

# Unit Trust Model Portfolio

Conservative Portfolio

April 2015

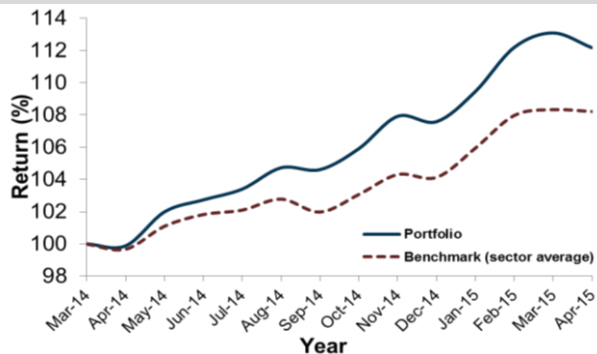
By Phillip Securities Research (Singapore)

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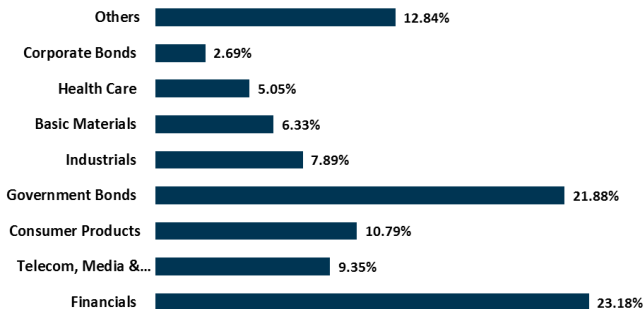
## Investment Objective

The Conservative Model Portfolio is design with a primary objective of assuring the safety of the principal by minimizing the downside risk but at the same time achieving long-term capital appreciation of the portfolio as well, 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<sup>^</sup>



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

<sup>^</sup> Source: FE Holdings and PSR. Sector and Geographical allocations are as at 30 Apr 2015 and are subject to change without notice.

## Performance Overview

Return since inception	12.17%
Return (1 Year)	12.31%
Sharpe Ratio (1 year annualized)	3.35
Volatility (1 year annualized)	3.53%

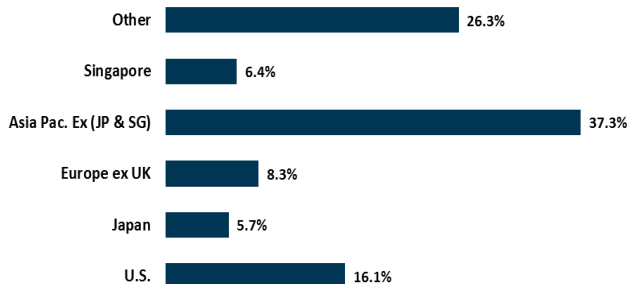
## Portfolio Holdings

✓ UOB United SGD	25%
✓ Templeton Total Return (USD)	25%
✓ UOB United Emerging Markets Bond	10%
✓ Fidelity America	10%
✓ Templeton European	5%
✓ First State Dividend Advantage	15%
✓ Lion Global Japan Growth (hedged)	5%
✓ First State Regional China	5%

## Portfolio Commentary

- ✓ The Portfolio returned -0.81% for the month of April.
- ✓ Global growth remained positive, but with geographical imbalances. The decline in oil prices and monetary stimulus are providing healthy support.
- ✓ U.S. economy is expected a strong upturn in the second quarter after a bumpy start. Strong dollar continues to put pressure on the corporate earnings.
- ✓ Fed remains cautious in raising its key interest rates. However, the bond markets continue to price in a less "hawk-like" scenario.
- ✓ Europe economic recovery remains tepid, supported by a budgetary policy that should be less restrictive than in recent years. The Grexit fear is getting stronger as time elapses with no real deal in sight.
- ✓ Depreciation in Yen and the support from BOJ and pension funds are pushing equity market higher. Japan saw a trade surplus after almost 3 years due to low oil prices, but the economic recovery in remains sluggish and might require further stimulus.
- ✓ China economic growth is slowing and the official growth target for 2015 has been lowered to 7%. PBC surprised markets with both rate cuts and a reduction in the reserve requirement ratio, and more cuts are likely in the months ahead.
- ✓ Structurally, the positive environment for hard currency bonds from the emerging markets remains intact with better long-term growth prospects and robust public finances.

## Geographical Allocation<sup>^</sup>



## 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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