

Manulife Singapore Balanced Fund (Share Class A)

Investment Objective

To maximise total return in the medium to long-term by investing in a portfolio comprising equity portfolio, fixed income portfolio and short-term investments for cash management. The equity portfolio will be primary invested in the Manulife Singapore Equity Fund, while the fixed income portfolio will be primarily invested in the Manulife Singapore Bond fund.

Fund Information

ISIN Code:	SG9999006373
Bloomberg Code:	MNSGBAL SP
Launch Date:	14 September 2009
Fund Currency:	SGD
NAV Price:	SGD 1.090
AUM:	SGD 9.372 million
Subscription Mode:	Cash SRS
Subscription Fee:	Up to 5%
Management Fee:	1.30% p.a.
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)

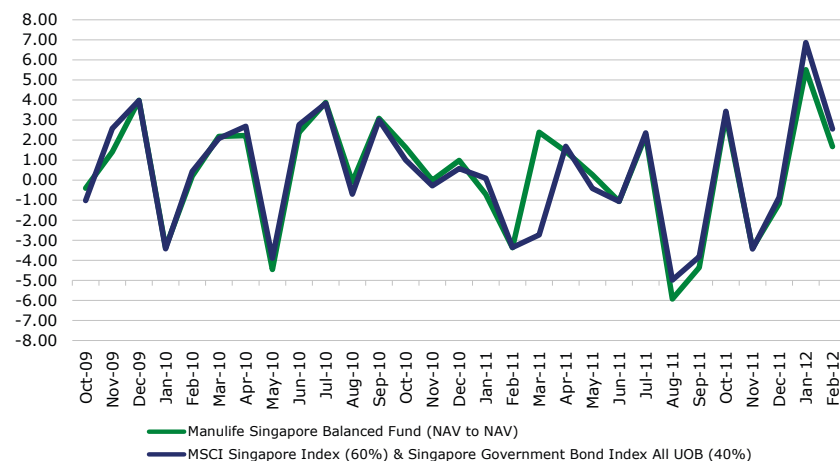
Benchmark:

MSCI Singapore Index (weighting of 60%) and Singapore Government Bond Index All UOB (weighting of 40%)

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
Fund (NAV to NAV)	1.68%	6.03%	1.11%	0.18%	n/a	3.57%
Fund (Offer to bid)*	-3.40%	0.73%	-3.94%	-4.83%	n/a	1.43%
Benchmark	2.56%	8.67%	4.39%	4.50%	n/a	6.42%

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

Portfolio Characteristics [†]

Allocation	%
Equity	56.62
Fixed Income	37.12
Cash	6.25
Total	100.00

Top 10 holdings	%
DBS Group Holdings Ltd.	5.72
Government Of Singapore 3.0% 01-Sep-2024	4.72
Keppel Corp. Ltd.	4.64
Oversea-Chinese Banking Corp. Ltd.	4.25
Singapore Telecommunications Ltd.	4.04
United Overseas Bank Ltd.	4.01
Genting Singapore PLC	2.60
SembCorp Marine Ltd.	2.59
Wilmar International Ltd.	2.12
Government Of Singapore 3.5% 01-Mar-2027	2.11

[†] Source: Manulife Asset Management (Singapore) Pte.Ltd., Bloomberg and Morningstar
% of portfolio weight is apportioned based on the fund's share of investment in the underlying fund

Portfolio Manager's Commentary

Overview

In November, the Singapore equities market gave back gains from the previous month. The third quarter reporting season was generally disappointing, as revenue momentum started to slow down along with earnings weakness. In particular, the resources sector was sold off on shocking trading losses of Noble Group. Genting Singapore also reported dismal results as provisioning for receivables increased substantially. Given the global economic headwinds, Singapore's trade and industry ministry estimated a slower economy with 2012 GDP between 1 to 3%.

Despite the on-going concerns from Europe, both the US Treasuries and Singapore Government bond (SGS) market were largely directionless and ended the month slightly stronger with yields down a couple of basis points. However, corporate bonds underperformed with spreads wider given the on-going uncertainty.

The fund is currently underweight equities as corporate earnings have been disappointing. More earnings downgrades could be expected with a poor economic outlook.

Contributors

Our position in Jardine Strategic added value as the stock held up relatively well. In addition, our participation in the IPO, Parkson Retail Asia worked well for the Fund given the strong trading debut in November 2011. Intra-month short duration strategy in the 20-year SGS had a slight positive contribution to the fixed income portfolio.

Detractors

Our underweight positions in Global Logistic and Ascendas Reit detracted value for the equity portfolio. The overweight positions in the corporate bonds versus the government bonds accounted for most of the underperformance for the fixed income portfolio during the month.

Manulife Asset Management

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