

# PRU Income X

February 2010

All data as at 31 January 2010 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

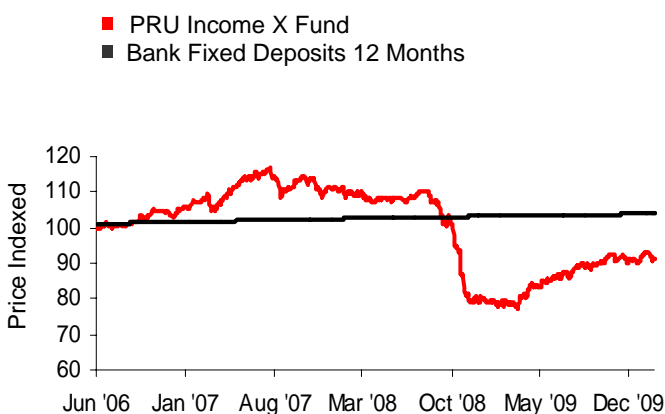
Launch Date	25 April 2006	Fund Manager	Prudential Asset Management (Singapore) Limited
Initial Sales Charge	5%	Benchmark	12-month Singapore Dollar Fixed Deposit (can be accessed from the MAS website)
Min. Initial Investment	SGD 1,000 <sup>+</sup>	Subscription Method	Cash, SRS Account
Min. Subsequent Investment	SGD 100	Fund Size	SGD 162.4 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	-5.4%	-4.8%	-2.5%	10.8%	-6.8%	-3.8%
Bid-Bid	-0.4%	0.1%	2.6%	16.6%	-5.2%	-2.5%
Benchmark	0.0%	0.1%	0.3%	0.6%	0.7%	0.7%

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



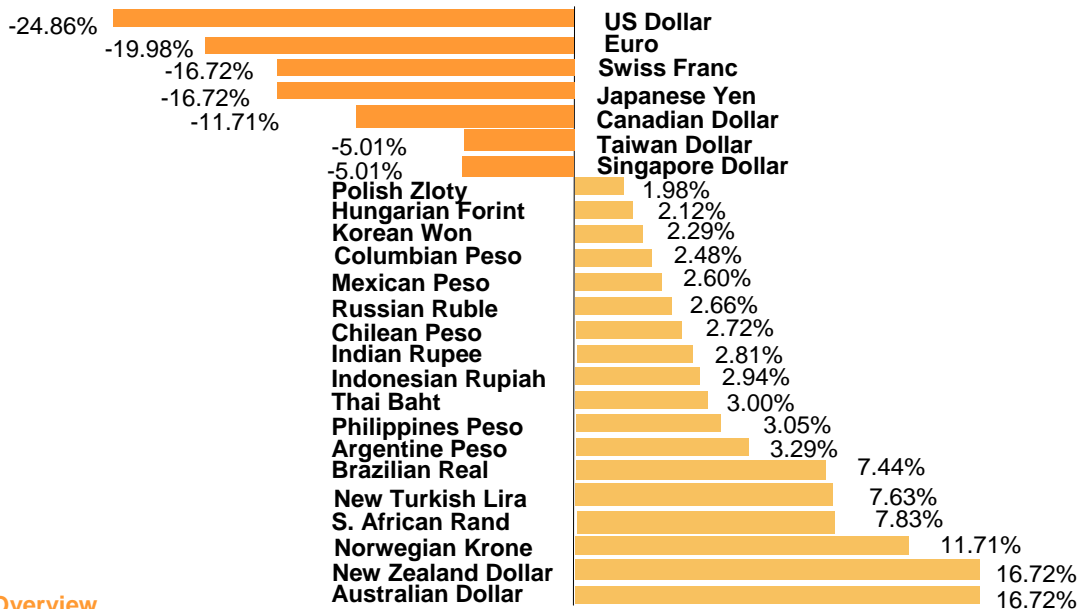
Source: Prudential Asset Management (Singapore) Limited. S\$; bid-to-bid; net income reinvested. Inception Date : 1 Jun 06

## Top 10 Holdings

SINGAPORE TREASURY BILL SER 91 04/02/2010	12.3%
CMT MTN PTE LTD MTN (BR) 3.25% 01/04/2010	7.4%
HK LAND TREASURY SG (BR) 3.01% 04/10/2010	6.2%
BNP PARIBAS EMTN (BR) 4.88% 22/03/2010	6.2%
ANZ NATIONAL (INTL) LTD EMTN (BR) 3.22% 08/07/2010	6.2%
CCT MTN PTE LTD SER MTN 3.05% 17/03/2010	6.2%
BNZ INTERNATIONAL FUNDING LTD GMTN (BR) 3.24% 28/07/2010	5.0%
NATIONAL AGRICULTURAL CO GMTN 3.3% 18/08/2010	3.9%
CCT MTN PTE LTD SER MTN 3.85% 20/08/2010	3.1%
SHINHAN BANK EMTN (BR) 3.78% 17/06/2010	3.1%

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

## Currency exposure – net short & long position



## Market Overview

The Fund declined 0.4% (bid-to-bid basis) in January, underperforming its benchmark by 0.4% as the USD extended its gains against EM currencies. This partially reflects stronger US economic indicators, but the key driver was a decline in appetite for risk. The global cyclical rebound prompted monetary tightening in some countries in an early move to withdraw liquidity from the global financial system.

UBS V10 Index remained long on the high yielding currencies and short on the low yielding ones. The index declined slightly, mainly due to negative contribution of the long positions in Aussie, Kiwi and Norwegian Krona, which depreciated. Short position in Yen also contributed as it appreciated. Short positions in Swiss Franc and Swedish Krona, which depreciated contributed positively to the index. DB's Balanced Harvest Index fell. The index consisted 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 had its second monthly loss, while Barclays GEMS Risk Adjusted EUR Index posted another monthly gain due to a weakening EUR. The impact of the USD bounce was divergent across emerging markets but in Asia the extent of local currency weakening has generally been more modest with some currencies, such as the Indian rupee (INR), still holding on to net gains for 2010. 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 February 2010.

## 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.