

All data as at 31 December 2011 unless otherwise stated

**Investment Objective**

The investment objective of the PRU Dragon Peacock 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).

**Fund Details**

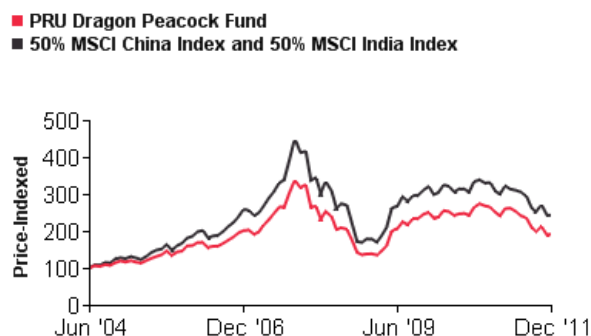
Launch Date	18 May 2004	Sub-Manager	Prudential Asset Management (Hong Kong) Limited (China Portfolio Only)
Initial Sales Charge	Max 3%	Benchmark	50% MSCI China Index and 50% MSCI India Index
Min. Initial Investment	SGD 1,000 <sup>+</sup>	Subscription Method	CPFIS-OA
Min. Subsequent Investment	SGD 100	Fund Size	SGD 884.3 M
Annual Management Fee	1.5%	Fund Currency	SGD
Manager	Prudential Asset Management (Singapore) Limited	CPFIS Risk Classification	Higher Risk - Narrowly Focused (Country - Others)

**Performance**

Period	1 month	3 months	1 year	3 years *	5 years *	Since Inception *
Offer-Bid	-2.4%	-6.6%	-30.1%	10.4%	-2.0%	8.2%
Bid-Bid	0.6%	-3.7%	-27.9%	11.5%	-1.0%	8.9%
Benchmark	-0.6%	-3.8%	-26.9%	10.7%	-1.3%	12.4%

Source: Prudential Asset Management (Singapore) Limited and Bloomberg. S\$; net income reinvested; \*Annualised; Refer to footnote\*\*.

**Performance Chart**



Source: Prudential Asset Management (Singapore) Limited and Bloomberg. S\$; bid-to-bid; net income reinvested. Inception date: 18 Jun 04

<sup>+</sup> Subject to distributor's terms and conditions.

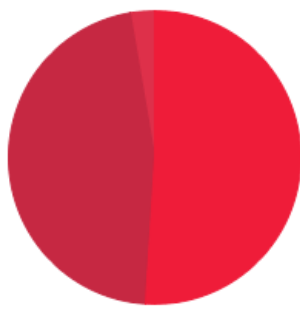
\*\* Offer-bid includes 3% Initial Sales Charge w.e.f. 01 Jul 07 and 5% Initial Sales Charge prior to 01 Jul 07.

Effective 14 February 2012, PRU Dragon Peacock Fund shall be renamed as "Eastspring Investments Unit Trust – Dragon Peacock Fund". On or around 14 February 2012, Prudential Asset Management (Singapore) Limited shall be renamed as "Eastspring Investments (Singapore) Limited".

**Top 10 holdings**

BANK OF CHINA LTD SHS H ORD CNY1	6.4%
INFOSYS LTD ORD INR5 (DMT)	6.1%
CHINA UNICOM (HONG KONG) ORD HKD0.1	5.4%
INDUSTRIAL AND COMMERCIAL BANK OF CHINA H SHS ORD CNY1	4.8%
RELIANCE INDUSTRIES LTD ORD INR10 (DMT)	4.2%
CNOOC LTD ORD HKD0.02	3.9%
CHINA PETROLEUM & CHEMICAL CORP H SHR ORD HKD1	3.8%
DR REDDY'S LABORATORIES LTD ORD INR5 (DMT)	3.7%
ICICI BANK LTD ORD INR10 (DEMAT)	3.3%
CHINA MOBILE LTD ORD HKD0.1	2.9%

## Country



- China Related 51.0%
- India Related 46.3%
- Others 2.7%

## Sector



- Financials 31.2%
- Energy 16.1%
- Telecommunication Services 10.2%
- Information Technology 10.2%
- Consumer Discretionary 7.7%
- Materials 7.2%
- Consumer Staples 4.3%
- Health Care 3.7%
- Industrials 3.5%
- Others 5.9%

## Market Overview

China's stocks rose in December helped by the central bank's announcement on November 30 of a cut in banks' reserve-ratio requirement, the first since 2008. China's economic indicators released in December continued to soften month-on-month, but remained solid overall. The Indian stock market, on the other hand, struggled in December as investors grew more risk averse on the back of disappointing macroeconomic data and the weakening Indian Rupee. As inflation has moderated, the Reserve Bank of India (RBI) left its interest rates unchanged in December for the first time in eight meetings. The RBI also struck a dovish tone in its last credit policy review announcement indicating that "from this point on, monetary policy actions are likely to reverse the cycle, responding to the risks to growth."

Two of the Fund's larger holdings in banking stocks, Bank of China Ltd and Industrial & Commercial Bank of China, closed higher and were among the key contributors for December. The Fund's underweight exposure to Indian industrial companies, including Larsen & Toubro Ltd, bolstered its performance. The challenges in the macro environment and the high domestic interest rate conditions have led the market to lower the earnings expectation of these companies. China Unicom (Hong Kong) Ltd also contributed positively to performance. Its new subscriber addition for November continued to be strong, looking poised to ride on future growth in mobile data. Key detractors were Mahindra & Mahindra Financial Services Ltd (MMFS) and Huabao International Holdings Ltd. MMFS drifted lower on the back of growing concerns of credit slowdown and rising non-performing loans in the system. Huabao closed lower owing to the lack of fresh leads. The fund manager remains positive on the stock, as it continues to offer value and trades at undemanding valuation.

## Important Information

**Investors should note that the net asset value of this Fund is likely to have a high volatility due to its investment policies or portfolio management techniques.**

**The Fund may use derivative instruments for efficient portfolio management and hedging purposes.**

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A prospectus in relation to the Fund is available and a copy of the prospectus may be obtained from PAMS and its distribution partners. Investors should read the prospectus before investing in units of the Fund. All application for units in the Fund must be made on the manner described in the prospectus. The value of units in the Fund and the income accruing to the units, if any, may fall or rise. Past performance of the Fund/manager is not necessarily indicative of the future performance. 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. Investors may wish to seek advice from a financial adviser before making a commitment to invest in units of the Fund. Whilst PAMS has taken all reasonable care to ensure that the information contained in this document is not untrue or misleading at the time of publication, PAMS cannot guarantee its accuracy or completeness. Any opinion or estimate contained in this document is subject to change without notice. PAMS is an ultimately wholly-owned subsidiary of Prudential plc of the United Kingdom. PAMS 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.

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