

Unit Trust Model Portfolio

Balanced Portfolio

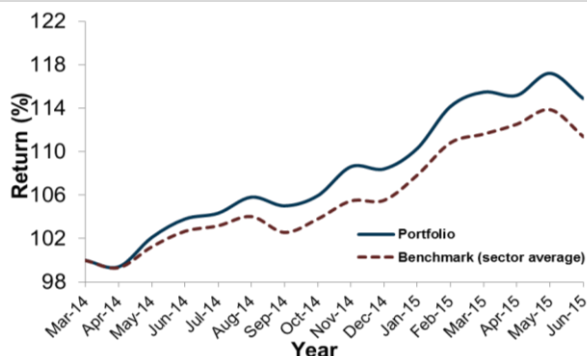
Jun 2015

By Phillip Securities Research (Singapore)
Osama Bakhteyar, Investment Analyst

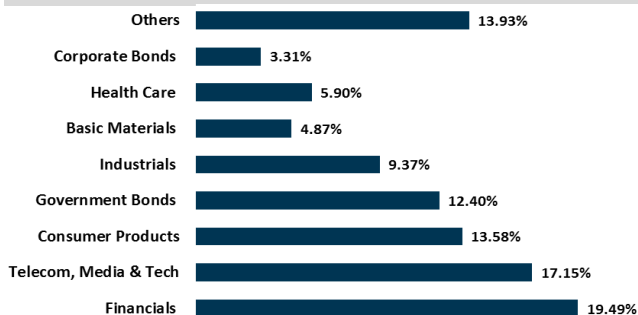
Investment Objective

The Balanced Model Portfolio is design with a primary objective of finding a balance between assuring the safety of the principal by minimizing the downside risk and to focus on long-term capital appreciation of the portfolio at the same time, consistent with prudent investment management, through investing in multiple asset classes and geographies. The Model Portfolio will comprise of an actively managed basket of funds investing in equities, fixed income, property and commodities related securities in global markets.

Cumulative Performance Chart*



Sector Allocation[^]



* Source: FE Holdings and PSR. The above performance figures are net of all fees but include the reinvestment of dividends as at 30 Jun 2015. Investment returns are NOT guaranteed. Past performance is not indicative of future performance.

[^] Source: FE Holdings and PSR. Sector and Geographical allocations are as at 30 Jun 2015 and are subject to change without notice.

Performance Overview

Return since inception	14.89%
Return (1 Year)	10.68%
Sharpe Ratio (1 year annualized)	1.96
Volatility (1 year annualized)	5.21%

Portfolio Holdings

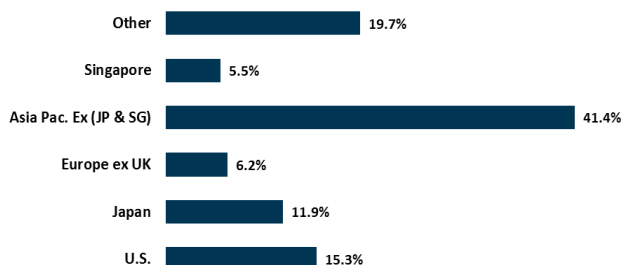
✓ UOB United SGD	15%
✓ Templeton Total Return (USD)	18%
✓ Fidelity America	10%
✓ Templeton European	7%
✓ First State Dividend Advantage	15%
✓ Lion Global Japan Growth (hedged)	10%
✓ First State Regional China	10%
✓ Allianz Income & Growth	7%
✓ Fidelity Taiwan (USD)	8%

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Portfolio Commentary

- ✓ The Portfolio returned -1.98% for the month of June.
- ✓ This drop in returns was largely due to the volatile market where most of the equity markets plunged sharply.
- ✓ The main cause of the ups and downs in the equity markets has likely been the deteriorating Greek debt crisis.
- ✓ In the Eurozone, the economic recovery has gained strength, while deflation fears have remained low for now.
- ✓ US economy seems to be gradually returning to its former strength and the Fed is set to reverse course on interest rates at the end of this year.
- ✓ Japanese equities are well supported by the weaker Yen, improvement in profitability and the structural demand created by BOJ and pension funds.
- ✓ China equities see-saw giving up big chunk of its gains in June.
- ✓ Economic growth in emerging economies has lost momentum, while valuations (Shiller P/E ratio) are now at their long-term average.
- ✓ We expect this short term volatility to continue for another month or so.
- ✓ Valuations of IG and HY corporate bonds in the Eurozone are being offset by a continued expansionary monetary policy and improving fundamentals. This trend should continue.
- ✓ Credit risk premium on US corporate bonds are near to their historical average showing moderate overvaluation

Geographical Allocation[^]



Investment Information

Inception Date:	April 2014
Underlying Instrument:	Unit Trusts/ Mutual Funds
Base Currency:	SGD

Investment Amount

Recommended Initial Investment:	SGD 20,000
Closure:	No minimum time commitment
Fees:	Applicable fees apply

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