b>	<b>US\$ equivalent</b>
	<b>2012</b>	<b>2012</b>
Net asset value of US\$ units in issue	<u>1,712</u>	<u>1,402</u>
Net asset value per US\$ unit at 31 December		<u>0.80</u>

**10 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. In addition, management fee rebates ranging from 0.25% to 0.75% (2011: 0.25% to 0.75%) are received from the Managers 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.

**11 Financial risk management**

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. Some of the risks relevant to the Trust's financial instruments 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 with good credit ratings.

**11 Financial risk management (continued)*****Credit risk (continued)***

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-funds' operations and to mitigate the effects of fluctuations in cash flows.

***Interest rate risk***

Investments in fixed income portfolios are 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.

***Foreign currency risk***

The Trust'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 Trust.

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. In the case of Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$), the Manager entered into forward foreign exchange contracts to partially hedge its USD investments

**EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements**

Year ended 31 December 2012

**11 Financial risk management (continued)*****Fair value***

The fair values of the sub-funds' financial assets and liabilities approximate the carrying amounts at the 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.

**12 Financial ratios**

	<b>2012</b>	<b>2011</b>
	%	%
<b>Eastspring Investments Unit Trusts - Global Technology Fund</b>		
Expense ratio (Note 1)	1.74	1.73
Turnover ratio (Note 2)	4.10	5.46
<b>Eastspring Investments Unit Trusts - Pan European Fund</b>		
Expense ratio (Note 1)	1.81	1.76
Turnover ratio (Note 2)	5.43	6.21
<b>Eastspring Investments Unit Trusts - Protected Global Titans Fund (\$\$)</b>		
Expense ratio (Note 1)	0.69	0.67
Turnover ratio (Note 2)	99.06	144.26
<b>Eastspring Investments Unit Trusts - Asian Balanced Fund</b>		
Expense ratio (Note 1)	1.46	1.35
Turnover ratio (Note 2)	127.78	33.53
<b>Eastspring Investments Unit Trusts - Dragon Peacock Fund</b>		
Expense ratio (Note 1)	1.66	1.64
Turnover ratio (Note 2)	11.25	6.03
<b>Eastspring Investments Unit Trusts - Global Basics Fund</b>		
Expense ratio (Note 1)	1.76	1.76
Turnover ratio (Note 2)	0.90	3.20
<b>Eastspring Investments Unit Trusts - Global Balanced Fund</b>		
Expense ratio (Note 1)	1.69	1.65
Turnover ratio (Note 2)	2.67	13.93

**EASTSPRING INVESTMENTS UNIT TRUSTS Notes to the Financial Statements**

Year ended 31 December 2012

**12 Financial ratios (continued)**

	2012	2011
	%	%
<b>Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund</b>		
Expense ratio (Note 1)	1.88	1.94
Turnover ratio (Note 2)	11.81	17.34
<b>Eastspring Investments Unit Trusts - Global Leaders Fund</b>		
Expense ratio (Note 1)	1.92	1.94
Turnover ratio (Note 2)	5.12	26.38
<b>Eastspring Investments Unit Trusts - Global Positioning Strategy Fund</b>		
Expense ratio (Note 1)	3.22	3.02
Turnover ratio (Note 2)	13.66	13.37
<b>Eastspring Investments Unit Trusts - Singapore Select Bond Fund</b>		
Expense ratio (Note 1)	0.64	0.70
Turnover ratio (Note 2)	69.27	71.81
<b>Eastspring Investments Unit Trusts - Singapore ASEAN Equity Fund</b>		
Expense ratio* (Note 1)	1.81	N/A
Turnover ratio* (Note 2)	23.20	N/A

# For the period from 15 March to 31 December 2012

**Note 1**

The expenses used in calculating the "Expense ratio" at the sub-fund level include expenses such as management fees (net of rebate), registration fees, trustee 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" is 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.

## 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 Eastspring Investments (Singapore) Limited (UEN: 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.

Eastspring Investments (Singapore) Limited is an ultimately wholly-owned subsidiary of Prudential plc of the United Kingdom. Eastspring Investments (Singapore) Limited and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America.

“Dow Jones,” “Dow Jones Global Titans 50 Index<sup>SM</sup>” are service marks of Dow Jones & Company, Inc. and have been licensed for use for certain purposes by Eastspring Investments (Singapore) Limited. Eastspring Investments (Singapore) Limited’s Eastspring Investments Unit Trusts - Protected Global Titans Fund (S\$) based on the Dow Jones Global Titans 50 Index<sup>SM</sup>, is not sponsored, endorsed, sold or promoted by Dow Jones, and Dow Jones makes no representation regarding the advisability of investing in such product(s).

Investors of the Eastspring Investments Unit Trusts - Dragon Peacock Fund should note that the Luxembourg-domiciled Eastspring Investments Funds has established a similar sub-fund within the umbrella fund of Eastspring Investments having the same investment objective and focus as the Eastspring Investments Unit Trusts - Dragon Peacock Fund (the “Eastspring Investments sub-fund”). In the event that the Eastspring Investments 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 Eastspring Investments Unit Trusts - Dragon Peacock Fund and exchange existing Units in the Eastspring Investments Unit Trusts - Dragon Peacock Fund for shares in the Eastspring Investments sub-fund; or (ii)

change the investment policy of the Eastspring Investments Unit Trusts - Dragon Peacock Fund from a direct investment portfolio to a feeder fund investing all or substantially all of its assets into the Eastspring Investments sub-fund. Investors should note that in the event of an exchange of Units for shares in the Eastspring Investments sub-fund, there is no assurance that the fees and charges of the Eastspring Investments sub-fund would not be higher than that of the Eastspring Investments Unit Trusts - Dragon Peacock Fund. Investors should not invest in the Eastspring Investments Unit Trusts - Dragon Peacock Fund in anticipation of investing in the Eastspring Investments sub-fund as there is no certainty whether the Eastspring Investments sub-fund may be recognised for offer to the retail public in Singapore.



