



A Personalized Investment Proposal for

Mr Hon Hee Siew

Prepared by

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Risk Profile

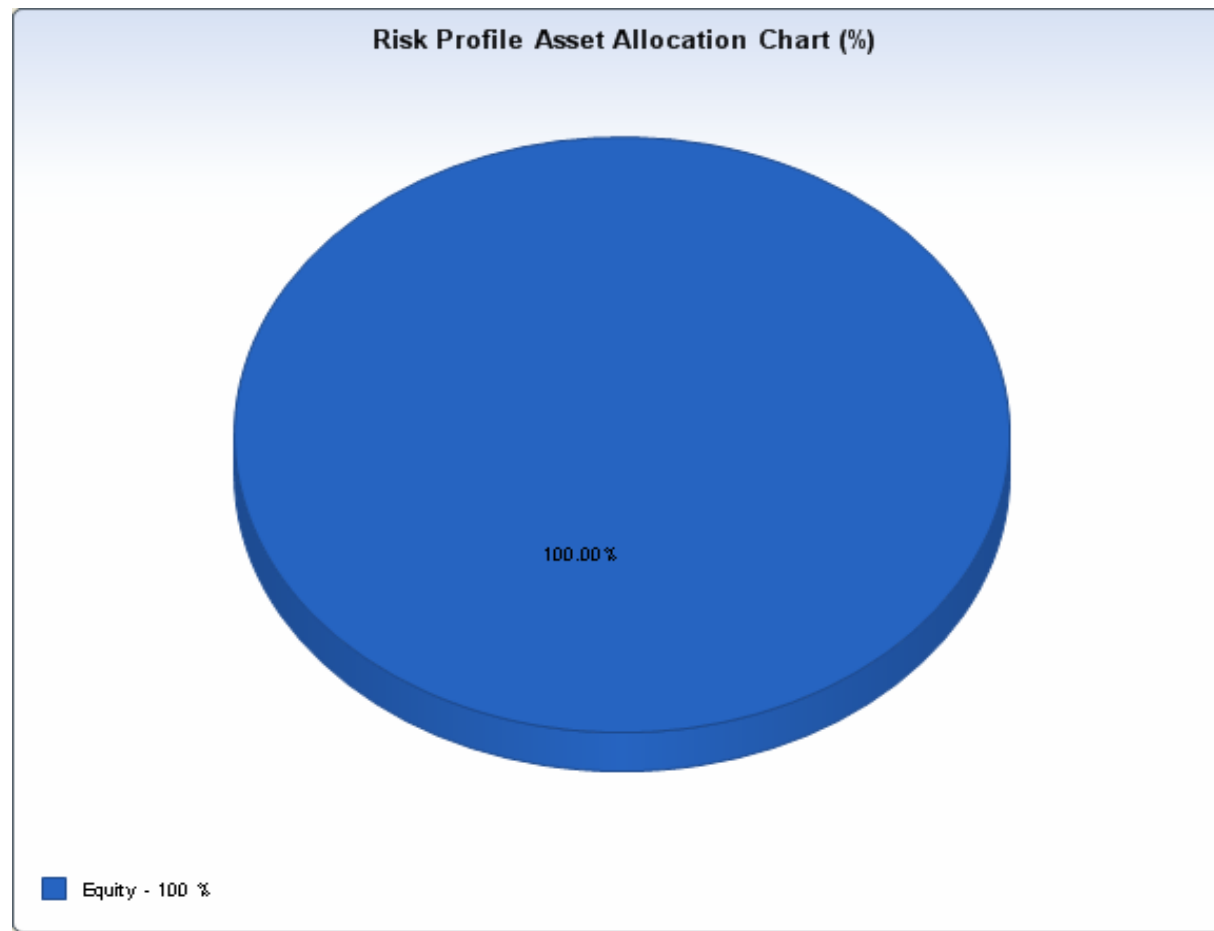
AGGRESSIVE

Your investment risk profile identifies your appetite for risk while considering your investment goals and time horizon. After going through the Risk Profile Questionnaire, you are identified as **AGGRESSIVE** investor.

As an aggressive investor, you prefer to invest in high risk high return funds. You are willing to weather short term volatility where your losses can be up to 40% to 50% of your portfolio value and you seek to maximise your returns in the medium to long term. In general, one or more of these points should apply to you. You want high returns and are willing to take short term losses in order to realise this. You are a risk-taker and realise that fluctuations in the market is normal. You generally have more than enough money saved up for your lifestyle and living expenses. The money set aside for investment is solely for investment. You expect to build a sizeable retirement nest egg and to have a very comfortable retirement. You want to enjoy life to its fullest and this means you need to have enough money to do so. You can consider funds of iFAST Research Risk Rating 10 or lower.

Recommended Asset Allocation

Asset allocation is the process of determining optimal allocations across broad asset classes to achieve your target returns that suit your risk appetite and investment time horizon. As an investor with an investment time horizon of **15** years, it is recommended that your portfolio has the following asset allocation.



Investment Philosophy

There are three main criteria that we look at in analysing and recommending unit trusts. These are the track record (historical performance), the expense ratio and the risk factor.

Performance (60% weightage)

We believe that the quality of the fund manager is the most important factor in picking the right unit trusts. Good fund managers carry certain investment methodologies and character traits that over time will ensure good investment returns. The best and most objective way of determining the quality of the fund managers is to look at the historical performance of the fund. Both the actual returns over various periods of time - mainly 1 year, 2 years, 3 years, 5 years - and the consistency of good returns, are important to us. Where the funds are new, but are feeder funds to mother funds overseas with a long history, we would assess the mother fund as well. We typically recommend funds of at least 3 years operating history. We only look at returns over periods of no less than one year. Anything less is not meaningful. We completely ignore the quarterly performance rankings. We feel that focusing on that will simply encourage short-sightedness - both on the part of the investors and on the part of the fund managers

Expense ratio (20% weightage)

The expense ratio is what you have to pay the fund manager on a yearly basis. This charge is deducted from the value of the unit trust. It takes into account all the expenses that the fund incurs, including management fee, administration and transaction costs, and marketing. Expense ratios typically range from 1.5% to 2.5% (less for index funds). The lower the expense ratio, the better it is for you, because you pay less.

Risk (20% weightage)

Instead of purely using statistics on standard deviation (volatility) as the measure of risk, which is what most people do, we feel that it is more appropriate to look at how well the funds hold up during periods when the relevant equity markets saw substantial decline. (Using purely standard deviation statistics will penalize the top performing funds as volatility data do not differentiate between a rising fund from a declining fund).

Bond Funds

The purpose of bond funds is to reduce volatility in an investment portfolio. People buy bond funds not to seek high returns (the best returns are derived from equity funds). The people who buy bond funds want stability and consistency. Thus, in our analysis of bond funds, we used a different weighting of Performance 30%, Expense 30% and Risk 40%.

Investment Philosophy

Currency risk

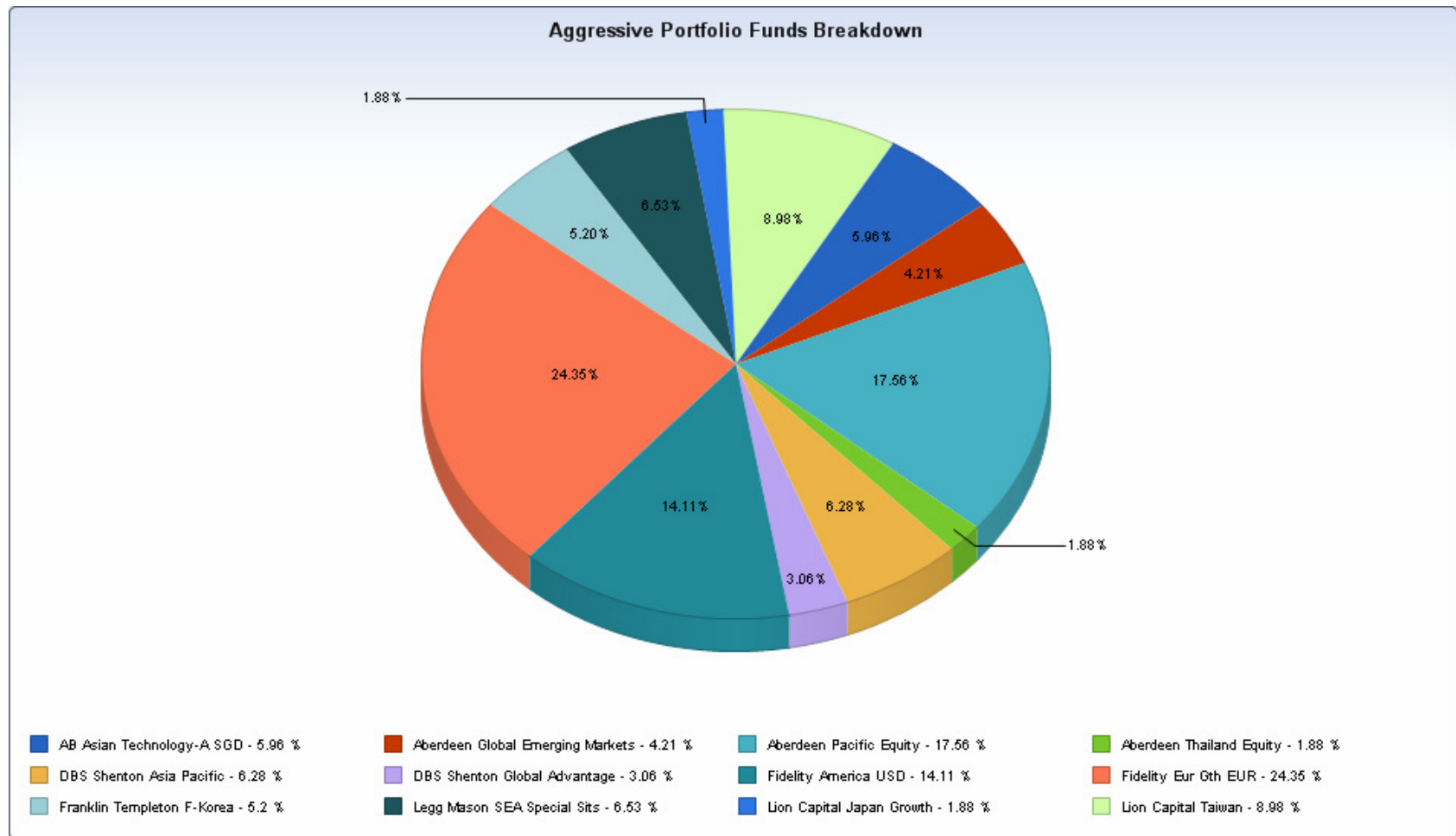
The majority of people that buy unit trusts in Singapore use Singapore dollars as their main currency. The Singapore dollar is not pegged to any single currency and its fortunes will change versus other currencies. As most of the equity funds that invest in other regions buy companies that predominantly have foreign currency assets and earning streams, there is exchange risk involved. A gain in the Singapore dollar against other currencies may reduce returns while a drop in the Singapore dollar against other currencies would magnify returns.

As such, we advocate that a portion of any Singaporean portfolio should have a significant exposure to Singapore equities or bonds.

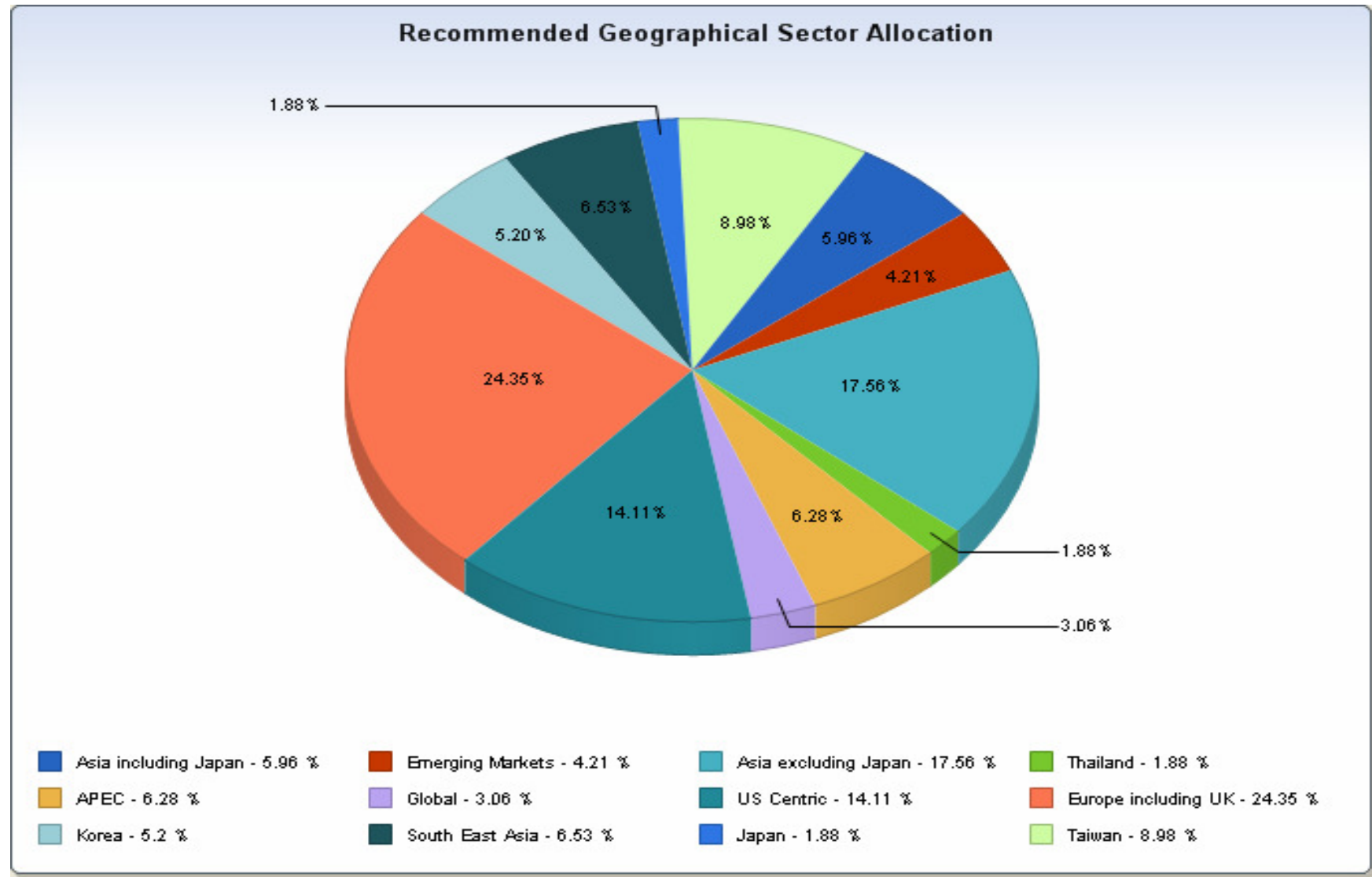
All of the above are the main points taken into consideration when we recommend a fund for a portfolio.

Recommended Fund Allocation

Through our rigorous and proprietary selection methodology that takes into account your Risk Profile, desired returns, portfolio diversification and volatility, a portfolio is designed with the following funds and allocation.

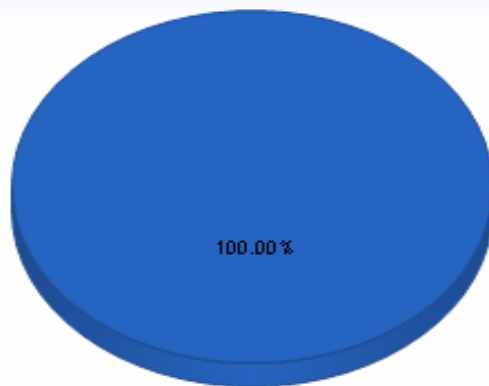


Recommended Geographical Allocation



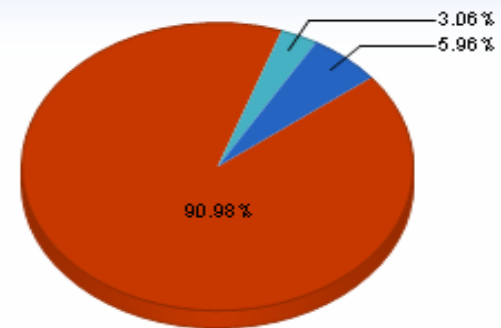
Recommended Asset And Specialist Allocation

Recommended Asset Class Allocation



Equity - 100 %

Recommended Specialist Sector Allocation



Technology - 5.96 %
General - 90.98 %
Small to Medium Companies - 3.06 %

Portfolio Objective and Strategy

Portfolio Objective

To take on higher risk and achieve higher returns over an investment horizon of 10 years or more. This portfolio was started on Nov 20th 2002. This is to take on higher risk and achieve higher returns over an investment horizon of 10 years or more. This portfolio was started on Nov 20th 2002. This portfolio is suitable for aggressive investors who are able to handle risk and who understand the fluctuations that come with being invested in stock markets. Also suitable for investors who have a long-term horizon and who can bear temporary market setbacks. Specific examples include singles with no near term commitments and couples saving for long term retirement.

Portfolio Strategy

The portfolio consists entirely of equity funds. Although this makes it the highest risk of all the recommended portfolios we have, this portfolio will also have the biggest potential for achieving high returns. As we mentioned, the portfolio will go through short term bumps, but we expect that in the long term, this portfolio's returns will be the best amongst the five we feature. The core equity portion consists of six funds. Four of these invest in the major regions and stock markets of the U.S., Europe, Japan and Asia excluding Japan. The other 2 funds invest in global equities and Singapore equities. The segregation into the 4 main regions allows us flexibility in choosing our relative weightings in each area. As you can see, we are currently overweight in Asia ex Japan when compared to typical global funds and indices. The attractive valuations and high earnings growth in the region makes it our most favoured area.

As such, we have two Asian equity funds in the portfolio. The global equity fund is there to reduce volatility in an aggressive portfolio as it is the most diversified amongst the funds. The Singapore equity fund helps to reduce some currency risk. We can rebalance this core equity portion periodically. As our previous research articles (found in research archives) have shown, rebalancing regularly helps to improve the returns of the portfolio. The currency fund is in the portfolio to provide added diversification away from market risk. The Detusche currency fund is a high risk, high return fund like a global equity fund, yet with a low correlation to stock markets. Hence, it forms a good addition to the portfolio. The remaining portion is invested into a supplementary portfolio. This is the highest risk portion of the entire portfolio and so, we started out with just 20% allocation.

Here, we allow ourselves to take shorter term views and invest into more narrowly focused funds like technology or single countries. We may go into bond funds if and when we feel it is necessary. Currently, we take positions in Asian Technology and Korea as we feel that these sectors are attractively valued. We also take a position in China as it has good growth potential in Asia over the next decade. This view may change over time, and if and when it does, we may switch to another fund or sector and reflect that in the Action column below. As this is an aggressive portfolio, we may still be investing the \$1,000 monthly amount regularly to take advantage of market fluctuations.

However, the investments may not be limited to just the funds above or any specific amounts. Hence, we will keep you updated with the changes we make to the portfolio under the Action column. If you wish to do a monthly Regular Saving Plans on such a portfolio, concentrate on the funds making up the core equity portfolio. While we strongly advocate adding investments regularly, some investors may just have a lump sum investment only. For such investors, the above portfolio will still be alright, but they might wish to take note of the percentage changes in the various allocations of the portfolio over time made under the actions column and try to adjust their investments accordingly.

Recommended Portfolio Transaction

Investment Amount Breakdown

Payment Method	Investment Amount (SGD)	Upfront Fee (%)	Total Investment Less Upfront Fee (SGD)
Cash	50,000.00	3	48,500.00
SRS	0	0	0
CPF - OA	50,000.00	3	48,500.00
CPF - SA	0	0	0
Total	100,000.00		97,000.00

Last valuations as at Monday, November 26, 2007

No.	Fund Name	Allocation (%)	Investment Amount (SGD)	Indicative Price	Fund Sales Charge	Invst Less Upfront (SGD)	Payment Mode
1	AB Asian Technology-A SGD	5.96	5,960.00	SGD 23.3400	3	5,781.20	CPFIS-OA
2	Aberdeen Global Emerging Markets	4.21	4,210.00	SGD 1.5613	3	4,083.70	CPFIS-OA
3	Aberdeen Pacific Equity	17.56	17,560.00	SGD 4.0817	3	17,033.20	CPFIS-OA
4	Aberdeen Thailand Equity	1.88	1,880.00	SGD 4.5259	3	1,823.60	CPFIS-OA
5	DBS Shenton Asia Pacific	6.28	6,280.00	SGD 1.4790	3	6,091.60	CPFIS-OA
6	DBS Shenton Global Advantage	3.06	3,060.00	SGD 2.8880	3	2,968.20	cheque
7	Fidelity America USD	14.11	14,110.00	USD 5.2400	3	13,686.70	CPFIS-OA
8	Fidelity Eur Gth EUR	24.35	24,350.00	EUR 12.5500	3	23,619.50	cheque
9	Franklin Templeton F-Korea	5.2	5,200.00	SGD 9.7800	3	5,044.00	cheque
10	Legg Mason SEA Special Sits	6.53	6,530.00	SGD 2.0950	3	6,334.10	cheque
11	Lion Capital Japan Growth	1.88	1,880.00	SGD 0.7970	3	1,823.60	cheque
12	Lion Capital Taiwan	8.98	8,980.00	SGD 0.5100	3	8,710.60	cheque

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Acknowledgement

Client Acknowledgement

I/We understand that this investment proposal is based on the facts provided by me/us in the Fact Finding and Risk Profiling process . In the event of partial or inaccurate disclosure during Fact Finding, this recommendation will be invalid. I/We fully understand the risks inherent in investments and also the respective fees and charging structures.

Client Name Hon Hee Siew

Client NRIC S7914771J

Date 26 Nov 2007

Signature
