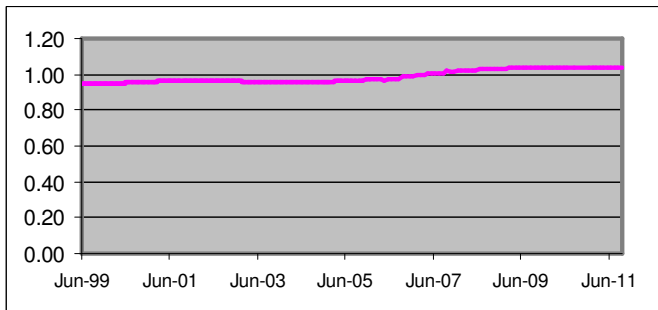


### Fund Objective

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)



	JH Singapore Cash Fund (%)	Benchmark
3 mth	-0.03	0.00
6 mth	-0.09	0.00
1 yr	-0.19	0.10
3 yr	0.30	0.20
5 yr	1.04	0.90
10 yr	0.70	1.10
Since Inception	0.73	1.30

Source: Legg Mason Asset Management Singapore Pte. Limited • Performance are bid-to-bid with income reinvested • Performance figures for 3 mth till 1 yr show the % change, those exceeding 1 yr show the average annual compounded return.

Benchmark: 1 month Singapore Dollar Interbank Bid Rate

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 and Special Accounts 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.

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	: S\$1.00
Bid Price	: *S\$1.0386	Management Fee	: 0.50% p.a.
Offer Price	: *S\$1.0933 @ 5% sales charge (RP plans) / *S\$1.0707 @ 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	: S\$5000 (single premium), S\$100 (monthly premium), S\$1000 (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\$4,846,162.93

Corporate Bonds	35%
Govt / Treasury	49%
Cash	19%

### Top Five Holdings\*

Singapore T-Bill 06/10/2011  
 Singapore T-Bill 01/11/2011  
 Singapore T-Bill 01/12/2011  
 Singapore T-Bill 24/11/2011  
 Oversea-Chinese Banking FRCD (BR) FRN 17/08/2012

### Fund Manager's Comments

• Interbank liquidity tightened up a touch on the back of the unwinding of offshore Singapore-dollar positions mid-month, as market risk aversion intensified. Over the month, although overnight interbank rates changed little, the three-month interbank rate edged up by 10 basis points (bps) to 0.31%.

• Economic data reported in August were mixed but mostly beat expectations. Non-oil domestic exports rose by 5.1% year-over-year (YoY) in August, due to a rise in non-electronics (+20%), which outweighed the contraction in electronic exports (-19%). Industrial production (IP), helped by the sharp rebound in the pharmaceutical cluster, rose sharply by 21.7% YoY in August, compared with 7.4% YoY in the previous. The purchasing managers index (PMI) for September unsurprisingly remained below the neutral 50, given the dent in confidence caused by the financial market turbulence. Retail sales in June remained strong, gaining 10.7% YoY.

• Inflation remains an issue in Singapore, as it is still excessive compared with Singapore's historical experience of 1%–2% CPI. CPI accelerated to 5.7% YoY from the previous month's reading of 5.4% YoY. However, due to worsening global uncertainties, the MAS is more likely to tweak its currency policy by softening its stance on the strong SGD nominal effective exchange rate (NEER) a tad. Overall liquidity is likely to be kept flush, with interbank rates likely hovering around zero.

• We expect to retain our overweight duration position for the Fund. At the same time, while balancing the need to keep the Fund highly liquid, 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.