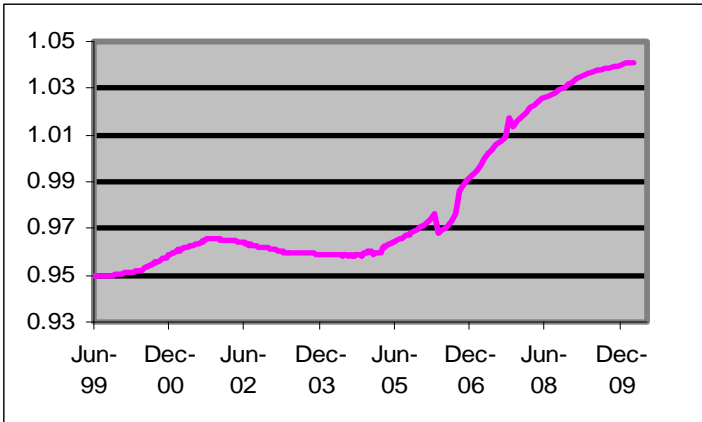


## Fund Objective

The investment objective is to invest as a money market fund, in Singapore Dollar denominated money market instruments and debt securities to achieve a return above short-term cash deposit whilst managing liquidity and risk to preserve capital. The Fund invests all or substantially all its assets into Legg Mason Singapore Dollar Fund (the Underlying Fund).

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



	Fund*	Benchmark
3 month	+0.1%	+0.0%
6 month	+0.2%	+0.1%
1 year	+0.5%	+0.1%
3 year	+1.4%	+0.9%
5 year	+1.6%	+1.6%
10 year	+0.9%	+1.4%
Since Inception	+0.9%	+1.5%

\*Average Annual Compounded Return for period above 1 year (except for the figures disclosed in respect of 1, 3 and 6 months periods), bid-to-bid with income reinvested.

Benchmark: 1 month Singapore Dollar Interbank Bid Rate

Source: Legg Mason Asset Management Singapore Pte. Limited.

*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.*

*The JH Singapore Cash Fund is managed by Legg Mason Asset Management Singapore Pte. Limited, sub managed by Western Asset Management Co Pte. Ltd.*

## Key Information

Launch Date	:	8 June 1999	Launch Price	:	\$S1.00
Bid Price	:	*\$S1.0410	Management Fee	:	0.50% p.a.
Offer Price	:	*\$S1.0958 @ 5% sales charge (RP plans) / *\$S1.0732 @ 3% sales charge (SP plans)	Dealing	:	Daily
CPFIS Risk Classification:	:	Lower Risk - Broadly Diversified	Bid-Offer Spread	:	5% (RP) / 3% (SP)
Subscription	:	CPFIS-OA/SA/SRS/Cash			
Price published In	:	The Straits Times, Business Times, Lianhe Zaobao, www.manulife.com.sg			
Min Investment	:	\$S5000 (single premium), \$S100 (monthly premium), \$S1000 (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.

## Asset Allocation\*

Net Asset Value = S\$7.3 million

Corporate Bonds	20%
Govt / Treasury	74%
Cash	6%

## Top Five Holdings\*

Singapore Treasury Bill 08/04/2010  
 Singapore Treasury Bill 06/05/2010  
 Singapore Treasury Bill 03/06/2010  
 Singapore Treasury Bill 10/06/2010  
 Singapore Treasury Bill 15/04/2010

## Fund Manager's Comments

- Banking system liquidity was easier in March as overnight interbank rates fell 11 basis points (bps) to 0.19%, while three-month interbank rates were little changed at 0.375%.
- Economic data in March was mostly stronger than expected and signaled a more positive growth outlook ahead. February industrial output accelerated by a better than expected 19.1% year-over-year (YoY) compared to consensus expectations of 13.7% YoY, while non-oil domestic exports improved 23.4% YoY from 20.8% YoY in the prior month. Retail sales for January were released at 2.3% YoY, above expectations for just 0.5% YoY. Economic momentum has also become more broad-based with trade and tourism related services, financial services and property transactions all showing signs of stronger momentum.
- On inflation, while CPI readings remain low, prices have been creeping up on a sequential basis. The threat for a rapid run-up in prices remains limited, partially due to ongoing global disinflationary forces given ample economic slack. That said, energy prices have recently been firming and the labour market has been tightening amid faster economic recovery; this may signal higher costs ahead. Expectations have therefore increased for modestly tighter monetary policy to contain imported cost pressures. Monetary policy could take the form of a stronger SGD NEER being adopted at the upcoming Monetary Authority of Singapore policy meeting. Such an action would be consistent with the emerging trend of tighter monetary policies being adopted in the region. Liquidity is likely to be kept plentiful due to lingering concern over the strength of economic recovery in the G3, which includes Singapore's major trading partners.
- In terms of strategy, we are still confident of our modest overweight duration position. In addition, we continue to think that the risk/reward tradeoff remains attractive for allocations to slightly longer-dated, high-quality corporate papers for yield enhancement, given the positive sloping yield curve.