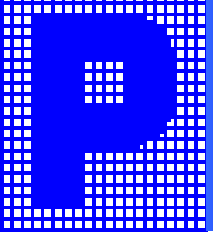


Overview

1. Investment Seminar
2. Fund Promotions
3. Regular Savings Plan – Let Market Volatility work for you.
4. Financial Equities, Time to invest?

July 2009 Investment Seminars

No	Date	Time	Venue	Theme	Speaker
1	8 Jul (Wed)	7.00pm - 8.00pm	Raffles City Presentation Room Level 6	<p>Where is gold and commodities headed to?</p> <p>As signs of recovery emerge coupled with commodity markets indices climbing more than 16% from their troughs in the first five months of the year, let UOBAM share with you our outlook on gold and commodities.</p>	Norman Wu UOB Asset Management
2	9 Jul (Thurs)	12.30pm - 1.30pm	Raffles City Presentation Room Level 6	<p>China / Taiwan Market Update</p> <p>With the recent rally in the Chinese equities market, is the rally sustainable?</p>	Clement Lee Fidelity



July Online Promotion

Invest in the following UOB Funds

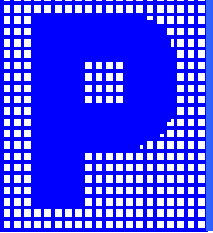
Receive a \$10 Shopping voucher for every 10K investment

- UOB United Growth Fund
- UOB Global Resources Fund
- UOB Gold & General Fund
- UOB Asian Growth Opportunities Fund
- UOB Greater China Fund

Terms & Conditions:

- Free Shopping voucher promotion is valid for placement of trade from 01 July 2009 - 30 September 2009.
- Only applicable to above selected UOB funds for Cash or SRS trade.
- This free voucher promotion does not apply to switch trade or RSP transaction
- Investors must invest a min. of 10K in UOB funds to qualify for the vouchers.
- Qualifiers will receive the vouchers and gift around 6 – 8 weeks from the close of the fund promotion.

Phillip Securities Pte Ltd reserves the right to amend the Terms and Conditions from time to time without prior notification



Let Market Volatility work in your favor, with the Unit Trust Regular Savings Plan

Unsure of what to invest in this current market uncertainty? Let us introduce the concept of Regular savings plan that works on the concept of dollar cost averaging. Thus instead of worrying of the current market crisis, and waiting for the next market up trend, you save your investment with the regular savings plan.

The regular savings plan is a systematic investment plan that favors market volatility with the following illustration. You need as little as \$100 monthly to get started on this regular savings plan.

Illustration of the Regular savings plan.

Case1: Volatile Market (Fund X)			Case2: Up Trend Market (Fund Y)		
Invest \$500 a month			Invest \$500 a month		
Mth	Unit Price	Units	Mth	Unit Price	Units
1	\$10.00	50	1	\$10.00	50
2	\$5.00	100	2	\$11.00	45.46
3	\$9.00	55.55	3	\$12.00	41.67
4	\$5.00	100	4	\$13.00	38.46
5	\$8.00	62.5	5	\$14.00	35.71
6	\$3.00	125	6	\$15.00	33.33
7	\$6.00	83.35	7	\$16.00	31.25
8	\$1.00	125	8	\$17.00	29.41
9	\$5.00	100	9	\$18.00	27.78
10	\$3.00	125	10	\$19.00	26.32
11	\$7.00	71.45	11	\$20.00	25
12	\$10.00	50	12	\$21.00	23.81
Total Units:		1047.85	Total Units:		408.2
Total Value		\$10,478.50	Total Value		\$8,572.20

Assumption: 0% upfront fees.

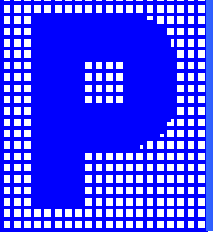
From the above illustration, you see that fund X gives a better return at the end of 12months. This is because, the regular savings plan, helps the investors to buy more units when prices are low (in present market conditions) and less when prices are high.

No STRESS! No need to try to time the market; buy low and sell high, reduce the likelihood of a lump sum investment would face a potential if it is bought just before the price fall. In times of market boom, it may be more advisable to do a lump sum investment; of course this will involve perfect market timing.

With the present relatively cheaper market valuation, thus there is no better time to get started on your investments now. You are spoilt for choices with over 200 unit trust funds online to choose from to start your regular savings plan with us. The plan is automatic the monthly/quarterly payment amount will be deducted from your designated bank/ cpf investment account respectively.

What's more you get to enjoy special sales charge promotion via POEMS online @ 1.5% on selected funds. Get started on your plan today!

For more information, call us at 65311 555 or your financial representatives. Visit www.poems.com.sg
www.eunitrust.com.sg



Henderson RSP Promotion (waiver of Initial Lumpsum)

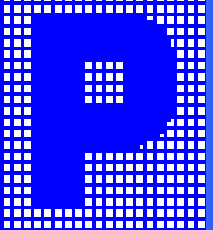
Receive **BONUS** units when you start your Regular Savings Plan with the
Henderson Horizon China Fund - SGD

Monthly RSP amount	Reward
S\$100 – <S\$300	S\$50 worth of units
S\$300 and above	S\$100 worth of units

You can start your RSP at \$100 monthly on this China fund, without the initial Lumpsum during this promotional period.
What's more, ENJOY 1.5% sales charge on the your RSP now!
Go to ASAP to place your RSP today!
To find out more on RSP contact us @ 65311 555 or unittrust@phillip.com.sg

Terms and conditions:

- This promotion is only valid for NEW trade placed from **16 June 2009 to 31 Aug 2009 (both dates inclusive)** for the above mentioned Henderson RSP cash and SGD transactions.
- This promotion is applicable for approved cash RSP trades and will not apply to switch and transfer-in transactions.
- Investors do not need a minimum initial purchase in this Henderson China fund before applying for a RSP during this promotion.
- To qualify for the reward or bonus units, investors must stay invested on the RSP till 30 June 2010, the bonus units will be credited within 1 month after 30 June 2010.
- Phillip Securities Pte Ltd reserves the right to amend the Terms and Conditions from time to time without prior notification



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July 2009

Financial Equity

It may seem an odd time to look at Financial equity at this moment as most investors are concern about the state of the US and European banking system given that the cause of the recent crisis was partly a result of their participation in sub prime loan origination. But, I think credit has and will still continue to improve, which could put this asset class in an attractive light as most investors shun them entirely. Still, I am only recommending tactical exposure to financials and only within a 3-6 month time frame.

It's about time the US dollar rebounds

Figure 1 shows a picture of the US dollar index for the past ten years. The chart shows that the US dollar is technically sitting on price support, which means that the dollar price at these levels could remain or possibly head higher.

A strong US dollar is generally good for financials as investors look to buy more US assets, like distressed homes.

Credit could improve even more

Figure 2 shows a snapshot of the banking system in the world. LIBOR-OIS spreads, which measures the rates on US dollar deposits, continue to trend lower. The same can be said for the EURIBOR overnight swap and the similar swap rate for Yen denominated deposits.

I expect the trend to continue and it is possible the spreads head back to where we started off from in 2007. This is positive for financials as the spread typically measures tension and a downward moving spread means that the tension is easing, which is positive for Financials.

To rein force this point, Bank Tier 1 and Tier 2 Asset swap rates have improved and the trend seems to be lower, which is a positive again for financial equity.



Figure 1: US Dollar Index

Source: Bloomberg

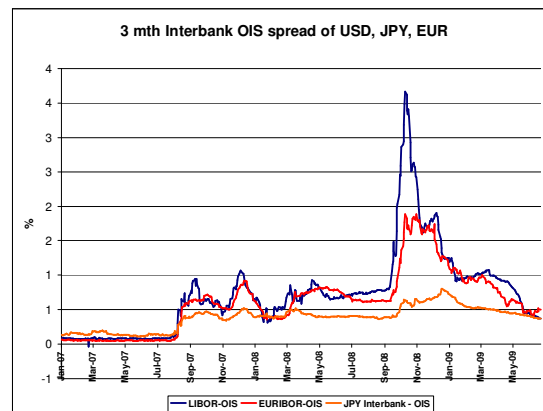


Figure 2: Interbank rates of USD, EUR and JPY

Source: Bloomberg

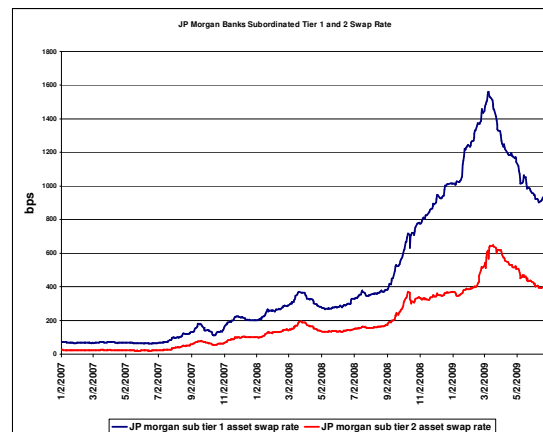


Figure 3: JP Morgan Banks Subordinated Tier 1 and Tier 2 Swap Rate

Source: Bloomberg

We could see some signs of distress from time to time

Figure 4 shows the performance of various sectors in the S&P 500. From a YTD perspective, the financial sector has outperformed the rest of the sectors by a great margin. From this aspect and from a technical standpoint, the financials could correct more substantially than the rest of the sectors if the equity market turns volatile, but I think these are times to accumulate some exposure to financial equities as credit must improve for the global economy to resume functioning.

Figure 5 also shows that the credit default swap rates have inverted in recent weeks, which also suggest that we could see some volatility in the short term for financial counters. But I still think the outlook for financial equity is still attractive in a 3 to 6 month time frame as credit improves.

The Fund we have in mind

There are 3 funds on the platform that invest in Financial equity, UOB United Global Capital Fund, Fidelity Financial Service Fund and the Lion Global TEAM Financial Service Investment Fund.

As shown in Figure 6, all three funds have closely related performance and all have outperformed the S&P Financial Index. But we prefer the Fidelity Financial Service Investment Fund as it has a lower drawdown ratio and bigger fund size., compared to its peers

Fidelity Global Financial Service Fund Performance (as of 23 June 2009)

	1 mth	3 mth	YTD	1 Year	3 Year	5 Year
Absolute Return	1.60	19.96	9.26	-23.19	-14.83	-2.08
Maximum Drawdown				-46.26		
Volatility				42.72		
Semi variance				48.44		
Sortino Ratio				-0.40		

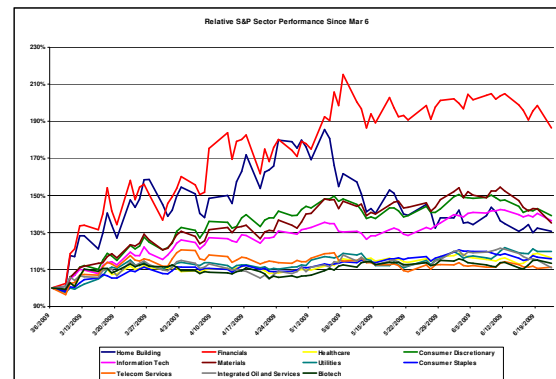


Figure 4: YTD performance of various sectors in the S&P 500

Source: Bloomberg

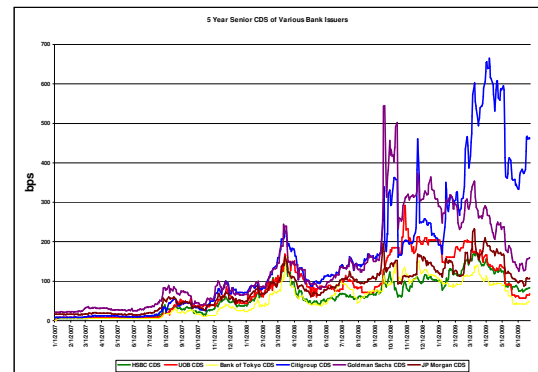


Figure 5: CDS Performance of various banks around the globe

Source : Bloomberg

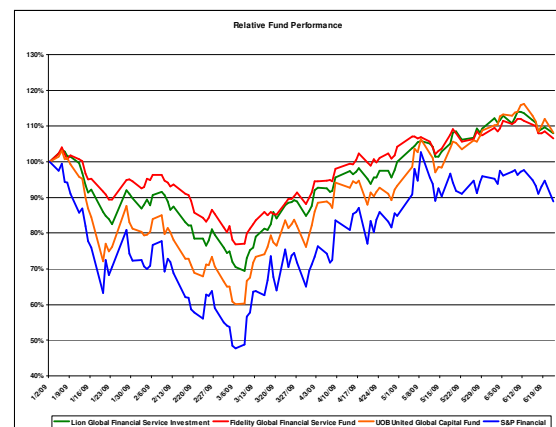
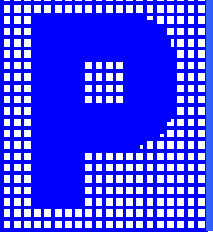


Figure 6: YTD Performance of various Financial Equity funds

Source : Bloomberg



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Appendix

Fund	Asset Allocation/ Top Holdings	Performance	
		YTD (%)	1 Year (%)
UOB United Global Capital Fund	HSBC Holdings JP Morgan Chase Northern Trust Corp State Street Corp Visa Inc US Bancorp Banco Bilbao Vizcaya PNC Financial Services Bank of America Banco Santander	15.50	-25.67
Fidelity Global Financial Services Fund	Franklin Resources 6.30% Mizrahi Tefahot Bank 5.70% Pitney Bowes 4.90% Munich Reinsurance 4.40% Berkshire Hathaway Class B 4.00% Western Union 3.90% Neopost 3.50% African Bank Investments 3.00% ACE 2.80% Partnerre 2.80%	10.98	-19.59
Lion Global Financial Service Fund	Fidelity Global Financial Service Fund 52.5% JP Morgan Global Financials Fund 46.9% Cash and Equivalents 0.6%	12.90	-28.19



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UTalk July 2009

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