

Investment Objective

To achieve medium to long-term capital growth by investing in publicly listed securities issued by European companies in the technology, telecommunications and Internet sectors.

Investment Scenario & Strategy (4th Quarter, 2002)

- In the third quarter, the telecom sector outperformed the broad European market. This was a result of its relative low valuation and improving free cash flow trend (helped by aggressive capital spending reductions). We expect this trend to continue going forward and have increased our exposure in the past quarter. Whilst the sector now looks attractive, we are mindful of the risks that remain, such as the weak balance sheet problems at France Telecom and the overcrowding in key markets such as Germany and Holland. We favour companies with good ability to generate cash.
- On the other hand, the near term visibility in the telecom equipment sector remains poor owing to further reductions in telecom operator capital spending budgets. We are underweight the sector for this reason and for concerns of further risks to company financials in general.
- We are now overweight IT services because of the attractive valuations. However, we are mindful that corporate IT budgets remain tight.
- Overall, we are cautious on the technology sector but will look to increase our invested levels in this area going forward in view of the attractive valuations.

Asset Allocation – By Country (as at 31 Oct 2002)

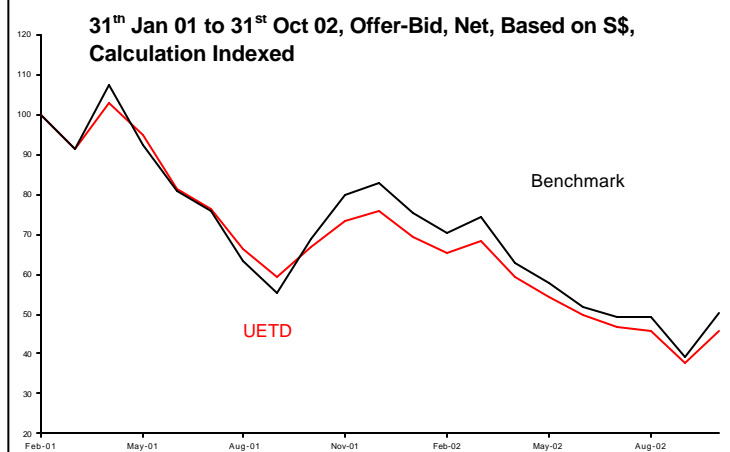
United Kingdom	11.55%	Denmark	2.50%
France	24.84%	Spain	6.89%
Germany	14.80%	Others	8.59%
Finland	13.52%	Cash	10.40%
Netherlands	6.91%		

Asset Allocation – By Sector (as at 31 Oct 2002)

Information Technology	40.18%	Industrials	7.07%
Telecom services	39.71%	Cash	10.40%
Consumer	2.64%		

Top 10 Holdings (as at 31 Oct 2002)

NOKIA OYJ
VODAFONE GROUP
TELEFONICA SA
WANADOO
ST MICROELETRO
SIEMENS
DEU TELEKOM REG
BT GROUP
GROUPE STERIA
ALTEN



Performance	Fund	Benchmark
1 month	12.99%	27.92%
3 months	-7.45%	1.26%
6 months	-27.50%	-19.97%
1 year	-35.07%	-26.99%
Since Inception	-37.75%	-32.66%

Source: S&P Micropal : Performance are in S\$, Offer-Bid as at 31 Oct 02
Performance figures for 1 month till 1 yr show the % change
Performance figures for those exceeding 1 yr show the average annual compounded return
Composite Benchmark : Benchmark Data from Bloomberg the Composite benchmark comprise of the following indices:
DJ Stoxx Technology Index (42.50%)
DJ Stoxx Telecom Index (42.50%) and Bloomberg Euro Internet (15%).

Fund Details

Launch Date	Jan 2001 (Cash)
Bid/Offer Price	S\$0.4350/0.4650 (as at 31 Oct 2002)
Initial Investment	S\$1,000
Sub Investment	S\$500
Management Fee	1.50% p.a.
Subscription Fee	5%
Minimum RSP	S\$100/month, S\$500/quarter
Trustee	Dexia Trust Services