

PRU Income X

January 2010

All data as at 31 December 2009 unless otherwise stated

Investment Objective

The investment objective of the PRU Income X is to seek to provide investors with (i) regular income payouts; (ii) capital growth; and (iii) optimum risk-adjusted total return, by investing in cash, cash-equivalent, high quality bonds and other fixed income securities rated BBB and above and entering into derivative transactions linking to indices which employ pre-defined multi-currency interest rate arbitrage strategies.

Fund Details

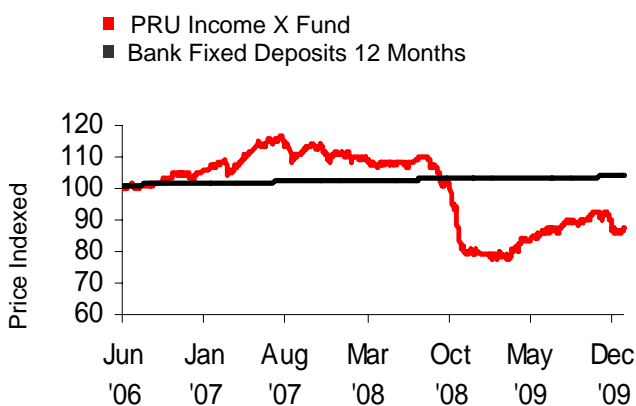
Launch Date	25 April 2006	Fund Manager	Prudential Asset Management (Singapore) Limited
Initial Sales Charge	5%	Benchmark	12-month Singapore Dollar Fixed Deposit (can be accessed from the MAS website)
Min Initial Investment	SGD 1,000 ⁺	Subscription Method	Cash, SRS Account
Min Subsequent Investment	SGD 100	Fund Size	SGD 164.5 M
Annual Management Fee	1.5%	Fund Currency	SGD

Performance

Period	1 month	3 months	6 months	1 year	3 years*	Since Inception*
Offer-Bid	-3.2%	-3.8%	-0.8%	10.5%	-6.2%	-3.8%
Bid-Bid	1.9%	1.2%	4.4%	16.2%	-4.6%	-2.4%
Benchmark	0.0%	0.1%	0.3%	0.6%	0.7%	0.8%

Source: Prudential Asset Management (Singapore) Limited. S\$; net income reinvested; Offer-bid includes 5% Initial Sales Charge. Benchmark values are rounded off to 1 decimal place. *Annualised

Performance Chart



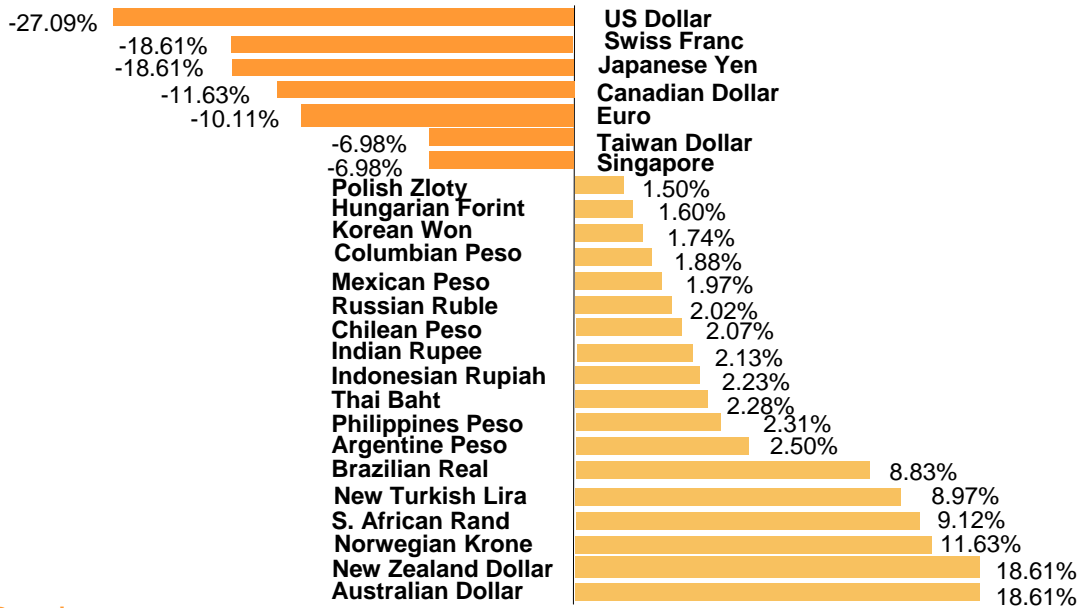
Source: Prudential Asset Management (Singapore) Limited. S\$; bid-to-bid; net income reinvested. Inception Date : 1 Jun 06

Top 10 Holdings

SINGAPORE TREASURY BILL SER 91 04/02/2010	12.2%
CMT MTN PTE LTD MTN (BR) 3.25% 01/04/2010	7.3%
HK LAND TREASURY SG (BR) 3.01% 04/10/2010	6.1%
BNP PARIBAS EMTN (BR) 4.88% 22/03/2010	6.1%
ANZ NATIONAL (INTL) LTD EMTN (BR) 3.22% 08/07/2010	6.1%
CCT MTN PTE LTD SER MTN 3.05% 17/03/2010	6.1%
BNZ INTERNATIONAL FUNDING LTD GMTN (BR) 3.24% 28/07/2010	4.9%
NATIONAL AGRICULTURAL CO GMTN 3.3% 18/08/2010	3.8%
CCT MTN PTE LTD SER MTN 3.85% 20/08/2010	3.1%
SHINHAN BANK EMTN (BR) 3.78% 17/06/2010	3.1%

* Subject to distributor's terms and conditions.

Currency exposure – net short & long position



Market Overview

The Fund returned 1.9% (bid-to-bid basis) in December, outperformed its benchmark by 1.8%. The impressive rally in commodities, oil, equities and carry trade seen for most of 2009 continued. The most important development was the reversal in the dollar's downward momentum against most of the G10 currencies.

UBS V10 Index remained long on the high yielding currencies and short on the low yielding ones. The index rose, mainly due to positive contribution of the short positions in Yen, Swiss Franc and the Swedish Krona, which depreciated. Long positions in NZD, has contributed positively to the index performance. DB's Balanced Harvest Index rose. The index was made up of long positions in TRY, BRL, NZD, ZAR and AUD against short positions in TWD, CAD, USD, CHF and JPY. Barclays GEMS Risk Adjusted USD Index fell, while Barclays GEMS Risk Adjusted EUR Index gained due to a weakening EUR. In G10, the dollar largely appreciated. Losses in the low yielding JPY and CHF outweighed the losses in the high yielding AUD, resulting in positive return for G10 carry. In EM FX, carry registered positive returns as the gains in the high yielding currencies more than offset the appreciation of the low yielding currencies. On the high yielding side, TRY was the best performer with a 3.3%¹ gain, followed by BRL with 1.3%¹ gain. On the low-yielding side, TWD closed the month up by 0.6%¹. The Fund maintained the same allocation, which consists of 4 indices (DB Currency Harvest Balanced Index, UBS V10 Index and Barclays GEMS Euro & USD Risk Adjusted Index). The next rollover falls in January 2010.

¹Source: Deutsche Bank, Global Market Research, as at 11 Jan 10

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. 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. Income earned by the Fund is dependent on currency movements and interest rate differentials of the currencies to which the Fund has exposure to. The strategies followed by the Fund, may result in foreign exchange profits & losses, both of which will be reflected in the net asset value of the Fund. Investments in unit trusts are not deposits or other obligations of, or guaranteed or insured by Prudential Asset Management (Singapore) Limited ("PAMS") (Company Reg No. 199407631H) 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. Distribution payout shall, at the sole discretion of PAMS, be made out of either (a) income; or (b) net capital gains; or (c) capital of the Fund or a combination of (a) and/or (b) and/or (c). There is no guarantee that any distribution will be made or that the frequency and amount of distributions as set out in the prospectus will be met. When distributions are declared and paid out (including out of capital) with respect to the Fund, the net assets attributable to the relevant Class of Units will stand reduced by an amount equivalent to the product of the number of Units outstanding and distribution amount declared per Unit. Payout is computed based on S\$1.00 initial issue price. The value of units and the income accruing therefrom, if any, in the Fund, may fall or rise. The name of the Fund, PRU Income X is a non-specialised collective investment scheme as defined in the Code of Collective Investment Schemes. 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. PAMS and its related affiliated corporations together with their respective directors and officers may have or may take positions in the securities mentioned in this documentation and may also perform or seek to perform broking and other investment services for the corporations whose securities are mentioned in this documentation as well as other parties. 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. As at end December 2009, the Investment Manager had approximately S\$ 59.3 billion of assets under management, of which approximately S\$ 45.9 billion are discretionary funds managed in Singapore.