

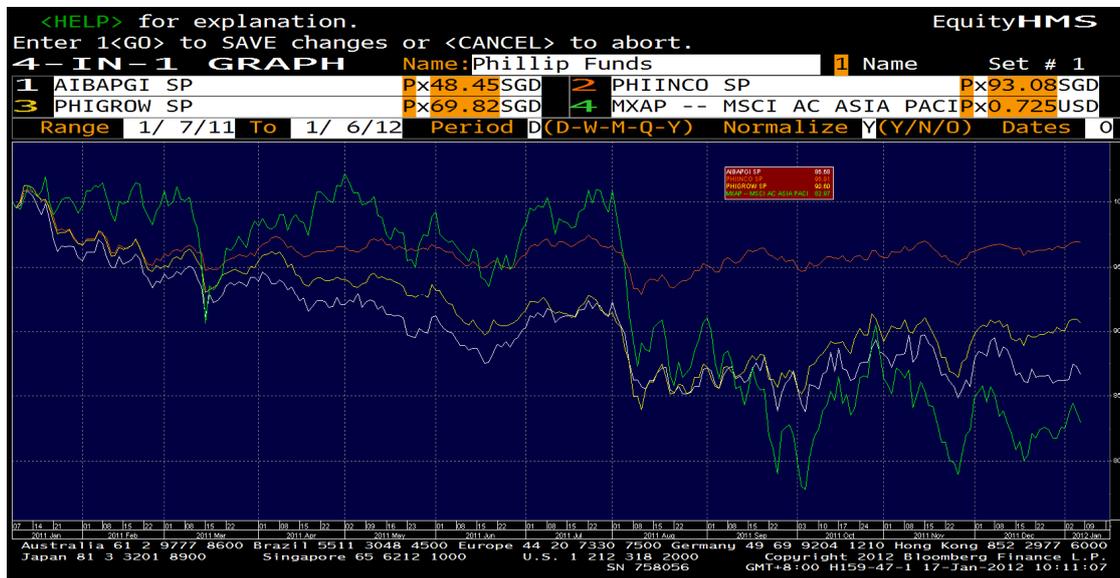
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Reporting Performance on 3 Phillip Funds

2011 proved to be a difficult year for equities. Asia Pacific Equities ended down about -15%. Most of Phillip’s equity funds fared better. The Asia Pacific Growth Fund, Income Fund and Growth Fund fell -13.3%, -4.36% and -8.73% respectively.

The better performance was a result of asset allocation and stock selection effects in the portfolios. The Asia Pacific Fund, which invests only in equities clocked better performance due to its focus on companies with sustainable dividends. The Income Fund, with a balanced focus holds about 43% bonds. The positive performance of bonds cushioned the effect of weak Asian equities. The Growth Fund, which focuses on global equities (Asian + US + Europe equities), fared relatively better due to its US exposure; The US equity market has been a top performer for the year returning flat performance for 2011. The lessons learned from 2011 is quite clear; anyone holding bonds and US stocks were relatively better off than those holding only Asian equities.



Source: Bloomberg

The graph above shows the performance of the Asia Pacific Growth Fund (White Line), Income Fund (Red Line), Growth Fund (Yellow Line), MSCI Asia Pacific including Japan Index (Green Line) from 1 Jan 2011 to 16 January 2012.

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