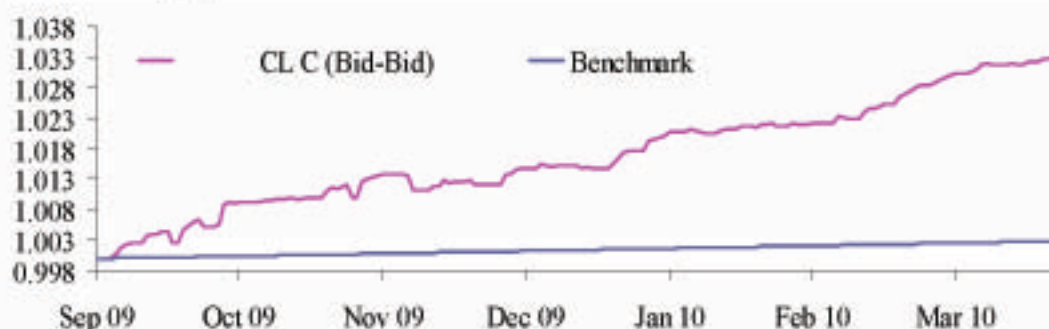


Investment Objective

The investment objective of this fund is to achieve medium-term capital appreciation for investors. The investments of this fund will be broadly diversified with no specific industry or sectoral emphasis.

Investment Focus & Approach

FSTIR is primarily focused on fixed income securities and money market instruments. The fund may invest in futures and derivatives for hedging purposes. The maturity limit of underlying securities is 5 years and all foreign currency denominated bonds are fully hedged back to SGD except for a 1% frictional currency limit.

Performance (%) ⁽¹⁾

	1 mth	3 mths	6 mths	1 yr	3 yrs*	Ann. Return**
CL C (Bid-Bid)	0.78	1.88	3.29	-	-	3.48
CL C (Bid-Bid, adjusted)	-2.18	-1.17	0.10	-	-	0.29
Benchmark ⁽²⁾	0.05	0.14	0.28	-	-	0.31

* Returns of more than 1 year are annualised

Ref: CLC/Mar2010

** Since inception

⁽¹⁾Returns are calculated in SGD with net dividends and distributions (if any) reinvested. Bid-Bid, adjusted returns include an assumed preliminary charge of 3% which may or may not be charged to investors.

⁽²⁾Benchmark: 3-month SIBID. With effect from 1 Oct 2009, the methodology for computing the benchmark return has been changed. Prior to 1 Oct 2009, the index level of the benchmark return was truncated to the same number of decimal points as the NAV price of the fund. Following an internal review and to be consistent with industry practice, the fund no longer truncates the index level of benchmark return. As the impact to the benchmark return from this change is not material, the historical benchmark returns have not been revised. From 1st October 2009, the daily benchmark returns will be geometrically linked for any rolling period's return computation.

Source: Fund Management Co. Ltd and Bloomberg.

Market Review

The portfolio returned 0.78% in March, outperforming the three-month SIBID benchmark (+0.73%). US treasuries sold off during the month with five-year yields up by 24bps as economic data were generally firmer than expected. Consumer spending remained resilient, with retail sales (excluding autos) increasing by 0.8% in February compared to an increase of 0.6% in January. The housing market also showed signs of stabilisation as new home sales are declining at a slower pace.

In Singapore, the economic environment is showing strong signs of a rebound from the 2009 recession. Non-oil domestic exports surged by 23%yoy in February, compared to the consensus forecast of 18%; while retail sales rose 2.3% in January, higher than the market's estimate of an increase of 0.5%.

Fund Size

S\$341.41 million

Class C Fund Details:**Inception Date**

25 Sep 2009

Management Fee

0.5% p.a.

Price @ 31 Mar 10

S\$1.03303

Minimum Initial /Subsequent Investment
None (effective 1 Apr 10)

Dealing Day

Daily, up to 5pm (Singapore time)

Preliminary Charge

Up to 3%

Bloomberg Code

SP

ISIN Code

SG

For enquiries, please contact:

Fund Management
Co. Ltd
Reg. No. : 2003

Tower

Singapore 2.
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Email: info@

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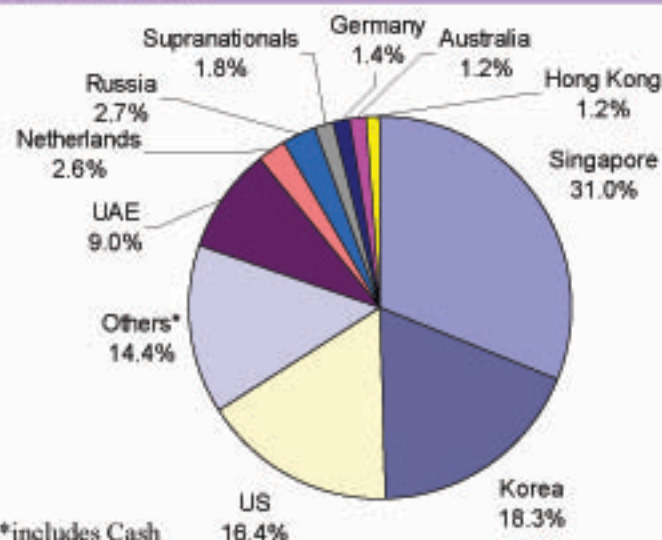
www.fundmanagement.com.sg

Investment Strategy

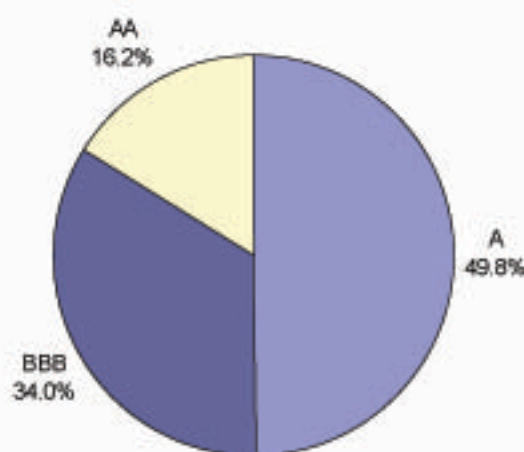
With the global economy apparently on the mend, central banks around the world may be starting to tighten monetary policy to curb inflationary pressures. The current low interest rate environment may be unsustainable, given the pace of global economic recovery. Having said that, we are also mindful that several challenges in the US banking sector remain and the US Federal Reserve may be inclined to keep interest rates low until there is a sustainable rebound in the US banking sector's earnings. Hence, on duration, we will trade around the range.

On corporate credits, we will continue to focus on companies offering attractive yields and good relative value.

Market Exposure



Credit Rating



Top 5 Holdings

1. Capitamall Trust 1% Jul 2013	5.0%
2. Citigroup Inc. 4.98% Jun 2013	3.8%
3. General Electric Capital Corp 3.485% Mar 2012	3.3%
4. Kookmin Bank 7.25% May 2014	2.8%
5. Kazmunaigaz Finance Sub. 8.375% Jul 2013	2.3%

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