

Fund Objective

The Fund (feeding into DWS China Equity Fund) seeks to achieve capital appreciation in the medium to long term by investing in a diversified portfolio of equity and equity-related securities issued by entities listed / to be listed on stock exchanges of China, including Hong Kong, entities organised or domiciled in China or of entities which have significant assets, business, production activities, trading or business interest in China.

Fund Performance (S\$ Bid-to-Bid returns)



	Manulife Golden Regional China Fund (%)	Benchmark
		MSCI China (%)
1 mth	9.03	10.62
3 mth	-10.58	-9.67
6 mth	-15.47	-14.69
1 yr	-19.48	-18.36
3 yr	11.81	13.10
5 yr	5.97	4.40
Since Inception	10.66	5.14

Source: Morningstar, Manulife (Singapore) Pte Ltd • Performance are NAV-NAV in SGD as at 31 October 11 • Performance figures for 1 mth till 1 yr show the % change, those exceeding 1 yr show the average annual compounded return.

Deutsche Asset Management (Asia) Limited was appointed the Fund Manager of the Golden Regional China Fund on 8 August 2003. Harvest Global Investments Limited was introduced as the sub-manager since 1 Sept 2009.

The CPF interest rate for the Ordinary Account (OA) is based on the 12-month fixed deposit and month-end savings rates of the major local banks. Under the CPF Act, the Board pays a minimum interest of 2.5% p.a. when this interest formula yields a lower rate. From 1 Jan 08, the new interest rate for the Special, Medisave & Retirement Accounts (SMRA) will be pegged to the yield of 10-year Singapore government bond plus 1%. For 2008 and 2009, the minimum interest rate for the SMRA will be 4% p.a. After 2009, the 2.5% p.a. minimum interest rate, as prescribed by the CPF Act, will apply to SMRA. In addition, from 1 Jan 08, the CPF Board will pay an extra interest of 1% per annum on the first \$60,000 of a CPF member's combined balances, including up to \$20,000 in the OA. From 1 April 08, the first \$20,000 in the Ordinary Account will not be allowed to be invested under the CPF Investment Scheme. And from 1 May 09, the first \$30,000 in the Special Account will not be allowed to be invested under the CPF Investment Scheme and further raised to \$40,000 from 1 July 2010.

Asset Allocation (in %)*

Net Asset Value = S\$152,572,280.38

H shares	70.41
Red Chips	21.38
A Shares	1.54
Others*	0.62
Cash	6.05

* includes Hong Kong or overseas incorporated companies with main operations in China

Top 10 Holdings (in%)*

Financials	30.73
Energy	18.23
Telecommunication	14.65
Materials	7.79
Consumer Discretionary	8.81
Industrials	3.08
Information Technology	4.87
Health Care	3.28
Consumer Staples	0.97
Others	1.54
Cash	6.05

Fund Manager's Comments

MSCI China rebounded strongly during the month as investors expected signals for ending of the current credit tightening. Meantime, there was positive news from Eurozone as a framework was reached to increase the leverage of European Financial Stability Facility to fund up to 1 trillion Euro of potential recapitalization requirement for European banks. Investors were switching from defensive stocks into high-beta sectors, especially those with high exposure to global growth as well as China's credit tightening. Materials outperformed the most led by cement stocks as investors turned positive on construction sector outlook after Premier Wen indicated government's support to key infrastructure projects. Property sector also rallied on expectation of credit loosening. Being another oversold sector, industrial stocks rebounded strongly, led by railway related and machinery stocks, as investors were hoping the government would resume some of the postponed projects in the near term. Other policy sensitive sectors such as banks and insurance also performed strongly. Defensive sectors such as telecom and consumer staples underperformed significantly. During the month, our good stock selection in energy and IT sectors contributed positively, while the outperformance was offset by our underweight position in Financials, overweight position in Telecom, as well as relatively high cash levels.

Economy data shows that China's inflationary pressure continued to ease and GDP growth slowed down a little while still at a 9.1%yoy for 3Q. Industrial production rose at a solid 13.8%yoy in September. Domestic demand remained strong with retail sales increased by 17.7%yoy in September, decent gain of 1.8%mom. Fixed-asset investment growth eased slightly but remained strong, up by 24.9%yoy during the first nine months, while real-estate investment growth pace eased further. Railway investment fell by 19.0%yoy YTD by September, due to the postponement of some railway projects for safety reasons. The easing PMI suggests exports would continue to weaken due to slower demand from US and Europe while inflationary pressure is fading quickly. We believe we are very close to the inflection point for the current tightening cycle. Although development in European credit market may continue to affect overall market sentiment, we expect investors would turn incrementally more positive on China's economic outlook in the coming months.

Key Information

Launch Date	: 1 September 2000	Launch Price	: S\$1.00
Bid Price	: *S\$2.6945	Management Fee	: 1.65% p.a.
Offer Price	: *S\$2.8363 @ 5% sales charge		
CPFIS Risk Classification:	Higher Risk-Narrowly Focused-Country-Greater China	Dealing	: Daily
Subscription	: CPFIS-OA/SRS/Cash	Bid-Offer Spread	: 5% (RP) / 3% (SP)
Price published In	: The Straits Times, Business Times, Lianhe Zaobao, www.manulife.com.sg		
Min Investment	: S\$5000 (single premium), S\$2000 (SRS annual RSP), S\$500 (top-up)		

Important Information: This report is prepared by Manulife (Singapore) Pte Ltd and is provided for information purposes only. Past performance is not necessarily a guide to future performance.