

Manulife Asia Total Return Fund (Share Class A)

Investment Objective

To maximise total returns from a combination of capital appreciation and income generation by investing all or substantially all its assets into share class I of the underlying fund, Manulife Global Fund – Asia Total Return Fund, a sub-fund of Manulife Global Fund (“MGF”) which primarily invests in diversified portfolio of fixed income securities, issued by governments, agencies, supranationals and corporate issuers in Asia. The Fund may also invest (up to 30% of its net assets) in cash and fixed income securities of other issuers outside Asia if the investment manager of Manulife Global Fund – Asia Total Return Fund considers that such securities will achieve the goal of maximising capital appreciation and income generation.

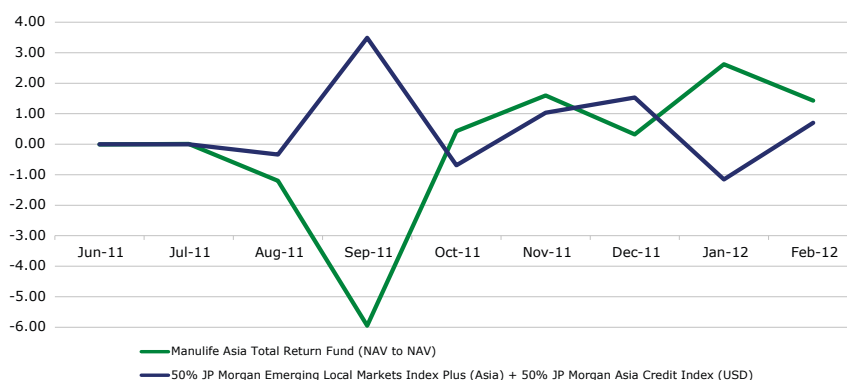
Fund Information

ISIN Code:	SG9999007256
Bloomberg Code:	MANATRA SP
Launch Date:	18 May 2011
Fund Currency:	SGD
NAV Price:	SGD 0.993
AUM:	SGD 0.476 million
Subscription Mode:	Cash SRS
Subscription Fee:	Up to 5%
Management Fee:	1% p.a. (inclusive of management fee charged by the underlying fund)
Minimum Initial Subscription:	S\$1,000
Minimum Subsequent Subscription:	S\$100
Dealing Frequency:	Every business day on forward pricing basis up till 4pm Singapore time
Underlying Fund Manager:	Manulife Asset Management (US) LLC
Benchmark:	50% JP Morgan Asia Credit Index + 50% JP Morgan Emerging Local Markets Index Plus (Asia)

Managed by

Manulife Asset Management (Singapore) Pte.Ltd.
Company Registration No. 200709952G
<http://www.ManulifeAM.com>

Fund Performance [†]



Investment Returns ^{**}

	1 Month	3 Months	6 Months	1 Year	3 Years	Since inception (annualised)
Fund (NAV to NAV)	1.43%	4.42%	0.20%	n/a	n/a	(0.70%)
Fund (Offer to bid)*	(3.64%)	(0.80%)	(4.81%)	n/a	n/a	(5.67%)
Benchmark	0.70%	1.07%	4.93%	n/a	n/a	3.26%

[†] Annualised for periods over one year with net income & dividends reinvested
^{**} Taking into account front-end load

Portfolio Characteristics [^]

Allocation	%
Fixed Income	99.26
Cash/Others	0.74
Total	100.00

Top 10 holdings	%
Government Of South Korea 4.25% 10-Jun-2021	2.94
Government Of The Philippines 6.25% 15-Mar-2016	2.44
Government Of Malaysia 3.835% 12-Aug-2015	2.42
Thailand Ministry Of Finance 1.2% 14-Jul-2021	2.41
Korea Development Bank 7.0% 03-May-2012	2.39
Government Of South Korea 5.75% 10-Sep-2018	2.36
Government Of The Philippines 4.95% 15-Jan-2021	2.33
Government Of The Philippines 6.25% 14-Jan-2036	2.15
Daiwa Securities Group Inc. 5.4% 27-Jun-2012	2.00
Government Of South Korea 4.0% 10-Mar-2016	1.85

[†] Source: Manulife Asset Management (Singapore) Pte.Ltd., Bloomberg and Morningstar

[^] Source: Manulife Asset Management (Hong Kong) Limited

% of portfolio weight is apportioned based on the fund's share of investment in the underlying fund

Portfolio Manager's Commentary

Market Review

Asian bonds gained ground in February amid the positive global market sentiment and stabilisation of the eurozone debt crisis. Markets looked better after Greece received a new bailout, and the European Central Bank extended its Long Term Refinancing Operation programme to record levels at EUR529 billion (USD398 billion) later in the month, helping eurozone banks to get advantageous financing conditions. In China, the People's Bank of China cut its Reserve Requirement Ratio by 50 basis points during the month, leading to a price recovery in riskier assets.

Asian credit markets had a strong month, mainly driven by high-yield corporate bonds. Credit spreads also tightened in the investment-grade space.

With regard to currencies, the Thai Baht and Malaysian Ringgit strengthened about 1.6% versus the US Dollar. Other Asian ex-Japan currencies were close to flat versus the US Dollar over the month.

With regard to positioning, the Fund's overall-interest-rate-duration positioning was kept relatively short. The Fund remained overweight in corporate bonds and in local Asian currency assets versus US Dollar denominated Asian bonds.

Outlook

February witnessed a further bounce back in risky assets. We believe the recovery in Asian assets can be sustained, but we remain cautious and monitor all potential risks. Our long-term view remains stable, and we still believe high-quality corporate bonds offer a more attractive risk/reward profile than sovereign bonds in the current environment. We are also keeping a selective exposure to Asian currencies where we see potential appreciation versus the US Dollar in the medium to long term. More broadly, the Asian-growth outlook remains positive. The region benefits from a unique mix of superior growth prospects, favourable demographics, undervalued currencies, supportive monetary policies and a strong fiscal position.

Contributors

The Fund's overweight position in corporate bonds was the main contributor. Names in the Property sector such as Country Garden and Franshion were the main contributors. In the Utility sector, Korea Gas also added to positive returns. Overall, the Fund's superior running yield helped returns.

Detractors

In contrast, the Fund's exposure to the Chinese Yuan slightly detracted from returns during the month.

Manulife Asset Management

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