Unit Trust Model Portfolio

Conservative Portfolio

Performance Data and Analytics to 30 September 2016

By Phillip Securities Research (Singapore)

PhillipCapital
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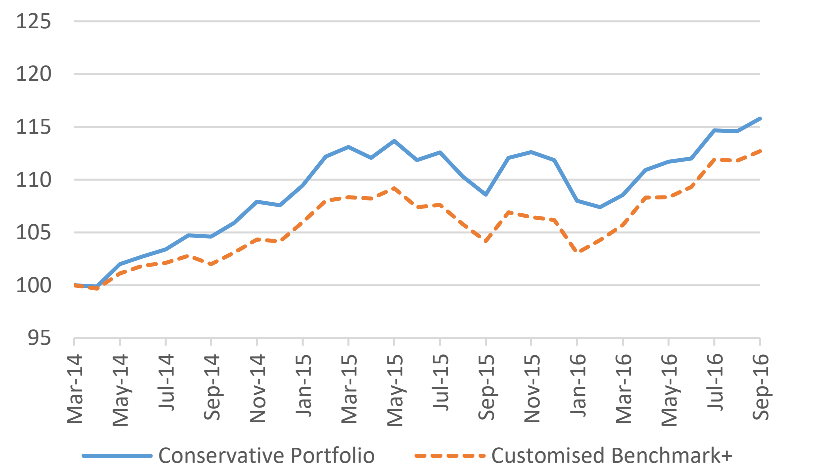
Investment Objective

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.

Performance Chart (Index=100 at end of March 2014)



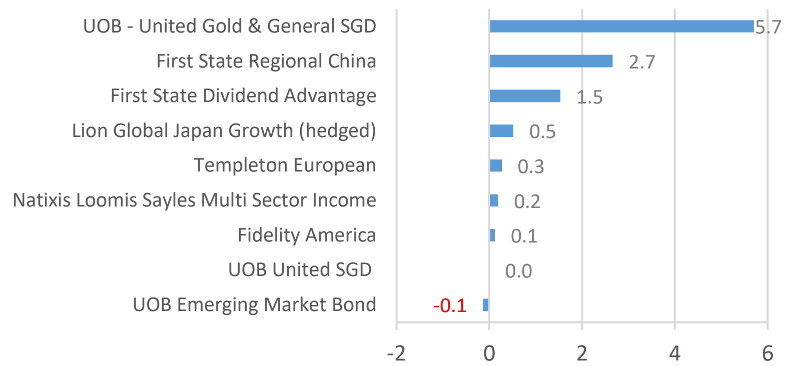
Performance (%)

	1 mth	3 mths	YTD	1 yr	S.I. (annualised)
Conservative Portfolio	1.06	3.37	3.51	6.64	5.84
Benchmark+	0.8	3.11	6.12	8.16	4.73

Source: Fe Holdings, PSR. The above performance figures are net of all fees but include the reinvestment of dividends.

+Customised Benchmark is 25% UOB SGS Short, 25% Barclays Global Aggregate, 10% JPM EMBI Global Div Index, 4% CSI China Securities 300, 5% FTSE Gold Mines, 7% MSCI AC Asia Pacific ex Japan, 9% MSCI AC Europe, 6% Nikkei 225, 9% S&P 500 as at 31 Jan 2016

1 Month Performance of Underlying Fund (%)



Portfolio Commentaries

The portfolio returned **1.1%** for the month as gold returned as a key alpha driver.

As expected, Fed Reserve kept interest rate unchanged. ECB didn't extend the dateline for their QE, which will end in March 2017, leading to some disappointment.

BOJ shocked the markets by coming up with unconventional monetary policies such as yield curve control and removing their restriction on the tenor of bonds they can purchase.

Rates reacted according with yields of U.S. Treasuries increasing and yields of German Bund & JGB decreasing across all tenors.

With a higher allocation to bonds, the portfolio was more sensitive to the yield changes.

The emerging market bond fund return negatively in the rising rate environment of September.

Portfolio Changes

There is **no change** in the portfolio for the month of September.

Risk Matrix over 1 Year (%)

	Fund	Benchmark
Sharpe Ratio#	0.87	1.43
Volatility	6.05	5.48
Max Drawdown	-4.63	-2.98

 # Risk-free rate @ 1.5%

Inception Date:	March 2014
Underlying Instrument:	Unit Trust/ Mutual Funds
Base Currency:	SGD
Recommended initial Investment:	SGD 30,000
Recommended Investment Horizon:	5 to 7 years
Fees:	Underlying fund management fee & sale charges or trailer fee for WRAP account

www.poems.com.sg/unittrust

Portfolio Allocation Overleaf

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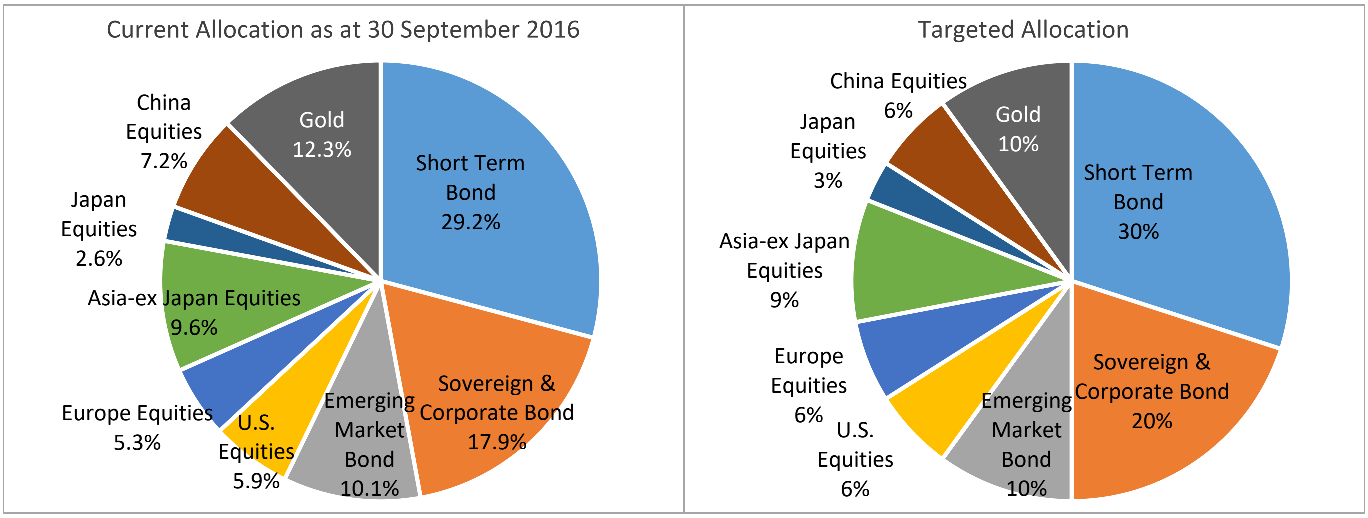
Conservative Portfolio Allocation



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