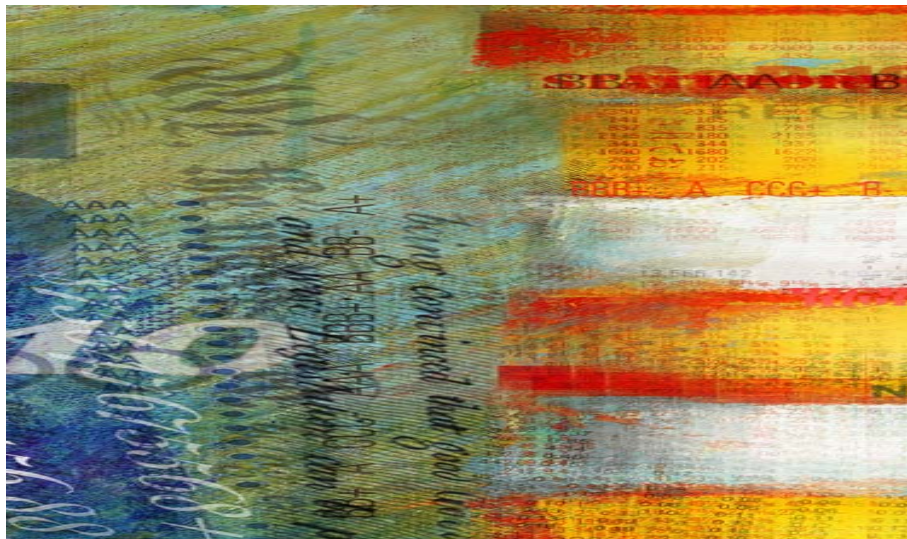


# 3RD QUARTER 2003 PERFORMANCE AND RISK MONITORING REPORT

*For CPFIS-Included Unit Trusts & Investment-Linked Insurance Products*



November 07, 2003  
**Standard & Poor's Fund Services Asia**

**STANDARD**  
**& POOR'S**  
*Fund Services*

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Standard & Poor's Fund Services Asia has been appointed by the Funds Performance Tracking Committee (FPTC), delegatee of the Central Provident Board (CPF) Board, to monitor the performance of all unit trusts and investment-linked insurance products included under the CPF Investment Scheme (CPFIS). This report documents the findings of Standard & Poor's Fund Services for the period ending September 30, 2003 (Q3 2003).

## **UPDATES ON CPFIS-INCLUDED FUNDS**

The number of funds included under the CPFIS has again increased over the past quarter. Below are some summary statistics:

- **Total Number of CPFIS-Included Funds:** As at September 30, 2003, there are altogether 224 unit trusts and 169 investment-linked insurance products (ILPs) included under the CPF Investment Scheme.
- **New Products:** 3 new Unit Trusts and 5 new ILPs have been added to the CPFIS in Q3.
- **De-listed Products:** 13 Unit Trusts and 3 ILPs were de-listed from the CPFIS in Q3.
- **Management Group Updates:**  
SGY Asset Management (Singapore) Ltd has changed its name to SG Asset Management (Singapore) Ltd effective July 1, 2003. The name change is to ensure consistency of SG Asset Management's global brand and has no impact on the organization or management and shareholding structure of SG Asset Management (Singapore).

## MARKET REVIEW BY STANDARD & POOR'S

### 1. Equities

#### *Around the World*

Global equity markets rose further in the third quarter, albeit at a slower pace after the relatively strong rebound in the second quarter. Growing optimism that economic growth would accelerate in the US fueled the rise in equity markets. Share prices of technology issues rallied further on expectations that a brighter economic outlook would boost technology spending. The S&P 500 was up 2.2% in the third quarter while the Dow Jones Industrial was up 3.2% and London's FTSE was up 1.5%. After a spectacular 32.9% rally in the second quarter, the Frankfurt DAX rose at a more moderate pace of 1.1% in the third quarter.

#### *In Asia*

Asian markets had another quarter of solid gains. Major Asian bourses hit levels not reached in over a year, partially due to hopes that stronger US growth would spur demand for the export-oriented Asian economies. Hong Kong was the top performer among the North Asian equity markets. The Hang Seng rose by 17.3% with sentiment boosted by the establishment of closer trade ties with Mainland China and signs that the economy has bottomed. Japan's Topix rose 12.8% in the same period, benefiting from the inflow of foreign funds and improving domestic economic data while technology issues drove Taiwan's TSE up 15.2%. Korea's KOSPI, which had rebounded strongly by 25.1% in the second quarter, rose a modest 4.1% in the third quarter.

China bucked the trend with Shanghai A and Shanghai B recording losses of 7.9% and 11.7% respectively. This is the second consecutive quarter of losses for the China exchanges, wiping out gains made in the first quarter.

In South Asia, Thailand's SET and Indonesia's JCI were the biggest winners in the third quarter rising 25.4% and 18.2% respectively. Foreign institutional interest in the Thai market remained high as the economic and corporate earnings outlook continued to improve. Meanwhile, increased economic stability and lower interest rates attracted renewed interest in Indonesian equities. In keeping with the rest of the region, Singapore's STI rose 12.6%. In contrast, Philippines' Composite, Malaysia's KLCI and Australia's S&P/ASX200 lagged with gains of only 6.1%, 6.0% and 4.7% respectively.

	<i>June 30, 2003</i>	<i>Sept 30, 2003</i>	<i>Chg</i>
DJIA	8,985.44	9,275.06	3.2%
S&P 500	974.50	995.97	2.2%
FTSE 100	4,031.20	4,091.30	1.5%
DAX	3,220.58	3,256.78	1.1%
Topix	903.44	1,018.80	12.8%
Hang Seng	9,577.12	11,229.87	17.3%
S&P/ASX 200	3,025.80	3,169.50	4.7%
Shanghai A	1,555.91	1,432.36	-7.9%
Shanghai B	112.30	99.12	-11.7%
Twn Stk Exchg	4,872.15	5,611.41	15.2%
KOSPI	669.93	697.52	4.1%
STI	1,447.89	1,630.80	12.6%
SET	461.82	578.98	25.4%
KLCI	691.96	733.45	6.0%
Jkt Comp	505.50	597.65	18.2%
Philip Comp	1,222.80	1,297.42	6.1%

*For more research and analysis on Asian equity markets, please refer to Standard & Poor's Asian Equity Research's website at [www.ams.standardandpoors.com](http://www.ams.standardandpoors.com).*

## 2. Bonds

### *Around the World*

The tone for global fixed income markets was more bearish in the third quarter of 2003, as economic data from the US, Japan, Europe and various Asian countries came in better than expected, prompting a surge in global equities markets. Bond yields had, in response, risen steadily through July and August on the overall upbeat economic data from retail sales to industrial production until US August payrolls data was released on Sep 5, causing bond prices to surge on surprise decline, prompting many to assume that FOMC would hold rates down for some time longer. Prior to Aug 12 FOMC meeting, there had been speculation that the FOMC would not continue its low interest rate 'for a considerable time' as it had stated at its June 24 meeting; however, the FOMC maintained its rate at 1% with a bias still towards easing, which was also continued at the Sep 16 meeting.

US bonds were also weighed down by the prospects of a ballooning budget deficit to \$480 bln for the next fiscal year -- a record amount. Costs to rebuild Iraq, with an \$87 bln-funding request pending, also dented sentiment. US Treasury 10yr bonds ended at 3.94% after having risen 43bps and touched a high of 4.62% on Sep 2. 5yr US Treasury bonds ended at 2.83%, up 42bps. The 30yr began the quarter at 4.54%, rising to a high of 5.44% in August before retracing back to end at 4.89%.

JP Morgan Global Government Bond Index, made up of G7 and 7 other European countries rose just 1.8% in the third quarter. Beating it once again was the Emerging Markets Global Bond Index (EMGBI), up 2.3% in the 3rd quarter, representing a less than stellar follow-up to the 10.1% performance in the 2nd quarter. But year-to-date, emerging markets are still up, as improving global economic conditions persuaded investors to move into higher-yielding sovereign and corporate debt. The EMGBI is up +20% year-to-date, as Brazil, which makes up 21% of the index, continues to make progress in structural reforms including the reduction of future government pension obligations and the achievement of fiscal targets agreed to with the IMF. This demand for higher yield in return for holding higher risk bonds saw emerging markets experience a rush of corporate issuance, with \$7.7 bln sold, as compared to \$462 mln a year ago.

In Europe, the ECB remained at 2% in effort to aid EU economies' growth, several trying to pull out of a technical recession incurred in first half of year. The stronger Euro, which ebbed in August only to surge higher in Sept versus the USD, brought on concerns that the export-led recovery could be short-lived, prompting bond prices to rise. French 10yr OATS ended the quarter at 4.05%, up 20bps after hitting a high on Sep 3 of 4.38% on signs that economic growth was recovering. However, further data supporting this view has been sporadic, prompting rebound in bonds. German 10yr Bunds rose 20bps to 4% in Q3, having been as high as 4.38% on Sep 9. Europe's corporate bond market has expanded rapidly this year as demand for better yields than what was offered by sovereign bonds along with low absolute interest rates for corporates fostered both supply and demand.

## *In Asia*

There were several key regional ratings changes in the third quarter. Philippines had its ratings outlook cut to negative from stable by Moody's, the ratings agency citing concerns about heightened political uncertainty ahead of May 2004 presidential elections. Indonesia was upgraded the same day by Moody's to B2 from B3 on the country's improving external ratios and government finances. The former action caused only a knee-jerk reaction in Philippines USD-denominated bonds while the latter made little impact to the market as it had long been expected. Moody's also placed the A3 rating of Hong Kong and A3 rating of China on review for possible upgrade on Sep 22.

The Korean bond market made small gains after a volatile quarter. Boosting the market at the beginning of the quarter was the fact that the Bank of Korea cut its overnight rate on July 10 by 25 bps to a record low of 3.75% after the country slipped into a recession by recording two consecutive quarters of contraction. In spite of the possibility of further bond supply to fund supplementary budget required to finance the \$3 bln typhoon damage repairs, bonds managed to hold onto gains to the end of the quarter, supported by further signs that domestic consumption remained weak. 3yr Treasuries ended down 5bps at 4.16%.

The Singapore bond market mimicked the US Treasury market but added its own extremes. Having been in a recession earlier on in the year, a slew of strong data, ranging from retail sales to trade and a surprisingly steady unemployment rate all caused bonds to lose their luster as the equity market rose 12.6% in the quarter. The 5yr government bond ended the quarter at 2.50%, having risen from 1.41% or 109bps while the 10yr ended at 3.54%, up 126bps during the same time. The curve steepened severely to +239bps.

In Japan, the JGB market displayed quite a bit of volatility in the third quarter. The 10yr JGB yield surged to 1.40% on July 4, the highest yield in 14 months, taking its cue from higher US Treasury yields and expectations of an economic recovery in Japan. The Bank of Japan's quarterly corporate survey, called "Tankan," was released on July 1, and the result confirmed an improvement in business sentiment among Japanese companies.

However, the JGB market recovered for the remainder of the month and during early August when long-term domestic investors such as pension funds and life insurance companies began to regard the higher yields as a good opportunity to buy JGBs, as the yield had stayed below 1% for some time. The 10yr JGB yield declined to 0.88% in the first week of August on this investor demand.

The JGB yields resumed their climb in the middle of August, triggered by Japan's stronger-than-expected Apr-Jun GDP result, released on August 12. The real GDP amount increased +0.6% q/q, or +2.3% annualized, surpassing expectations. Following the data, Japanese stocks rallied. At the same time, yields on US Treasuries jumped, since expectation for a global economic recovery mounted. The 10yr JGB yield topped 1.0% again, and rose further as demand for newly issued 20yr JGBs on August 19 was weaker than expected.

The Bank of Japan tried to soothe the upward yield pressures, especially on the front-end of the curve, before Japan's fiscal half-year-end in September. In the last week of August, the Bank of Japan conducted bill-buying operations for a period of longer than eight

months. However, the impact on the JGB market was limited, since Japanese banks accelerated unwinding their JGB holdings to minimize further losses before the end of September. The 10yr JGB yield marked 1.675% by early September. After the position adjustments by Japanese banks ran their course, the market recovered some stability towards the end of September. Also, fresh inflow of domestic pension funds into the JGB market helped long-term yields to come down to around 1.40%.



### 3. Currency

#### *Around the World*

The G7 meeting of Finance Ministers and Central Bank Governors in Dubai on Sep 20 proved to be a key turning point for the currency market. The G7 called for more flexibility in exchange rates, with the statement aimed at Asian currencies, in particular Japan and China. USD-JPY finally broke below 115, with the BoJ absent from the market in the week following the statement. The pair has since traded as low as 108.28 on Oct 10, despite the BoJ's resuming intervention. However, policymakers appeared willing to tolerate a stronger JPY, with Economics Minister Takenaka noting that the speed of the move is the major concern. Policymakers clearly have one eye on the stock market, although the Nikkei has remained firm despite concerns that exporters will struggle with a stronger currency. Looking ahead, JPY strength appears sustainable. In addition to enjoying a current account surplus of \$13 bln per month, portfolio flows now increasingly favor Japan. Net equity inflows from foreign investors have averaged \$2.8 bln each week since April 14. Q2 GDP came in +3.9% Q/Q annualized, while the September Tankan survey saw the first positive reading for large manufacturers since December 2000.

President Bush and Japanese PM Koizumi met in Tokyo on Oct 17. They stuck to well-defined positions on exchange rates with Bush indicating that he believed in a strong dollar, but that currency values should be set by the markets. Koizumi maintained that rapid fluctuations in FX values could adversely affect the Japanese economy and the markets. Meanwhile, in Bangkok ahead of the APEC Leaders meeting, Chinese leader Hu Jintao ruled out any near-term revaluation of the Yuan. Despite the G7 statement, Asian countries have continued with the policy of currency intervention.

The dollar was already under pressure across the board ahead of the G7 statement following a string of data that came in below expectations, with the labor market particularly weak. The G7 statement was taken as reinforcement of the "soft dollar policy" of the Bush administration. Fears of higher oil prices following an output cut from OPEC and continued turmoil in Iraq added to the negative backdrop for the dollar. In this environment, the US current account and budget deficits have come back into focus. The upshot has been a stronger EUR, which has resumed its uptrend after falling to a 1.0762 low on Sep 3. Despite continued soft economic data out of Euroland, the single currency made a 1.1862 high on Oct 9, within a whisker of its 1.1935 all-time-high. However, more recently, stronger economic data and Q3 corporate earnings have provided counterarguments to the dollar's weakness. US equity markets have pushed to 16-month highs, while September non-farm payrolls came in +57K.

#### *In Asia*

Most Asian currencies posted strong gains in the third quarter of 2003, except the Philippines peso & Indonesian rupiah, following up on gains made in Q2 which began with President Bush's declaration that "major combat operations in Iraq have ended" on May 1 and the gradual removal of SARS affected countries from the WHO list. Sentiment improved considerably with these two developments and was given a further boost by the numerous

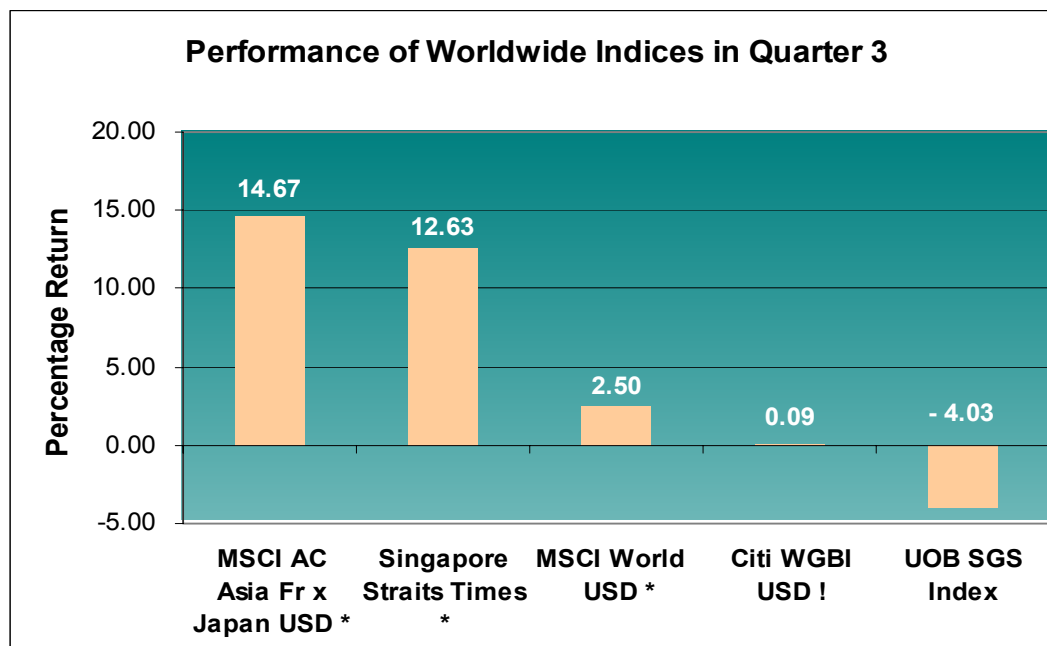
stimulus packages undertaken by several countries in the first half of 2003. For example, Thailand introduced a THB 3 bln fiscal package in May while lowering its benchmark 14-day repurchase rate by 50 bps to a record low of 1.25% in the same month. Malaysia undertook a RM 1.9 bln fiscal package in May 2003 while Bank Negara Malaysia lowered its 3-mth intervention rate by 50 bps to 4.5% in May. Similarly, Singapore came up with its own SGD 2.3 bln fiscal package in August 2003 with the Monetary Authority of Singapore re-centering its Singdollar nominal effective exchange rate policy band (S\$NEER) band lower in July – effectively a one-time de facto easing. Underlying the bullish sentiment was a strong pick-up in the global equity markets, especially in Asia, after having been in a slump for the past 12-18 months.

The Singapore dollar (SGD), which began the quarter at 1.7560, strengthened to 1.7320 against the greenback by the end of September. However, Singdollar gains would likely have been more if not for the MAS's move to adjust the S\$NEER to accommodate a weaker currency to mitigate the impact of the Iraqi war and SARS on the economy.

The Thai baht (THB) which started the quarter at 41.97, strengthened considerably to 40.11 by end-September on strong equity inflows and optimism that Thailand would emerge as one of the stronger economies as the recovery got underway. The Korean Won (KRW) also registered strong gains throughout the quarter, starting at 1194 versus the greenback before strengthening all the way to its close of 1148 end-September on the back of strong equity related inflows.

The Philippine peso (PHP), however, took the opposite path to its regional counterparts as it started the quarter at 53.64 but ended at 55.03 on the back of a host of negative domestic developments including a failed July mutiny involving 321 soldiers, rumors that Finance Secretary Camacho was on his way out, central bank governor Buenaventura's Urban bank saga, and the accusation of President Arroyo's husband misappropriation of campaign contributions, among others. The Indonesian rupiah (IDR) was also besieged by its own set of domestic problems in Q2 -- most notably being the bombing of the Marriot Hotel in Jakarta in August -- as it weakened from 8268 at the start of the quarter to 8435 by the end of September.

#### 4. Performance of World-wide Indices Based on SGD



The above indices represent the various major financial markets/sectors in the following manner:

- **Citi WGBI (Citigroup World Gov't. Bond Index) Index:** Global bonds
- **MSCI World Index:** Global equities
- **MSCI AC Asia Fr x Japan Index:** Asian ex-Japan equities
- **Singapore Strait Times Index:** Singapore equities
- **UOB SGS Index:** Singapore bonds

The minimum annual interest rates paid by the CPF Board with regards the various accounts are as follows:

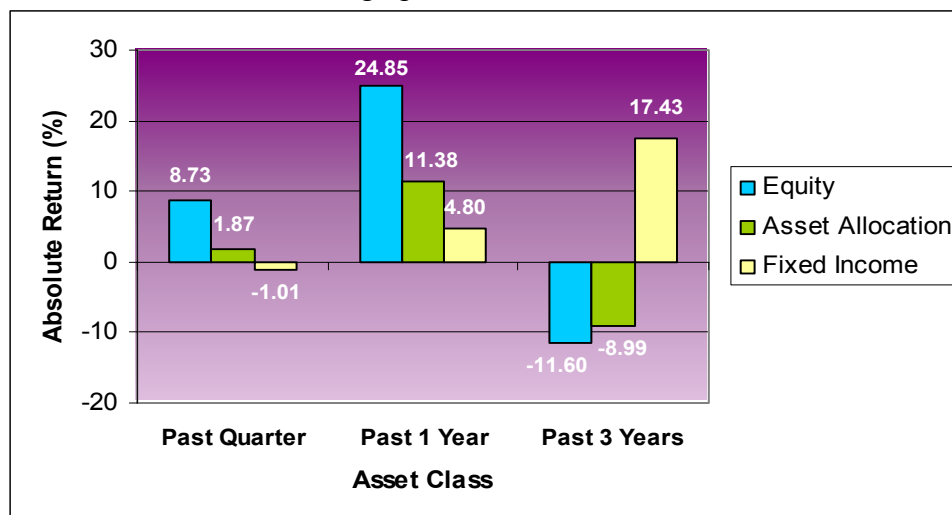
- **Ordinary:** 2.5%
- **Special:** 4.0%
- **Medisave:** 4.0%
- **Retirement:** 4.0%

Please note that the above interest rates are based on the 12-month fixed deposit and month-end savings rates of the major local banks and are revised quarterly. The interest is computed monthly, and is credited and compounded annually.

## SUMMARY OF ABSOLUTE PERFORMANCE

### 1. Average Absolute Performance

The average absolute returns of the various asset classes<sup>1</sup> of CPFIS-included unit trusts and ILPs are summarized in the graphs below.



#### Average Performance of CPFIS-Included Unit Trusts

Over the quarter ended September 30, the average performance of CPFIS-included unit trusts was 6.49%, with equity funds coming out as the best performer, their average return being 8.73.% over the period.

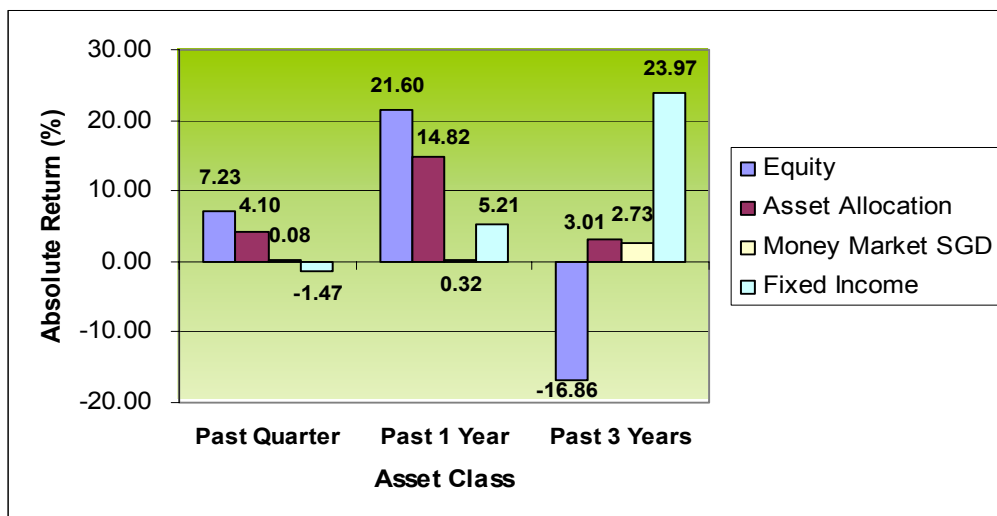
In the longer 1-year period, equity funds with an average return of 24.85% outperformed the two other asset classes again. Asset allocation funds and fixed income funds posted returns of 11.38% and 4.80% respectively, representing a substantial improvement from Q2. Average return for CPFIS-included unit trusts over the last 12 months up to September 30, 2003 is 20.74%.

With regards to the performance over the past 3 years, fixed income funds produced the highest average return, 17.43%. Average return generated by CPFIS-included unit trusts over this period is -8.38%.

<sup>1</sup> Definitions of the asset classes are as follows:

- **Money Market:** Funds investing solely in money market or cash instruments with duration ranging from overnight to 12 months. Investments will normally be held in bank deposits, short-term monetary investments (e.g. T. Bills and certificates of deposit).
- **Fixed Income:** Funds investing in excess of 70% in fixed interest securities (corporate, government, index-linked etc.).
- **Asset Allocation:** Funds with a portfolio principally invested in equity, fixed interest and money market securities but typically with no more than 60% in any one asset class.
- **Equity:** Funds investing in excess of 70% in equities or related instruments. Such funds may have an objective of capital and/or income growth; and may be passively (i.e. index tracking) or actively managed.

## Average Performance of CPFIS-Included ILPs



As for the performance of CPFIS-included ILPs, the average return in Q3 is 5.40%. Amongst all the 4 asset classes, equity funds have done the best, delivering on average 7.23% in return.

Over the last 12 months up to September 30, equity funds have outperformed the other categories with 21.60% in average return. Average returns for asset allocation, money market and fixed income funds in the same period are 14.82%, 0.32% and 5.21% respectively, with the overall return for CPFIS-included ILPs being, on average, a gain of 17.85%.

In the 3-year period ended September 30, the average returns of equity funds are in the negative region, being -16.86%. The performance of the fixed income sector, however, was encouraging over this timeframe with, on average, a return of 23.97%. Asset allocation and money market funds' average returns are also stable at 3.01% and 2.73% respectively. The overall performance of CPFIS-included ILPs is -7.94% over the past 3 years.

## 2. Overview of Average, Best & Worst Performance by Asset Class

The tables highlight the average return for each asset class as well as the returns achieved by the best and worst performer within each asset class. *(All data as of Sept 30, 2003)*

### CPFIS-Included Unit Trusts

Singapore Unit Trusts	Last Quarter Absolute Return (%)	# of Funds	Last Year Absolute Return (%)	# of Funds	Last 3 Years Absolute Return (%)	# of Funds
<b>Asset Allocation</b>						
Average Return	1.87	39	11.38	32	-8.99	17
Best Performer	16.81		29.91		8.85	
Worst Performer	-4.84		1.42		-22.75	
<b>Equity</b>						
Average Return	8.73	158	24.85	154	-11.60	101
Best Performer	37.30		91.13		183.87	
Worst Performer	-4.00		-4.90		-77.99	
<b>Fixed Income</b>						
Average Return	-1.01	23	4.80	21	17.43	13
Best Performer	0.47		11.21		30.17	
Worst Performer	-2.73		-1.23		7.19	

### CPFIS-Included ILPs

Singapore Insurance Linked	Last Quarter Absolute Return (%)	# of Funds	Last Year Absolute Return (%)	# of Funds	Last 3 Years Absolute Return (%)	# of Funds
<b>Asset Allocation</b>						
Average Return	4.10	50	14.82	44	3.01	11
Best Performer	16.71		29.59		12.97	
Worst Performer	-2.05		1.42		-8.78	
<b>Equity</b>						
Average Return	7.23	97	21.60	90	-16.86	35
Best Performer	22.41		66.67		33.29	
Worst Performer	-7.69		-0.98		-78.50	
<b>Money Market SGD</b>						
Average Return	0.08	3	0.32	3	2.73	3
Best Performer	0.18		1.07		5.24	
Worst Performer	-0.05		-0.28		0.35	
<b>Fixed Income</b>						
Average Return	-1.47	14	5.21	12	23.97	5
Best Performer	0.34		14.58		40.46	
Worst Performer	-4.35		-2.18		13.73	

For the return performance of individual funds, please refer to the Quantitative Performance Analysis UT and Quantitative Performance Analysis ILP reports.

### 3. Positive & Negative Returns Distribution for Unit Trusts & ILPs

	Last Quarter	Last 3 Years
<b>Singapore Unit Trusts</b>		
Funds with Positive Returns	158 (74.88%)	47 (35.88%)
Funds with Negative Returns	53 (25.12%)	84 (64.12%)
<b>Singapore Insurance Linked</b>		
Funds with Positive Returns	124 (75.61%)	25 (47.17%)
Funds with Negative Returns	40 (24.39%)	28 (52.83%)

*Note: All data is as of Sept 30, 2003*

Over the past quarter ended September 30, 2003, the percentage of funds with positive returns is 74.88% for unit trusts and 75.61% for ILPs, and the majority of this group of positive-return performer fall into the equity or asset allocation fund categories.

Over for the longer 3-year period, 35.88% and 47.17% of all CPFIS-included unit trusts and ILPs respectively produced positive returns. The funds that are in the positive territory are mostly from the following categories:

a) CPFIS-Included Unit Trust Universe

- Asia Pacific ex Japan equity markets
- Global fixed income markets
- Singapore equity markets
- Singapore fixed income markets
- Thai equity markets

b) CPFIS-Included ILP Universe

- Asia Pacific ex Japan equity markets
- Singapore Dollar money market
- Global fixed income markets
- Singapore fixed income markets

## SUMMARY OF RISK-ADJUSTED PERFORMANCE

### 1. Risk-Return Analysis over Past 3 Years

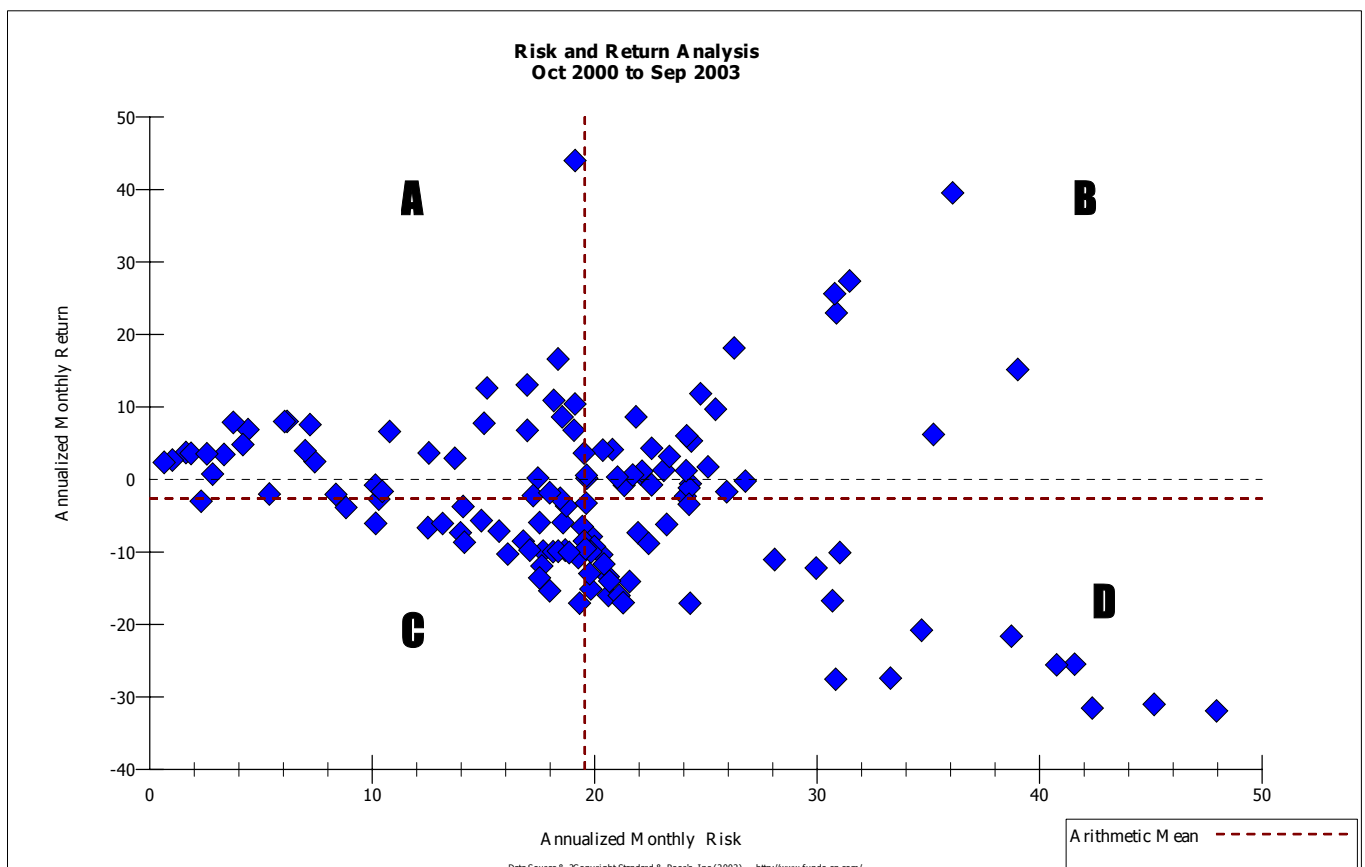
The scatterplots below compare the return performance of CPFIS-included unit trusts and ILPs against their risk level (i.e. volatility). Return performance is shown on the vertical axis and the funds' volatility is on the horizontal axis. Using the median lines (dotted in red) as divider, 4 distinct quadrants will be formed, representing the following:

- **Quadrant A:** Funds with **above-average return** but **below-average risk**
- **Quadrant B:** Funds with **above-average return** and **above-average risk**
- **Quadrant C:** Funds with **below-average return** and **below-average risk**
- **Quadrant D:** Funds with **below-average return** but **above-average risk**

All quadrants with the exception of D are desirable depending on the employee's risk tolerance level and return requirements. Quadrant A might be seen as the most optimal choice where the fund managers have managed to produce relatively higher returns while minimizing the funds' volatility.

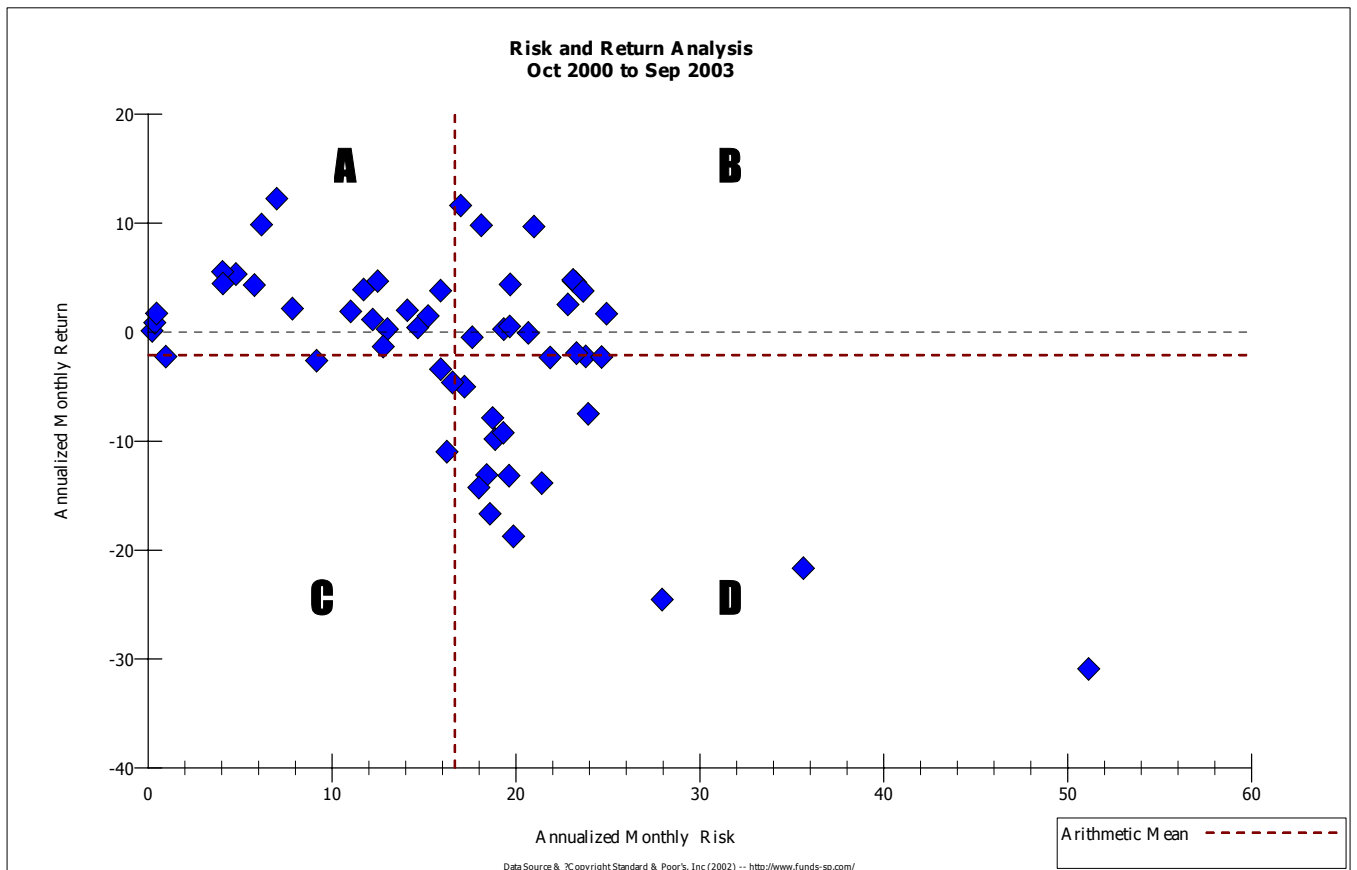
Over a 3-year period (up to September 30, 2003), out of the entire group of CPFIS-included unit trusts, 27.48% fall into quadrant A while 25.95% of the funds are in quadrant D.

#### CPFIS-Included Unit Trusts





## CPFIS-Included ILPs



Over the past 3 years up to September 30, 2003, 35.09% of the ILPs are in quadrant A while 29.82% of the CPFIS-included ILPs had below-average returns but above-average risk, hence falling into quadrant D.

To see the complete list of funds for each quadrant, please refer to Appendix 1.

## PERFORMANCE RANKING: S&P FUND STARS

### 1. Background

Standard & Poor's Fund Services developed its S&P Fund Stars over a decade ago with two objectives in mind: firstly, to establish a global performance measurement methodology; and secondly, to assist investors in evaluating the return and risk management performance of investment funds.

Since then, S&P Fund Stars has become the industry standard for quantitative performance measurement. The calculation of S&P Fund Stars is robust yet simple and globally applicable: a fund's monthly performance relative to its sector average (i.e. peer average) is calculated for each of the 36 months over the 3 years to date. The average and volatility of these 36 numbers are then converted in a S&P Fund Stars ranking.

The distribution of the S&P Fund Stars is as follows:

★★★★★	Top 10% of the sector
★★★★	Top 11-30% of the sector
★★★	Top 31-50% of the sector
★★	Next 25% of the sector
★	Bottom 25% of the sector

It must be noted that to be eligible for a S&P Fund Stars ranking, the fund must possess a minimum of 3 years' investment history and be in sector where 5 or more funds meet this minimum investment history requirement. The calculation of S&P Fund Stars is based on the entire universe of unit trusts and ILPs that are registered for sale in Singapore and not only limited to CPFIS-included funds.

### 2. S&P Fund Stars for CPFIS-Included Unit Trusts & ILPs

#### CPFIS-Included Unit Trusts

S&P Fund Stars	Number of Funds
★★★★★	5
★★★★	23
★★★	23
★★	23
★	20

#### CPFIS-Included ILPs

S&P Fund Stars	Number of ILPs
★★★★★	2
★★★★	6
★★★	5
★★	6
★	6

### 3. Full List of CPFIS-Included Unit Trusts & ILPs with S&P Fund Stars

#### CPFIS Included Unit Trusts

CPFIS - Included Unit Trusts	S&P Fund Stars	General Sector	CPFIS Risk Classification
<b>5 Stars</b>			
Aberdeen Pacific Equity	★★★★★	Equity Asia Pacific ex Japan	Higher Risk
DBS Shenton Asia Pacific	★★★★★	Equity Asia Pacific ex Japan	Higher Risk
DBS Shenton Dynamic Bond	★★★★★	Fixed Income Global (Other)	Low to Medium Risk
DBS Shenton Thrift	★★★★★	Equity Singapore	Higher Risk
UOB United International Growth	★★★★★	Equity Global	Higher Risk
<b>4 Stars</b>			
Aberdeen Singapore Equity	★★★★	Equity Singapore	Higher Risk
ACMIF Global Growth Trends A	★★★★	Equity Global	Higher Risk
CitiSelect Asia Tilt Growth	★★★★	Asset Alloc Global Dynamic	Medium to High Risk
Eight Portfolio E	★★★★	Equity Global	Higher Risk
Franklin Templeton F-Asian Eq	★★★★	Equity Asia Pacific ex Japan	Higher Risk
Franklin Templeton F-China	★★★★	Equity China (Greater)	Higher Risk
Franklin Templeton F-Glb Eqty	★★★★	Equity Global	Higher Risk
Franklin Templeton F-Global Bal	★★★★	Asset Alloc Global Neutral	Medium to High Risk
Horizon Asia Ex-Japan Equity	★★★★	Equity Asia Pacific ex Japan	Higher Risk
Horizon Japanese Equity	★★★★	Equity Japan	Higher Risk
HSBC Pan European Growth	★★★★	Equity Europe	Higher Risk
Infinity European Stock Index	★★★★	Equity Europe	Higher Risk
Infinity US 500 Stock Index	★★★★	Equity USA	Higher Risk
OCBC Savers Capital	★★★★	Equity Malaysia & Singapore	Higher Risk
OCBC Savers Singapore Trust	★★★★	Equity Singapore	Higher Risk
OCBC South East Asia	★★★★	Equity Asia Pacific ex Japan	Higher Risk
Schroder Asian Growth Fund	★★★★	Equity Asia Pacific ex Japan	Higher Risk
UOB Unifund	★★★★	Equity Malaysia & Singapore	Higher Risk
UOB United Asia	★★★★	Equity Asia Pacific ex Japan	Higher Risk
UOB United Global Healthcare	★★★★	Sector - Healthcare Global	Higher Risk
UOB United Japan Growth	★★★★	Equity Japan	Higher Risk
UOB United Millennium 1	★★★★	Asset Alloc Global Neutral	Medium to High Risk
UOB United Millennium 3	★★★★	Asset Alloc Global Dynamic	Higher Risk
<b>3 Stars</b>			
Aberdeen Japan Equity	★★★	Equity Japan	Higher Risk
AIG Int Fds American Equities	★★★	Equity USA	Higher Risk
AIG Int Fds Multi Currency Bond	★★★	Fixed Income Global (Other)	Low to Medium Risk
CitiSelect Asia Tilt Balanced	★★★	Asset Alloc Global Neutral	Medium to High Risk
CitiSelect Global Growth	★★★	Asset Alloc Global Dynamic	Medium to High Risk
COM Global Infotechnology	★★★	Sector - TMT Global	Higher Risk
DBS Shenton Global Opportunities	★★★	Equity Global	Higher Risk
Dresdner Global Internet	★★★	Sector - TMT Global	Higher Risk
Eight Portfolio B	★★★	Asset Alloc Global Neutral	Medium to High Risk
First State Asia-Pacific Growth	★★★	Equity Asia Pacific ex Japan	Higher Risk
First State Regional China	★★★	Equity China (Greater)	Higher Risk
Five Arrows Global Bond Trust	★★★	Fixed Income Global (Other)	Low to Medium Risk
Five Arrows SEA Special Sits	★★★	Equity Asia Pacific ex Japan	Higher Risk
Horizon Global Equity	★★★	Equity Global	Higher Risk
Infinity Global Stock Index	★★★	Equity Global	Higher Risk
OCBC Savers Global Bond A	★★★	Fixed Income Global (Other)	Low to Medium Risk
OCBC Savers Global Trust	★★★	Equity Global	Higher Risk
Schroder Japanese Equity	★★★	Equity Japan	Higher Risk
Schroder Singapore Trust	★★★	Equity Singapore	Higher Risk
UOB United European Equity	★★★	Equity Europe	Higher Risk
UOB United Global Technology	★★★	Sector - TMT Global	Higher Risk

**CPFIS Included Unit Trusts (Con't)**

CPFIS - Included Unit Trusts	S&P Fund Stars	General Sector	CPFIS Risk Classification
<b>3 Stars</b>			
UOB United Growth	☆☆☆	Equity Singapore	Higher Risk
UOB United Millennium 2	☆☆☆	Asset Alloc Global Neutral	Medium to High Risk
<b>2 Stars</b>			
AIG Int Fds Asian Equities	☆☆	Equity Asia Pacific ex Japan	Higher Risk
CitiSelect Asia Tilt Enhanced Gr	☆☆	Asset Alloc Global Dynamic	Higher Risk
Deutsche Asia Premier Trust	☆☆	Equity Asia Pacific ex Japan	Higher Risk
Deutsche Premier Select	☆☆	Asset Alloc Global Neutral	Medium to High Risk
Dresdner Global Multimedia	☆☆	Sector - TMT Global	Higher Risk
Dresdner Intl Prov Glb Balanced	☆☆	Asset Alloc Global Neutral	Medium to High Risk
Dresdner Intl Prov Global Tech	☆☆	Sector - TMT Global	Higher Risk
Eight Portfolio D	☆☆	Asset Alloc Global Dynamic	Higher Risk
First State Global 100 Growth	☆☆	Equity Global	Higher Risk
First State Global Balanced	☆☆	Asset Alloc Global Neutral	Medium to High Risk
First State Global Tech & Com	☆☆	Sector - TMT Global	Higher Risk
First State Singapore Growth	☆☆	Equity Malaysia & Singapore	Higher Risk
Henderson Global Technology	☆☆	Sector - TMT Global	Higher Risk
Horizon Singapore Equity	☆☆	Equity Singapore	Higher Risk
Horizon US Equity	☆☆	Equity USA	Higher Risk
HSBC Global Fixed Income	☆☆	Fixed Income Global (Other)	Low to Medium Risk
HSBC Global Growth	☆☆	Equity Global	Higher Risk
Indocam Asia Vision	☆☆	Equity Asia Pacific ex Japan	Higher Risk
OCBC Asia Pacific	☆☆	Equity Asia Pacific ex Japan	Higher Risk
Schroder European Equity	☆☆	Equity Europe	Higher Risk
Schroder Global Enterprise	☆☆	Equity Global	Higher Risk
UOB Optimix Worlwide Bond	☆☆	Fixed Income Global (Other)	Low to Medium Risk
UOB United Greater China	☆☆	Equity China (Greater)	Higher Risk
<b>1 Star</b>			
Aberdeen Global Technology	☆	Sector - TMT Global	Higher Risk
ABN AMRO Star Europe Equity	☆	Equity Europe	Higher Risk
ABN AMRO Star Global Technology	☆	Sector - TMT Global	Higher Risk
ACMIF International HealthCare A	☆	Sector - Healthcare Global	Higher Risk
Citi Global Bond	☆	Fixed Income Global (Other)	Low to Medium Risk
DBS Japan Growth	☆	Equity Japan	Higher Risk
DBS Mendaki Global	☆	Equity Global	Higher Risk
Dresdner Asia Tiger	☆	Equity Asia Pacific ex Japan	Higher Risk
Dresdner Intl Prov European Eqty	☆	Equity Europe	Higher Risk
Eight Portfolio C	☆	Asset Alloc Global Neutral	Medium to High Risk
Five Arrows Asian Enterprise	☆	Equity Asia Pacific ex Japan	Higher Risk
Five Arrows Worldwide Enterprise	☆	Equity Global	Higher Risk
Horizon Global Bond SGD	☆	Fixed Income Global (Other)	Low to Medium Risk
HSBC Asian Growth	☆	Equity Asia Pacific ex Japan	Higher Risk
HSBC Japanese Growth	☆	Equity Japan	Higher Risk
OCBC Savers China Growth	☆	Equity China (Greater)	Higher Risk
Schroder Balanced Growth	☆	Asset Alloc Global Neutral	Medium to High Risk
UOB Optimix Asian Equity	☆	Equity Asia Pacific ex Japan	Higher Risk
UOB Optimix Singapore Equity	☆	Equity Singapore	Higher Risk
UOB Optimix Worlwide Eqty	☆	Equity Global	Higher Risk

### CPFIS Included ILPs

CPFIS - Included ILPs	S&P Fund Stars	General Sector	CPFIS Risk Classification
<b>5 Stars</b>			
UOB Lifelink Global	★★★★★	Equity Global	Higher Risk
Asia Premier Growth	★★★★★	Equity Asia Pacific ex Japan	Higher Risk
<b>4 Stars</b>			
Prulink Global Equity	★★★★	Equity Global	Higher Risk
Manulife Gldn Asia Growth	★★★★	Equity Asia Pacific ex Japan	Higher Risk
John Hancock Pacific Finance	★★★★	Equity Asia Pacific ex Japan	Higher Risk
NTUC Global Equity	★★★★	Equity Global	Higher Risk
Aviva MM Capital Growth	★★★★	Equity Asia Pacific ex Japan	Higher Risk
Prulink Singapore Cash	★★★★	Money Market SGD	Lower Risk
<b>3 Stars</b>			
AIA Regional Equity	★★★	Equity Asia Pacific ex Japan	Higher Risk
Prulink Asian Eqty	★★★	Equity Asia Pacific ex Japan	Higher Risk
UOB Lifelink Asia	★★★	Equity Asia Pacific ex Japan	Higher Risk
Global Strategic 50 Fd	★★★	Equity Global	Higher Risk
Greatlink Cash	★★★	Money Market SGD	Lower Risk
<b>2 Stars</b>			
John Hancock Worldwide Eqty	★★	Equity Global	Higher Risk
Manulife Gldn SEA Spc Situtn	★★	Equity Asia Pacific ex Japan	Higher Risk
John Hancock Singapore Cash	★★	Money Market SGD	Lower Risk
Greatlink Enhancer	★★	Equity Asia Pacific ex Japan	Higher Risk
Greatlink Global 100 Growth	★★	Equity Global	Higher Risk
AXA Life-Value Growth	★★	Equity Asia Pacific ex Japan	Higher Risk
<b>1 Star</b>			
Global Leaders Fund	★	Equity Global	Higher Risk
Takaful Global Fund	★	Equity Global	Higher Risk
Premium Asia Growth Fd	★	Equity Asia Pacific ex Japan	Higher Risk
NTUC Takaful	★	Equity Asia Pacific ex Japan	Higher Risk
OAC Premier Link Equity	★	Equity Asia Pacific ex Japan	Higher Risk
OAC Premier Link Money	★	Money Market SGD	Lower Risk

For details on the methodology of the CPFIS Risk Classification, please refer to Appendix 3.

## **FURTHER INFORMATION**

Additional information can be found in the appendices:

- *Appendix 1:* Complete List of Funds in Each Quadrant of the Risk/Return Chart
- *Appendix 2:* S&P Fund Stars Methodology
- *Appendix 3:* Investment Terminology Definition

For a soft copy of this report as well as the most-to-date performance data on CPFIS-included unit trusts and ILPs, please visit Life Insurance Association (LIA)'s website at <http://asp.lia.org.sg/NewsPress.asp>, Investment Management Association of Singapore (IMAS)'s website at <http://www.imas.org.sg/fundinfo.html> or [www.fundsingapore.com](http://www.fundsingapore.com).

### **NOTE**

All returns are calculated on a bid-to-bid basis in SGD, with gross income re-invested.

### **DISCLAIMERS**

The data provided in this report is for information only and not deemed to be financial advice or offer to sell, or a solicitation or an offer to buy or subscribe to or hold any fund.

Past performance is not indicative of future performance. All investments involve risk – in other words, the price of units and income from them can go down as well as up. Before investing in any fund, you should carefully read the literature about the fund, including its Explanatory Memorandum.

All data contained in this report has been provided to Standard & Poor's Fund Services by the management groups or insurers who manage the unit trusts or ILPs that are included in the CPFIS. While Standard & Poor's Fund Services has made reasonable endeavours to ensure the accuracy the information obtained, it does not accept any responsibility with regards to the accuracy or completeness of the information provided or any liability for the investment decisions of investors or any loss arising therefrom.

# APPENDIX 1

## Complete List of Funds in Each of the Four Quadrants of the Risk/Return Chart

### CPFIS- Included Unit Trusts

Singapore Unit Trusts	29/09/2000 30/09/2003 Annual Avg	29/09/2000 CPFIS 30/09/2003 Ann Volatil	CPFIS Risk Classification	CPFIS General Focus	CPFIS Narrow Focus	S&P Sector General Name
<b>Quadrant A</b>						
Aberdeen Malaysia Equity	6.61	10.78	Higher Risk	Narrowly Focused	Country-Others	Equity Malaysia
Aberdeen Pacific Equity	13.03	16.96	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Aberdeen Singapore Equity	6.78	16.97	Higher Risk	Narrowly Focused	Singapore	Equity Singapore
Aberdeen Thailand Equity	43.99	19.12	Higher Risk	Narrowly Focused	Country-Others	Equity Thailand
AIG Int Fds Multi Currenc	7.99	6.06	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global
Citi Global Bond	4.80	4.19	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global
CitiBond Singapore A	3.54	2.57	Lower Risk	Broadly Diversified	N/A	Fixed Income SGD
CitiSelect Asia Tilt Bala	-0.80	10.14	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
DBS Enhanced Income SGD	2.34	0.64	Lower Risk	Broadly Diversified	N/A	Short Term Bd SGD
DBS Shenton Dynamic Bond	7.56	7.21	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global
Deutsche Lion Bond	3.71	1.63	Lower Risk	Broadly Diversified	N/A	Fixed Income SGD
Dresdner Intl Prov Glb Ba	-2.07	8.37	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
Eight Portfolio A	0.74	2.82	Low to Medium Risk	Broadly Diversified	N/A	Asset Alloc Global Defensive
Eight Portfolio B	-2.01	5.38	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
Five Arrows Global Bond T	8.00	6.17	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global
Franklin Templeton F-Asia	10.91	18.16	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Franklin Templeton F-Chin	8.62	18.54	Higher Risk	Narrowly Focused	Greater China	Equity China (Greater)
Franklin Templeton F-Gbl	6.80	19.07	Higher Risk	Narrowly Focused	Small Cap	Smlr Companies Global
Franklin Templeton F-Glb	-2.23	17.24	Higher Risk	Broadly Diversified	N/A	Equity Global
Franklin Templeton F-Glob	3.65	12.55	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
Henderson European Proper	12.61	15.16	Higher Risk	Narrowly Focused	Sector-Others	Sector - Prop Shrs Europe
Horizon Global Bond SGD	3.45	3.34	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global
Horizon Singapore Fixed I	3.59	1.85	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income SGD
HSBC Global Fixed Income	3.96	6.99	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global
OCBC Savers Capital	10.41	19.12	Higher Risk	Narrowly Focused	Country-Others	Equity Malaysia & Singapore
OCBC Savers Global Bond A	7.87	3.76	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global
OCBC Savers Malaysia	16.61	18.35	Higher Risk	Narrowly Focused	Country-Others	Equity Malaysia
OCBC Singapore Balanced	2.92	13.72	Medium to High Risk	Narrowly Focused	Country	Asset Alloc Singapore Neutral
Schroder Global Smaller C	-1.84	17.98	Higher Risk	Narrowly Focused	Small Cap	Smlr Companies Global
UOB Optimix SGD Fund	2.68	1.02	Lower Risk	Broadly Diversified	N/A	Short Term Bd SGD
UOB Optimix Worlwide Bond	6.88	4.42	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global
UOB Unifund	3.64	19.52	Higher Risk	Narrowly Focused	Singapore	Equity Malaysia & Singapore
UOB United Global Healthc	7.76	15.03	Higher Risk	Narrowly Focused	Healthcare	Sector - Healthcare Global
UOB United Millennium 1	2.46	7.41	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
UOB United Millennium 2	-1.65	10.45	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
UOB United Regional Growt	0.20	17.45	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific
<b>Quadrant B</b>						
Aberdeen Indonesia Equity	27.38	31.46	Higher Risk	Narrowly Focused	Country-Others	Equity Indonesia
AIG Int Fds Asian Equitie	1.28	23.11	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
DBS Shenton Asia Pacific	9.69	25.43	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
DBS Shenton Thrift	11.81	24.76	Higher Risk	Narrowly Focused	Singapore	Equity Singapore
Deutsche Asia Premier Tru	1.14	22.13	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Dresdner Asia Tiger	-1.17	24.25	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
First State Asia-Pacific	1.73	25.09	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
First State Regional Chin	3.17	23.36	Higher Risk	Narrowly Focused	Greater China	Equity China (Greater)
Five Arrows Asian Enterpr	-0.58	24.30	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Five Arrows SEA Special S	0.16	19.64	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Franklin Templeton F-Emer	4.04	20.36	Higher Risk	Narrowly Focused	Emerging Markets	Equity Global Emerging Mkts
Franklin Templeton F-Kore	6.21	35.23	Higher Risk	Narrowly Focused	Country-Others	Equity Korea
Franklin Templeton F-Thai	25.62	30.79	Higher Risk	Narrowly Focused	Country-Others	Equity Thailand
Horizon Asia Ex-Japan Equ	4.11	20.80	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Horizon Singapore Equity	0.32	21.02	Higher Risk	Narrowly Focused	Singapore	Equity Singapore
HSBC Asian Growth	-1.70	25.94	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
HSBC Chinese Growth	18.14	26.27	Higher Risk	Narrowly Focused	Greater China	Equity China
HSBC Indian Growth	22.98	30.86	Higher Risk	Narrowly Focused	Country-Others	Equity India
Indocam Asia Vision	0.77	22.06	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
OCBC Asia Pacific	-0.81	21.32	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
OCBC Savers China Growth	-0.74	22.56	Higher Risk	Narrowly Focused	Greater China	Equity China (Greater)
OCBC Savers Korea	15.16	39.01	Higher Risk	Narrowly Focused	Country-Others	Equity Korea
OCBC Savers Singapore Tru	4.30	22.56	Higher Risk	Narrowly Focused	Singapore	Equity Singapore
OCBC Savers Thailand	39.53	36.09	Higher Risk	Narrowly Focused	Country-Others	Equity Thailand
OCBC South East Asia	8.62	21.86	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Schroder Asian Growth Fun	5.30	24.35	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Schroder Emerging Markets	-0.22	26.77	Higher Risk	Narrowly Focused	Emerging Markets	Equity Global Emerging Mkts
Schroder Singapore Trust	0.62	21.71	Higher Risk	Narrowly Focused	Singapore	Equity Singapore
UOB Optimix Asian Equity	-2.32	24.07	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
UOB United Asia	6.01	24.14	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
UOB United Greater China	1.20	24.11	Higher Risk	Narrowly Focused	Greater China	Equity China (Greater)
UOB United Growth	0.56	19.63	Higher Risk	Narrowly Focused	Singapore	Equity Singapore

# 1) CPFIS-Included Unit Trusts (Con't)

Singapore Unit Trusts	29/09/2000 30/09/2003 Annual Avg	29/09/2000 30/09/2003 Ann Volatil	CPFIS Risk Classification	CPFIS General Focus	CPFIS Narrow Focus	S&P Sector General Name
<b>Quadrant C</b>						
Aberdeen Japan Equity	-9.74	17.08	Higher Risk	Narrowly Focused	Japan	Equity Japan
ACMIF International Healt	-8.66	14.14	Higher Risk	Narrowly Focused	Healthcare	Sector - Healthcare Global
CitiSelect Asia Tilt Enha	-5.94	18.57	Higher Risk	Broadly Diversified	N/A	Asset Alloc Global Dynamic
CitiSelect Asia Tilt Grow	-3.73	14.08	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Dynamic
CitiSelect Global Growth	-6.07	13.16	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Dynamic
Deutsche Premier Select	-2.71	10.30	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
Eight Portfolio C	-3.87	8.83	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
Eight Portfolio D	-6.65	12.51	Higher Risk	Broadly Diversified	N/A	Asset Alloc Global Dynamic
Eight Portfolio E	-8.52	16.79	Higher Risk	Broadly Diversified	N/A	Equity Global
First State Global Balanc	-7.35	13.97	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
Five Arrows Worldwide Ent	-15.36	17.98	Higher Risk	Broadly Diversified	N/A	Equity Global
Horizon Global Equity	-9.97	18.13	Higher Risk	Broadly Diversified	N/A	Equity Global
Horizon UK Equity	-7.14	15.70	Higher Risk	Narrowly Focused	UK	Equity United Kingdom
HSBC Global Growth	-13.59	17.52	Higher Risk	Broadly Diversified	N/A	Equity Global
HSBC Pan European Growth	-6.51	19.44	Higher Risk	Narrowly Focused	Europe	Equity Europe
Infinity Global Stock Ind	-9.90	17.68	Higher Risk	Broadly Diversified	N/A	Equity Global
Infinity US 500 Stock Ind	-10.08	18.85	Higher Risk	Narrowly Focused	North America	Equity USA
OCBC Savers Global Trust	-11.94	17.63	Higher Risk	Broadly Diversified	N/A	Equity Global
Schroder Balanced Growth	-6.06	10.15	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
Schroder European Equity	-10.78	19.26	Higher Risk	Narrowly Focused	Europe	Equity Europe
Schroder Japanese Equity	-10.29	16.09	Higher Risk	Narrowly Focused	Japan	Equity Japan
Schroder Pan Asia Fund	-5.96	17.52	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific
UOB Optimix Co Cliq S&P50	-3.01	2.31	Low to Medium Risk	Narrowly Focused	Regional	Floor Funds USA
UOB Optimix Worlwide Eqty	-17.07	19.32	Higher Risk	Broadly Diversified	N/A	Equity Global
UOB United Asia Top 50	-3.64	18.73	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific
UOB United European Equit	-9.75	18.67	Higher Risk	Narrowly Focused	Europe	Equity Europe
UOB United International	-2.60	18.45	Higher Risk	Broadly Diversified	N/A	Equity Global
UOB United Japan Growth	-9.89	18.36	Higher Risk	Narrowly Focused	Japan	Equity Japan
UOB United Millennium 3	-5.67	14.91	Higher Risk	Broadly Diversified	N/A	Asset Alloc Global Dynamic
<b>Quadrant D</b>						
Aberdeen Continental Euro	-6.21	23.23	Higher Risk	Narrowly Focused	Europe	Equity Europe ex UK
Aberdeen Global Technolog	-31.55	42.37	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
Aberdeen UK Blue Chip	-9.55	19.59	Higher Risk	Narrowly Focused	UK	Equity United Kingdom
ABN AMRO Star Europe Equi	-16.00	20.61	Higher Risk	Narrowly Focused	Europe	Equity Europe
ABN AMRO Star Global Tech	-31.93	47.95	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
ACMIF Asian Technology Po	-11.05	28.09	Higher Risk	Narrowly Focused	Technology	Sector - TMT Asia Pacific
ACMIF Global Growth Trend	-8.49	19.53	Higher Risk	Broadly Diversified	N/A	Equity Global
AIG Int Fds American Equi	-11.67	20.42	Higher Risk	Narrowly Focused	North America	Equity USA
COM Global Infotechnology	-21.62	38.73	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
DBS Japan Growth	-14.04	20.66	Higher Risk	Narrowly Focused	Japan	Equity Japan
DBS Mendaki Global	-16.01	21.10	Higher Risk	Broadly Diversified	N/A	Equity Global
DBS Shenton Global Opport	-8.82	22.43	Higher Risk	Broadly Diversified	N/A	Equity Global
Dresdner Global Internet	-25.48	41.58	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
Dresdner Global Multimedi	-27.55	30.83	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
Dresdner Intl Prov Europe	-17.07	24.29	Higher Risk	Narrowly Focused	Europe	Equity Europe
Dresdner Intl Prov Global	-27.42	33.30	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
First State Asia Inno & T	-12.23	29.95	Higher Risk	Narrowly Focused	Technology	Sector - TMT Asia Pacific
First State Global 100 Gr	-14.09	21.57	Higher Risk	Broadly Diversified	N/A	Equity Global
First State Global Tech &	-25.57	40.77	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
First State Singapore Gro	-3.42	24.24	Higher Risk	Narrowly Focused	Singapore	Equity Malaysia & Singapore
Franklin Templeton F-Life	-16.73	30.69	Higher Risk	Narrowly Focused	Biotechnology	Sector - Biotechnology
Henderson European	-10.38	20.32	Higher Risk	Narrowly Focused	Europe	Equity Europe ex UK
Henderson Global Technolo	-31.02	45.15	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
Horizon European Equity	-7.35	21.95	Higher Risk	Narrowly Focused	Regional	Equity Europe ex UK
Horizon Japanese Equity	-9.25	19.99	Higher Risk	Narrowly Focused	Japan	Equity Japan
Horizon US Equity	-12.99	19.77	Higher Risk	Narrowly Focused	North America	Equity USA
HSBC Japanese Growth	-17.01	21.28	Higher Risk	Narrowly Focused	Japan	Equity Japan
HSBC North American Growt	-15.12	19.83	Higher Risk	Narrowly Focused	North America	Equity North America
Infinity European Stock I	-7.88	19.86	Higher Risk	Narrowly Focused	Europe	Equity Europe
Schroder Global Enterpris	-13.42	20.61	Higher Risk	Broadly Diversified	N/A	Equity Global
SGAM New Economy Fund	-10.10	31.02	Higher Risk	Narrowly Focused	Asia	Sector - TMT Asia Pacific ex Japan
UOB Optimix Singapore Equi	-9.99	19.84	Higher Risk	Narrowly Focused	Singapore	Equity Singapore
UOB United Global Capital	-3.28	19.61	Higher Risk	Narrowly Focused	Sector-Others	Sector - Finance Global
UOB United Global Technol	-20.80	34.69	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global



## CPFIS-Included ILPs

Singapore Insurance Linked	29/09/2000 30/09/2003 Annual Avg	29/09/2000 30/09/2003 Ann Volatil	CPFIS Risk Classification	CPFIS General Focus	CPFIS Narrow Focus	S&P Sector General Name
<b>Quadrant A</b>						
AIA Growth Fd	3.81	15.90	Medium to High Risk	Narrowly Focused	Singapore	Equity Malaysia & Singapore
AIA Regional Fixed Income	5.54	4.04	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income SGD
Aviva MM Balanced Growth	4.68	12.48	Medium to High Risk	Narrowly Focused	Asia	Asset Alloc Asia Pac ex Japan Neutral
Aviva MM Income Growth	4.32	5.77	Medium to High Risk	Narrowly Focused	Asia	Asset Alloc Asia Pac ex Japan Defensiv
Greatlink Cash	0.87	0.36	Lower Risk	Broadly Diversified	N/A	Money Market SGD
John Hancock Money Growth	-1.33	12.78	Medium to High Risk	Narrowly Focused	Singapore	Asset Alloc Singapore Neutral
John Hancock Pacific Harv	0.42	14.66	Medium to High Risk	Narrowly Focused	Asia	Asset Alloc Global Dynamic
John Hancock Singapore Ca	0.12	0.21	Lower Risk	Broadly Diversified	N/A	Money Market SGD
John Hancock Worlwide Bon	5.33	4.77	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global (Other)
Manulife Gldn Bal Growth	3.91	11.71	Medium to High Risk	Narrowly Focused	Singapore	Asset Alloc Global Neutral
Manulife Gldn Intl Bond	12.25	6.99	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global (Other)
NTUC Enhanced	2.01	14.09	Medium to High Risk	Narrowly Focused	Asia	Asset Alloc Asia Pac ex Japan Dynamic
NTUC Prime	1.90	11.01	Medium to High Risk	Narrowly Focused	Asia	Asset Alloc Asia Pac ex Japan Neutral
NTUC Singapore Bond	4.47	4.07	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income SGD
NTUC Trust	1.16	12.20	Medium to High Risk	Narrowly Focused	Singapore	Asset Alloc Singapore Neutral
OAC Premier Link Balanced	0.28	13.00	Medium to High Risk	Narrowly Focused	Asia	Asset Alloc Asia Pac ex Japan Neutral
Prulink Global Bond	9.87	6.16	Low to Medium Risk	Broadly Diversified	N/A	Fixed Income Global (Other)
Prulink Global Managed	2.16	7.84	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
Prulink Singapore Cash	1.72	0.45	Lower Risk	Broadly Diversified	N/A	Money Market SGD
Prulink Singapore Managed	1.48	15.22	Medium to High Risk	Narrowly Focused	Singapore	Asset Alloc Singapore Neutral
<b>Quadrant B</b>						
AIA Regional Equity	4.70	23.12	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Asia Premier Growth	11.62	16.99	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Aviva MM Capital Growth	4.38	19.68	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
AXA Life-Fortress	-1.92	23.29	Higher Risk	Narrowly Focused	Singapore	Equity Singapore
AXA Life-Value Growth	-0.47	17.62	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Greatlink ASEAN Growth	9.81	18.11	Higher Risk	Narrowly Focused	Asia	Equity ASEAN
Greatlink Enhancer	-0.07	20.67	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
John Hancock Greater Chin	1.69	24.93	Higher Risk	Narrowly Focused	Greater China	Equity China (Greater)
John Hancock Pacific Fina	9.69	20.98	Higher Risk	Narrowly Focused	Sector-Others	Equity Asia Pacific ex Japan
Manulife Gldn Asia Growth	4.80	23.10	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Manulife Gldn Regional Ch	3.78	23.65	Higher Risk	Narrowly Focused	Greater China	Equity China (Greater)
Manulife Gldn SEA Spc Sit	0.28	19.33	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Prulink Asian Eqty	4.58	23.25	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
UOB Lifelink Asia	2.54	22.82	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
UOB Lifelink Growth	0.53	19.65	Higher Risk	Narrowly Focused	Singapore	Equity Malaysia & Singapore
<b>Quadrant C</b>						
Greatlink Global Supreme	-2.62	9.16	Medium to High Risk	Broadly Diversified	N/A	Asset Alloc Global Neutral
NTUC Takaful	-10.98	16.24	Higher Risk	Broadly Diversified	N/A	Equity Asia Pacific ex Japan
OAC Premier Link Money	-2.24	0.96	Lower Risk	Broadly Diversified	N/A	Money Market SGD
Prulink Global Equity	-4.62	16.55	Higher Risk	Broadly Diversified	N/A	Equity Global
UOB Lifelink Global	-3.40	15.90	Higher Risk	Broadly Diversified	N/A	Equity Global
<b>Quadrant D</b>						
Global Communication Fd	-24.55	27.95	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
Global Leaders Fund	-16.67	18.59	Higher Risk	Broadly Diversified	N/A	Equity Global
Global Statagic 50 Fd	-13.12	18.41	Higher Risk	Broadly Diversified	N/A	Equity Global
Greatlink European Equity	-9.80	18.87	Higher Risk	Narrowly Focused	Europe	Equity Europe
Greatlink Global 100 Grow	-13.86	21.41	Higher Risk	Broadly Diversified	N/A	Equity Global
Greatlink Pan Asia	-5.00	17.20	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific
John Hancock Global Techn	-21.66	35.62	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
John Hancock Japan Growth	-9.24	19.31	Higher Risk	Narrowly Focused	Japan	Equity Japan
John Hancock Worldwide Eq	-14.27	17.98	Higher Risk	Broadly Diversified	N/A	Equity Global
Manulife Gldn SG Growth	-2.28	24.66	Higher Risk	Narrowly Focused	Singapore	Equity Malaysia & Singapore
NTUC European Equity	-13.18	19.62	Higher Risk	Narrowly Focused	Europe	Equity Europe
NTUC Global Equity	-7.49	23.93	Higher Risk	Broadly Diversified	N/A	Equity Global
NTUC Japanese Equity	-7.87	18.73	Higher Risk	Narrowly Focused	Japan	Equity Japan
NTUC Technology	-30.91	51.14	Higher Risk	Narrowly Focused	Technology	Sector - TMT Global
OAC Premier Link Equity	-2.23	23.79	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Premium Asia Growth Fd	-2.32	21.86	Higher Risk	Narrowly Focused	Asia	Equity Asia Pacific ex Japan
Takaful Global Fund	-18.74	19.86	Higher Risk	Broadly Diversified	N/A	Equity Global

# APPENDIX 2

## S&P Fund Stars Methodology

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To assist investors in evaluating the performance of a fund and the consistency of that performance relative to other funds in the sector, Standard and Poor's Fund Services has developed the S&P Fund Stars based on a fund's relative performance.

The S&P Fund Stars is calculated using a fund's monthly performance relative to its sector average for each of the 36 months over the past 3 years to date. The average and volatility of these 36 numbers is used to calculate the Fund Stars ranking.

To be eligible for the S&P Fund Stars, a fund must possess 3 years of investment history and belong to a sector that contain 5 or more funds all with a minimum investment history of 3 years as well.

### S&P Fund Stars Calculation

#### 1. RELATIVE PERFORMANCE

**Definition:** This is the performance of the fund less the performance of its sector average (average performance of its peers).

**Example:** If a fund rises 6% in a month and its sector average by 4% in the same month then the fund's relative performance is +2%. This number is calculated for each of the past 36 months.

#### 2. AVERAGE RELATIVE PERFORMANCE

**Definition:** By calculating the average of the fund's latest 36 monthly relative performance, we are measuring its tendency on average to out- or under-perform the other funds in its sector. The higher the average the more the fund has outperformed its peers over the past 36 months.

#### 3. VOLATILITY OF RELATIVE PERFORMANCE

**Definition:** Volatility (standard deviation) is a statistical method for measuring how much a series of values deviates (how much it moves up and down) from its average. By calculating the volatility of the fund's 36 monthly relative performance, we are measuring how consistently the fund has performed vis-à-vis its peers. The higher the volatility, the less consistent the fund's performance relative to its peers.

#### 4. RELATIVE RETURN / VOLATILITY RATIO

**Definition:** By dividing the fund's average relative performance by the volatility of its relative performance, we are measuring its ability to not only outperform its peers but to also do so consistently. The higher the ratio the greater the fund's ability to outperform its peers on a consistent basis.

$\frac{\text{Average monthly relative performance over 3 years}}{\text{Volatility of monthly relative performance over 3 years}} = \text{Relative return / volatility ratio}$
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## Allocation of the S&P Fund Stars

Suppose a sector contains 100 funds, then the S&P Fund Stars will be allocated as follows:

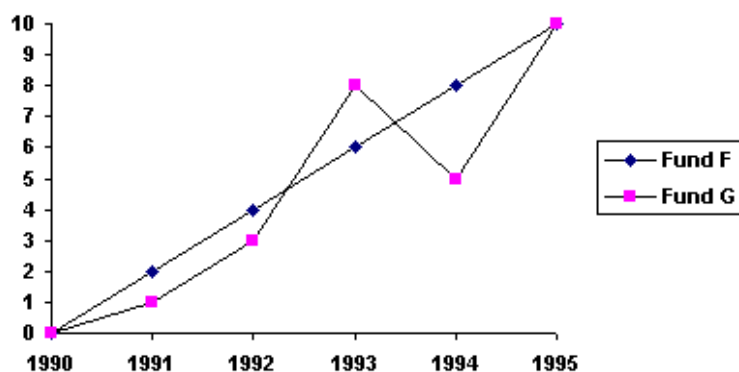
★★★★★	Top 10%	10 funds
★★★★	Top 11-30%	20 funds
★★★	Top 31-50%	20 funds
★★	Next 25%	25 funds
★	Bottom 25%	25 funds

## Examples

A fund with a ratio in the top 10% of its sector receives 5 Stars, whilst a fund with a ratio in the bottom 25% of its sector receives a 1 Star.

	Relative Return	Relative Volatility	Ratio	Rank	S&P Fund Stars
Fund A	50%	5	10.0	1	★★★★★
Fund B	30%	6	5.0	5	★★★
Fund C	10%	4	2.5	9	★
Fund D	30%	4	7.5	2	★★★★
Fund E	40%	6	6.6	3	★★★★
Fund F	20%	4.5	4.4	6	★★
Fund G	30%	5	6.0	4	★★★
Fund H	3.4%	1	3.4	7	★★
Fund I	2.7%	1	2.7	8	★★
Fund J	6.0%	3	2.0	10	★

Funds with identical performance but different volatility will have different ratio. In the example below, the returns of Fund F and Fund G are identical, however our consistency analysis shows that the volatility of G is greater than F, therefore F has a higher S&P Fund Star ranking than G.



	<b>Relative Return</b>	<b>Relative Volatility</b>	<b>Ratio</b>	<b>S&amp;P Fund Stars</b>
Fund F	50%	5	10.0	★★★★
Fund G	50%	6	8.3	★★★

On the other hand, funds with different returns and risk levels can have the same S&P Fund Star ranking. As an illustration, although Funds H and J both have 3 stars, H has a higher return than J, while J has lower volatility.

	<b>Relative Return</b>	<b>Relative Volatility</b>	<b>Ratio</b>	<b>S&amp;P Fund Stars</b>
Fund H	50%	5	10.0	★★★
Fund J	40%	4	10.0	★★★

From this example, we can see that despite their difference in return and volatility, the performance consistency experienced by each of the funds is identical, hence warranting the same S&P Fund Stars ranking.

# APPENDIX 3

## Investment Terminology Definition

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### Risk Classification

CPF Board's consultant, Mercer Investment Consulting, has developed a risk classification system for the CPFIS that assigns various risk levels to permitted investments. The unit trusts or ILPs with a greater proportion of their assets invested in the more volatile stock market will have a higher Equity Risk. Conversely, the greater the proportion of the fund's assets that are in bonds and cash, the lower its Equity Risk. Based on their level of Equity Risk, CPFIS-included unit trusts and ILPs will be assigned one of the following risk categories:

- Lower Risk
- Low to Medium Risk
- Medium to High Risk
- Higher Risk

As of September 30, 2003, the distribution of CPFIS-included investments in the 4 different risk categories is as below:

Risk Classification	Unit Trusts	ILPs
Higher Risk	136	80
Medium to High Risk	26	48
Low to Medium Risk	57	35
Lower Risk	5	6

Further information on the CPFIS Risk Classification System can be found in the handbook entitled "CPF Investment Scheme Risk Classification System – Investing to Match your Risk Profile" which can be obtained from any CPF office, agent bank or management group that is included in CPFIS. Alternatively, the handbook can also be downloaded from this link: [http://www.cpf.gov.sg/cpf\\_info/Publication/riskclas.asp](http://www.cpf.gov.sg/cpf_info/Publication/riskclas.asp).

### Quantitative Analysis

- **Expense Ratio:** The operating costs, including management fees, of a CPFIS-include unit trust or ILP expressed as a percentage of the fund's average net assets for a given time period. The expense ratio is furnished to Standard & Poor's Fund Services by the management groups and insurers, and is calculated according to the guidelines set out by the Investment Management Association of Singapore (IMAS).

In accordance to IMAS' guidelines, the expense ratio is calculated as the average of the annualized expense ratios of the two last 6-month periods, stated on an annualized basis. The formula for this calculation is given as follows:

$$\frac{\text{Expenses}}{\text{Net Asset Value}} \times 100\%$$

Items taken as expenses in the above calculation include, but are not limited to:

- Management fee
- Trustee fee
- Administration fee
- Custodian, sub-custodian and depository fees
- Registrar fees
- Printing & distribution costs
- Audit fees
- Amortized expenses
- GST on expenses

On the issue of feeder funds, to ensure their comparability with direct investment funds, the expense ratio should look through the feeder structure and include all expenses incurred at both the Singapore and parent-fund level. The calculation guidelines for feeder funds' expense ratio are as follows:

- Annualized expense ratio for the Singapore feeder fund plus that of the parent-fund
- Both components of the expense ratio should be calculated in accordance to requirements specified above.

For further information, please refer to <http://www.imas.org.sg>

- **Gain/Loss Ratio:** This is the sum of positive percentage fund returns divided by the sum of negative percentage fund returns over the past 3 years to date. The higher the resultant ratio, the greater the proportion of positive returns versus negative returns, hence the better the fund's performance.
- **Information Ratio:** Information Ratio is calculated by taking the monthly difference between a fund's gross return and its benchmark return (in this case the sector average of the S&P sector into which the fund falls), and then dividing that figure by the standard deviation of the monthly differences. This ratio helps investors understand how well the fund has been managed on a risk-adjusted basis relative to its peers.
- **Maximum Loss:** The worst 3-month return produced by a fund over the past 3 years to date.
- **Sharpe Ratio:** Developed by William Sharpe, it is a measurement of a fund's annualized return that is in excess of the risk-free rate (a theoretical interest rate that would be returned on an investment which is completely free of risk) and adjusted for the fund's volatility. The calculation is as follows: (Fund Return – Risk-free Return)/Fund Standard Deviation. From this formula, it can be derived that the higher a fund's Sharpe ratio, the better its returns relative to the amount of investment risk it has taken.

The reason why this relationship between risk and return holds is very simple: the higher a fund's standard deviation, the larger the denominator of the Sharpe ratio, hence a larger numerator (fund's excess return) will be required to have a high Sharpe ratio. Conversely, a fund with moderate returns will have a relatively small numerator, however, should its volatility also be low, the fund's Sharpe ratio can still be quite high.

- ***Standard Deviation:*** A proxy for the risk level of a fund, standard deviation measures the annualized variability of a fund's returns. A high standard deviation indicates that a fund's returns have been volatile while a low figure would be the reverse.

**END OF REPORT**