

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies. It is issued by Eastspring Investments (Singapore) Limited, Pru Life UK's fund manager for unit-linked policies and is not intended to serve as individual investment advice.

## PRULink bond fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	24 September 2002
Manager	Eastspring Investments (Singapore) Limited
Fund Size	PHP 18.06 billion
Fund Currency	Philippine Peso
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	1.53% p.a.
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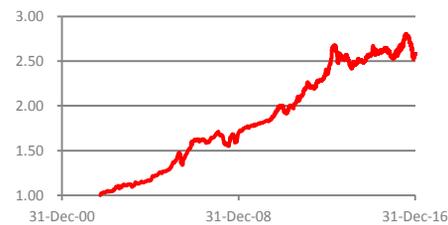
### HIGHEST & LOWEST UNIT PRICE ACHIEVED

Initial (24 Sep 2002)	1.00000
Highest (11 Aug 2016)	2.80424
Lowest (24 Sep 2002)	1.00000

### Fund Objective

The fund seeks to achieve an optimal level of income in the medium term together with long-term capital growth through investments in fixed income securities and money market instruments.

### Performance Chart



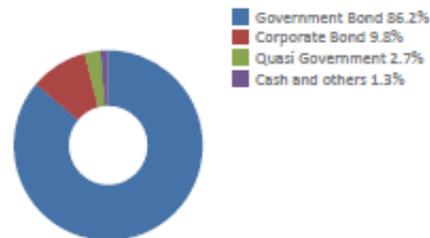
### Performance

1-Month	Actual yr-on-yr	Since Inception
0.07%	0.96%	6.86%

Based on Unit Price as of 03 Jan 2017: PhP 2.58111

Notes:  
The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

### Asset Allocation



### Top 5 Holdings

PHILIPPINE GOVERNMENT 8.000000% 07/19/2031	9.7%
PHILIPPINE GOVERNMENT 8.125000% 12/16/2035	6.9%
PHILIPPINE GOVERNMENT 6.125000% 10/24/2037	5.4%
PHILIPPINE GOVERNMENT 5.875000% 03/01/2032	5.3%
PHILIPPINE GOVERNMENT 3.625000% 09/09/2025	4.5%

## Commentary

In December, the Philippine domestic government bond market (represented by the Markit iBoxx Philippine Local Bond Index) recovered from the previous month's rout and turned in a marginally positive return of 0.23%. Steadier investor sentiment and an abatement of outflow pressures led to yields falling across more tenures on the Philippines government bond yield curve, reversing the significant widening seen in November.

Bangko Sentral ng Pilipinas kept interest rates unchanged during the month, noting that maintaining monetary policy settings at this juncture will give the central bank more time to assess evolving economic developments and calibrate its policy tools as appropriate in the wake of the ongoing monetary policy adjustment in the US. Headline inflation in November increased to 2.5% year-on-year from 2.3% in the previous month, and was above the BSP's forecast of 1.6-2.4% for the month.

The domestic economy continues to be buoyant. Personal remittances from Overseas Filipino Workers (OFWs) for the first ten months of the year reached US\$24.4 billion, equivalent to a 3.9% growth year-on-year. Loans grew 18.6% year-on-year in November, faster than the 17.7% year-on-year growth seen in October. However, on the external front, Philippines recorded a Balance of Payments deficit of US\$1.67 billion in November, the largest deficit since January 2014.

On a gross basis, the Fund returned 0.20%, relatively in line with the benchmark. Net of the 1.5% p.a. fees, the Fund returned 0.07%. The selloff in government bonds over the past few months took a pause, with a strong rally in short-tenor bonds. The fund underperformed due to its underweight in the short-tenor bonds.

In December, we further extended duration on opportunity after the Federal Reserve raised its key interest rate by 0.25%. Philippines' growth picture remains well-supported and relatively insulated from external events. While inflation is expected to remain within BSP's target range, it has been picking up slowly with risks to the upside. On balance, we do not expect changes to BSP's policy in the near future and will maintain a moderate duration overweight.

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## PRUlink US dollar bond fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	3 June 2003
Manager	Eastspring Investments (Singapore) Limited
Fund Size	USD 0.19 billion
Fund Currency	US Dollar
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	1.53% p.a.
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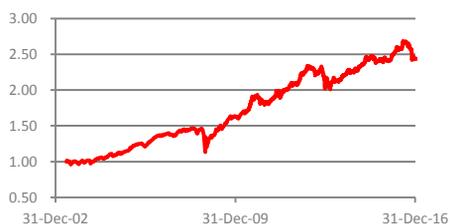
### HIGHEST & LOWEST UNIT PRICE ACHIEVED

<b>Initial</b> (03 Jun 2003)	1.00000
<b>Highest</b> (12 Jul 2016)	2.68720
<b>Lowest</b> (05 Aug 2003)	0.96080

### Fund Objective

The fund seeks to achieve an optimal level of income in the medium term together with long-term capital growth through investments in fixed income securities denominated in USD.

### Performance Chart



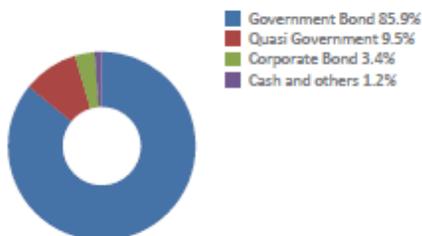
### Performance

1-Month	Actual yr-on-yr	Since Inception
-1.12%	1.20%	6.77%

Based on Unit Price as of 03 Jan 2017: USD 2.4361

Notes: The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

### Asset Allocation



### Top 5 Holdings

PHILIPPINES(REP) 06.375% 10/23/2034	11.3%
REPUBLIC OF PHILIPPINES 7.750000% 01/14/2031	10.2%
REPUBLIC OF PHILIPPINES 9.500000% 02/02/2030	9.3%
REPUBLIC OF PHILIPPINES 10.625000% 03/16/2025	7.7%
PHILIPPINES(REP) 03.950% 01/20/2040	6.6%

## Commentary

US Treasury yields moved higher across the curve over the month. 10-year US Treasury yields spiked up to 2.60% after the Federal Open Market Committee (FOMC) meeting in December but retraced back to 2.44% at the end of the month, 6 basis points higher than the previous month. While the hike in the Federal Reserve's (Fed) rate by 25 basis points was largely expected, the Fed's more aggressive projection of three rate hikes instead of two (from the previous FOMC meeting) in 2017 was perceived by investors to be more hawkish than expected.

Philippine USD sovereign bonds posted a return of -0.61% over the month, driven mainly by the rise in US treasury yields as spreads were relatively unchanged from the previous month.

The domestic economy continues to be buoyant. Personal remittances from Overseas Filipino Workers (OFWs) for the first ten months of the year reached US\$24.4 billion, equivalent to a 3.9% growth year-on-year. Loans grew 18.6% year-on-year in November, faster than the 17.7% year-on-year growth seen in October. However, on the external front, Philippines recorded a Balance of Payments deficit of US\$1.67 billion in November, the largest deficit since January 2014.

On a gross basis, the Fund returned -1.00%, underperforming the benchmark by 39 basis points. Net of the 1.5% p.a. fees, the Fund returned -1.12%. The fund underperformed the benchmark as it had more longer dated government bonds which underperformed more than the shorter dated ones (belly and front end of curve).

We continue to keep close to benchmark duration for the government bonds and may look to go long duration if we see that UST were to overshoot our expectations. We also expect a liability management exercise in the 1Q of 2017 which we will look to participate in – switching out of shorter dated issues into a new longer dated new bond.

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## PRUlink asian local bond fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	30 January 2012
Manager	Eastspring Investments (Singapore) Limited
Fund Size	USD 19.33 million
Fund Currency	US Dollar
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	1.80% p.a.
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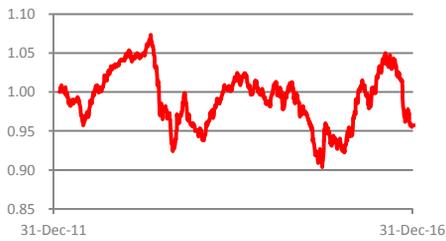
### HIGHEST & LOWEST UNIT PRICE ACHIEVED

Initial (30 Jan 2012)	1.00000
Highest (09 May 2013)	1.07329
Lowest (30 Sep 2015)	0.90362

### Fund Objective

The fund is structured as a feeder fund which invests in the Eastspring Investments – Asian Local Bond Fund (EI-Asian Local Bond Fund). The EI-Asian Local Bond Fund invests in a diversified portfolio consisting primarily of fixed income / debt securities issued by Asian entities or their subsidiaries. This Fund's portfolio primarily consists of securities denominated in the various Asian currencies and aims to maximize total returns through investing in fixed income or debt securities that are rated as well as unrated.

### Performance Chart



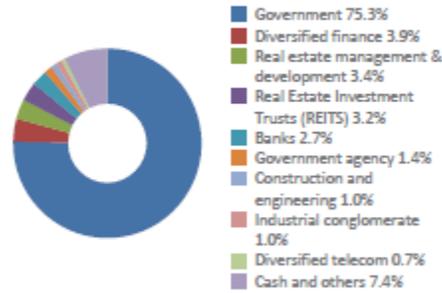
### Performance

1-Month	Actual yr-on-yr	Since Inception
-0.89%	1.95%	-0.88%

Based on Unit Price as of 03 Jan 2017: USD 0.95717

Notes: The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

### Sector Allocation



### Top 5 Holdings

THAILAND GOVT 01.875% 06/17/2022	1.6%
KOREA TREASURY BOND 1.875000% 06/10/2026	1.4%
INDONESIA GOVERNMENT 8.375000% 03/15/2024	1.3%
INDONESIA GOVERNMENT 8.375000% 03/15/2034	1.2%
INDIA GOVT BOND 07.160% 05/20/2023	1.2%

## Commentary

The MSCI Emerging Markets Index ended the month relatively flat (+0.2% in USD terms) as emerging markets underperformed developed markets (DM) for the second month in a row.

Upbeat U.S. economic data and expectations around fiscal expansion under the incoming Trump Administration continued to support DM equities and a strong US Dollar. Moreover, the Fed raised the U.S. interest rate by twenty-five basis points in December, and signaled that interest rates might be raised three more times in 2017 on the back of higher GDP growth expectations and a strengthening labour market.

Against this backdrop, cyclical sectors, led by Energy (+5.2%) outperformed defensive sectors with healthcare (-2.8%) lagging the most.

Russia (+12.5%) was the best performing market driven by rising energy prices. Natural gas was up 10.9% and oil continued to rally after non OPEC countries joined the OPEC deal in committing to production cuts. Brent closed at USD 55.4/bbl, its highest month-end level in 18 months.

China (-4.1%) was the worst performer. Persistent liquidity concerns restrained risk appetite in Chinese stocks as China's Central Bank tightened supervision of shadow banking businesses to rein in speculative credit growth. Capital outflows remain a key focus on the back of continued RMB depreciation against the USD. In 2016, the RMB depreciated 7% against the USD.

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## PRUlink managed fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	24 September 2002
Manager	Eastspring Investments (Singapore) Limited
Fund Size	PHP 6.77 billion
Fund Currency	Philippine Peso
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	1.79% p.a.
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### HIGHEST & LOWEST UNIT PRICE ACHIEVED

Initial (24 Sep 2002)	1.00000
Highest (11 Aug 2016)	3.34119
Lowest (23 Oct 2002)	0.99568

### Fund Objective

The fund seeks to optimize medium to long-term capital and income growth through investment in fixed income securities, money market instruments and shares of stocks listed in the Philippine Stock Exchange.

### Performance Chart

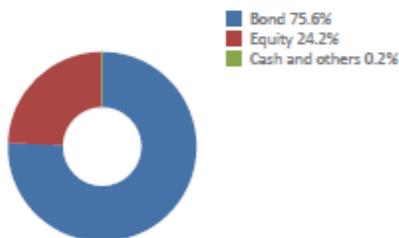


### Performance

1-Month	Actual yr-on-yr	Since Inception
0.20%	-0.06%	8.04%

Based on Unit Price as of 03 Jan 2017: PHP 3.0205

### Asset Allocation



#### Notes:

1. The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.
2. The Peso Bond Fund and Equity Fund have served as underlying funds of the Managed and Growth Funds prior to the funds launch date.

## Commentary

Domestic markets ended higher in December, following several months of persistent foreign selling; with positive economic growth and real GDP expansion offsetting lingering concerns about the behaviour of President Duterte.

As a team we have been highlighting the improvement in cyclical and earnings momentum globally during 2016 amid a backdrop of continued monetary accommodation which has supported equities and credit outperformance. As such, we have been close to maximum overweight equities for most of 2H 2016 as the cyclical recovery theme reasserts itself over negative geopolitical uncertainty. The signs of economic recovery and rising inflationary pressures show no signs of abating at the moment as the recovery broadens out across regions and sectors. While we note that short term equity sentiment is now a tad over optimistic, the growth momentum and reasonable equity valuations keep us bullish on Equities.

Looking forward, we remain vigilant to some key risks: 1) disorderly unwind of high private sector leverage in China and Emerging Markets, 2) a more hawkish than expected shift of US monetary policy, 3) rising European political risk premia, and 4) rising US-China tensions.

While valuations seem elevated and investors have showed concerns over the erratic behaviour of the new president, Rodrigo Duterte, positive growth momentum domestically and globally favours equities over bonds.

As such, the fund manager continues to target an overweight to equities.

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## PRUlink proactive fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	17 February 2009
Manager	Eastspring Investments (Singapore) Limited
Fund Size	PHP 16.83 billion
Fund Currency	Philippine Peso
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	2.25% p.a.
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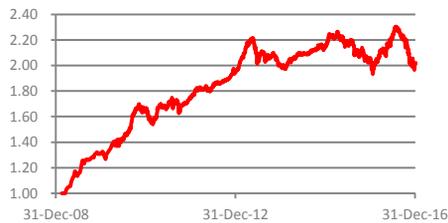
### HIGHEST & LOWEST UNIT PRICE ACHIEVED

Initial (17 Feb 2009)	1.00000
Highest (28 Jul 2016)	2.30325
Lowest (03 Mar 2009)	0.99950

### Fund Objective

The fund seeks to optimize medium to long term capital and income growth with emphasis on dynamic asset allocation by fund managers through investment in fixed income securities, money market instruments and shares of stocks listed in the Philippines.

### Performance Chart

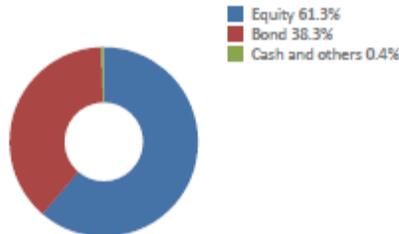


### Performance

1-Month	Actual yr-on-yr	Since Inception
0.37%	-1.84%	9.32%

Based on Unit Price as of 03 Jan 2017: PhP 2.01851

### Asset Allocation



#### Notes:

1. The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.
2. The Peso Bond Fund and Equity Fund have served as underlying funds of the Managed and Growth Funds prior to the funds launch date.

## Commentary

Domestic markets ended higher in December, following several months of persistent foreign selling; with positive economic growth and real GDP expansion offsetting lingering concerns about the behaviour of President Duterte.

As a team we have been highlighting the improvement in cyclical and earnings momentum globally during 2016 amid a backdrop of continued monetary accommodation which has supported equities and credit outperformance. As such, we have been close to maximum overweight equities for most of 2H 2016 as the cyclical recovery theme reasserts itself over negative geopolitical uncertainty. The signs of economic recovery and rising inflationary pressures show no signs of abating at the moment as the recovery broadens out across regions and sectors. While we note that short term equity sentiment is now a tad over optimistic, the growth momentum and reasonable equity valuations keep us bullish on Equities.

Looking forward, we remain vigilant to some key risks: 1) disorderly unwind of high private sector leverage in China and Emerging Markets, 2) a more hawkish than expected shift of US monetary policy, 3) rising European political risk premia, and 4) rising US-China tensions.

While valuations seem elevated and investors have showed concerns over the erratic behaviour of the new president, Rodrigo Duterte, positive growth momentum domestically and globally favours equities over bonds.

As such, the fund manager continues to target an overweight to equities.

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## PRUlink growth Fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	19 July 2005
Manager	Eastspring Investments (Singapore) Limited
Fund Size	PHP 10.02 billion
Fund Currency	Philippine Peso
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	2.25% p.a.
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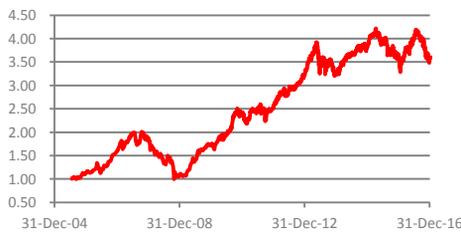
### HIGHEST & LOWEST UNIT PRICE ACHIEVED

Initial (19 Jul 2005)	1.00000
Highest (13 Apr 2015)	4.21563
Lowest (28 Oct 2008)	0.99584

### Fund Objective

The fund seeks to optimize medium to long-term capital and income growth, with an emphasis on strong capital growth, through a greater focus of investment in shares of stocks listed in the Philippines. The fund also invests in fixed income securities, and money market instruments.

### Performance Chart

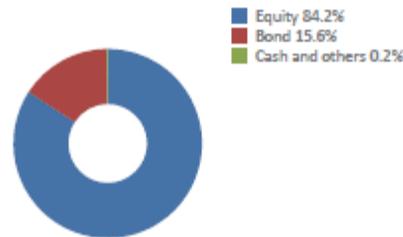


### Performance

1-Month	Actual yr-on-yr	Since Inception
0.51%	-1.80%	11.81%

Based on Unit Price as of 03 Jan 2017: PhP 3.59567

### Asset Allocation



#### Notes:

1. The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.
2. The Peso Bond Fund and Equity Fund have served as underlying funds of the Managed and Growth Funds prior to the funds launch date.

## Commentary

Domestic markets ended higher in December, following several months of persistent foreign selling; with positive economic growth and real GDP expansion offsetting lingering concerns about the behaviour of President Duterte.

As a team we have been highlighting the improvement in cyclical and earnings momentum globally during 2016 amid a backdrop of continued monetary accommodation which has supported equities and credit outperformance. As such, we have been close to maximum overweight equities for most of 2H 2016 as the cyclical recovery theme reasserts itself over negative geopolitical uncertainty. The signs of economic recovery and rising inflationary pressures show no signs of abating at the moment as the recovery broadens out across regions and sectors. While we note that short term equity sentiment is now a tad over optimistic, the growth momentum and reasonable equity valuations keep us bullish on Equities.

Looking forward, we remain vigilant to some key risks: 1) disorderly unwind of high private sector leverage in China and Emerging Markets, 2) a more hawkish than expected shift of US monetary policy, 3) rising European political risk premia, and 4) rising US-China tensions.

While valuations seem elevated and investors have showed concerns over the erratic behaviour of the new president, Rodrigo Duterte, positive growth momentum domestically and globally favours equities over bonds.

As such, the fund manager continues to target an overweight to equities.

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## PRUlink cash flow fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	14 November 2014
Manager	Eastspring Investments (Singapore) Limited
Fund Size	USD 0.09 billion
Fund Currency	US Dollar
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	1.95% p.a.
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### HIGHEST & LOWEST UNIT PRICE ACHIEVED

Initial (14 Nov 2014)	1.00000
Highest (29 Apr 2015)	1.01016
Lowest (15 Feb 2016)	0.86352

### Fund Objective

The fund seeks to provide investors with regular payout by investing in a diversified portfolio consisting primarily of high yield bonds and other fixed income/debt securities denominated in US dollars, issued in the US market rated below BBB-, as well as fixed income/debt securities issued by Asian entities or their subsidiaries. The Fund may in addition, at the Fund Manager's discretion, invest up to twenty percent (20%) of its assets in dividend yielding equities.

### Performance Chart



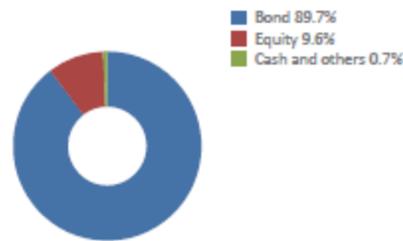
### Performance

1-Month	Actual yr-on-yr	Since Inception
0.26%	6.11%	-2.58%

Based on Unit Price as of 03 Jan 2017: USD 0.94568

Notes: The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

### Asset Allocation



### Top 5 Holdings

ESIN-US HY BD D	54.6%
ESIN-ASIAN BD D	35.1%
ESIN-WORLD VALUE EQ D	4.9%
ESIN-ASIAN EQUITY INC D	4.7%
Tradeable United States Dollar - Currency	0.7%

## Commentary

The US Fed delivered a 25 bps rate rise in December – only the second time it had raised rates in the past decade – broadly anticipated after President Trump's electoral win and his pro-growth stance; and supported by various positive economic data points, notably highs in US manufacturing and consumer confidence, coupled with improving global commodity prices. Against this backdrop, US Treasuries posted mild declines whilst US High Yield and investment grade credit outperformed; indeed, US High Yield ended the year as the best performing fixed income sector globally. US equities again posted positive returns although, unlike November when it had led all other world markets, EMEA was the standout equity market in December. EMEA's performance was led by Russia, driven by an improvement in sentiment around the energy sector and anticipation of better US-Russia relations going into 2017. European equities, especially cyclical sectors, performed strongly off the back of improving global growth; as did Japan, which also benefited from a weaker yen. Chinese and Hong Kong equity markets, by contrast, posted losses: a sell-off in China's bond market and concerns over capital outflows contributed to poor sentiment.

As a team we have been highlighting the improvement in cyclical and earnings momentum globally during 2016 amid a backdrop of continued monetary accommodation which has supported equities and credit outperformance. As such, we have been close to maximum overweight equities for most of 2H 2016 as the cyclical recovery theme reasserts itself over negative geopolitical uncertainty. The signs of economic recovery and rising inflationary pressures show no signs of abating at the moment as the recovery broadens out across regions and sectors. While we note that short term equity sentiment is now a tad over optimistic, the growth momentum and reasonable equity valuations keep us bullish on Equities.

Looking forward, we remain vigilant to some key risks: 1) disorderly unwind of high private sector leverage in China and Emerging Markets, 2) a more hawkish than expected shift of US monetary policy, 3) rising European political risk premia, and 4) rising US-China tensions.

As such, the fund manager continues to target an overweight to equities and US High Yield credit. The manager is underweight Asian bonds.

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## PRUlink equity fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	23 October 2007
Manager	Eastspring Investments (Singapore) Limited
Fund Size	PHP 37.86 billion
Fund Currency	Philippine Peso
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	2.25% p.a.
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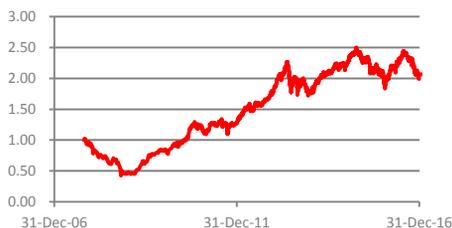
### HIGHEST & LOWEST UNIT PRICE ACHIEVED

Initial (23 Oct 2007)	1.00000
Highest (13 Apr 2015)	2.50056
Lowest (28 Oct 2008)	0.42505

### Fund Objective

The fund seeks to optimize medium to long term capital growth through investments in shares of stocks listed in the Philippines.

### Performance Chart



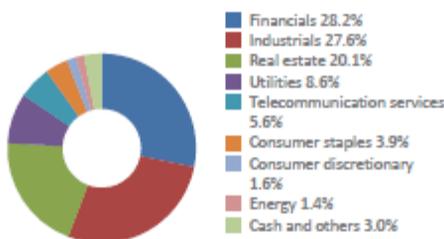
### Performance

1-Month	Actual yr-on-yr	Since Inception
0.58%	-1.97%	8.19%

Based on Unit Price as of 03 Jan 2017: PhP 2.06406

Notes: The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

### Sector Allocation



### Top 5 Holdings

SM INVESTMENTS	10.1%
AYALA LAND	7.5%
SM PRIME HOLDINGS	7.0%
JG SUMMIT HOLDINGS 1	5.4%
BDO UNIBANK	5.3%

## Commentary

Philippines equities ended higher in December, helped by a late surge towards the end of the month. The PSE Index ended the month 0.9% higher following four consecutive months of losses amidst incessant foreign selling. For the full year 2016, the index declined 1.6% in local currency terms, the second consecutive year of decline.

After hitting new highs in July, the Philippines market sold off on lingering uncertainties around domestic policy and external risks. The Peso declined 5.3% in 2016 on widening trade deficit and declining international reserves. Nonetheless, growth momentum in the Philippines showed no signs of slowdown with real GDP expanding 6.9%, 7.0%, and 7.1% respectively in the first three quarters, largely underpinned by higher capital spending and private consumption.

In December, the US Federal Reserve (Fed) raised its key interest rate by 25 basis points, signaling the confidence in US employment and economic growth. The Federal Open Market Committee also indicated an expectation for further rate hikes in 2017. Upbeat U.S. economic data amidst an anticipated fiscal expansionary program under the incoming Donald Trump's administration also reinforced growth expectations.

BSP kept policy rates unchanged in its December meeting but adjusted the inflation forecast for 2017 to 3.3% from 3.0%. BSP is expected to raise interest rates in 2017 as upwards pressure on inflation builds up with a weaker currency.

OFW remittances in October declined 3% year-on-year. Remittance growth turned volatile in 2016 in line with global growth and exchange rate expectations.

The underweight positions in Jollibee Foods Corporation (JFC), Universal Robina Corporation (URC), and the off-benchmark position in First Philippine Holdings (FPH) were among the larger contributors to the Fund's relative performance in December. For the year 2016, the underweight in Emperor and overweight in FPH were positive contributors to the Fund's relative performance. The off-benchmark position in SECB in the earlier part in the year and underweighting the stock post its inclusion in the PSE Index also contributed positively to relative performance.

Consumer stocks JFC and URC ended lower in December on concerns of rising raw material costs and potential introduction of new regulation on contract labour. The Fund has an underweight in the two stocks due to expensive valuations.

The share price of FPH was steady in December; the Fund's off-benchmark position in the stock helped relative performance.

The underweight position in SM Prime Holdings (SMPH) and the off-benchmark positions in Filinvest Land (FIL) and East West Banking Corp (EWB) were among the larger detractors from the Fund's relative performance in December. For the year 2016, the underweight in SMPH, Petron Corp and San Miguel Corp were among the larger detractors from the Fund's relative performance.

The share price of SMPH, a developer and owner of shopping malls gained more than 5% and outperformed the broader market. In our opinion, the stock's valuation is unattractive.

The share price of property developer, Filinvest Land, declined sharply in December. Slower profit growth and concerns of a possible oversupply in office space hurt investors' sentiment lately. Valuation of the stock is attractive as it trades at a steep discount to its appraised net asset value.

In December, the share price of EWB underperformed the broader market. EWB has completed the transfer of Standard Chartered Bank Philippines's retail business, and is now the fifth largest credit card issuer in the country.

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies. It is issued by Eastspring Investments (Singapore) Limited, Pru Life UK's fund manager for unit-linked policies and is not intended to serve as individual investment advice.

## PRUlink asia pacific equity fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	26 February 2013
Manager	Eastspring Investments (Singapore) Limited
Fund Size	USD 23.35 million
Fund Currency	US Dollar
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	2.05% p.a.
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### HIGHEST & LOWEST UNIT PRICE ACHIEVED

Initial	(26 Feb 2013)	1.00000
Highest	(05 Sep 2014)	1.10429
Lowest	(22 Jan 2016)	0.69551

### Fund Objective

The fund is structured as a feeder fund which invests in the Eastspring Investments – Asia Pacific Equity Fund, which aims to maximize long-term total return by investing primarily in equity and equity-related securities of companies which are incorporated, listed in or have their area of primary activity in the Asia Pacific ex-Japan Region. This fund may also invest in depository receipts including American Depository Receipts and Global Depository Receipts, debt securities convertible into common shares, preference shares and warrants.

### Performance Chart



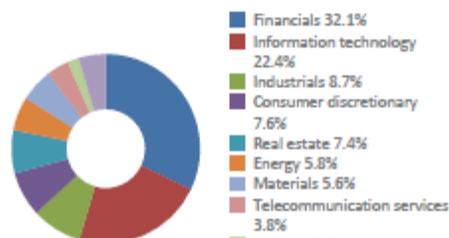
### Performance

1-Month	Actual yr-on-yr	Since Inception
-0.74%	5.34%	-3.85%

Based on Unit Price as of 03 Jan 2017: USD 0.85967

Notes: The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

### Sector Allocation



### Top 5 Holdings

SAMSUNG ELECTRONICS	5.4%
TAIWAN SEMICONDUCTOR MANUFACTURING	4.8%
AUSTRALIA AND NEW ZEALAND BANKING GROUP	4.0%
CHINA CONSTRUCTION BANK-H	3.9%
NATIONAL AUSTRALIA BANK	3.0%

## Commentary

The MSCI AC Asia Pacific ex Japan index fell 1.1% in USD terms in December as investors left emerging market equities due to fears of higher interest rates and a stronger USD. This view was supported by upbeat U.S. economic data and a forecasted fiscal expansionary program under the incoming Donald Trump's Administration. The outflows were exacerbated by the Fed's December meeting, which raised the U.S. interest rate by twenty-five basis points, and the Fed signaling that interest rates might be raised three more times in 2017.

The Australian and Indonesia markets were key outperformers in December. The Australian central bank held its cash rate steady at 1.5% as the country averted a downgrade of its coveted AAA credit rating by S&P after the government stuck to its forecast of returning the budget to surplus in 2020-21. Though third quarter economic growth declined 0.5%, annual GDP growth is still benign at 1.8%, boosted by higher commodity prices. Despite being impacted by capital outflows on the results of the U.S. elections, performance of the Indonesia stock market was cushioned by capital inflow from the completion of the second phase of the government tax amnesty program, positive sentiment generated by Fitch's outlook change on its LT Foreign and Local Currency issuer default ratings to Positive, and the 11th consecutive trade surplus in November on the 10.9% month-on-month rise in its non-oil and gas exports.

At the other end of the spectrum, both Hong Kong and China underperformed the market. Persistent liquidity concerns restrained risk appetite in Chinese stocks as China's Central Bank plans to tighten supervision of shadow banking businesses to rein in speculative credit growth. In addition, foreign institutions' monies were sloshing in China's government bonds, rising to CNY423.7 billion in 2016, up from CNY248.4 billion in 2015. In Hong Kong, its stocks were battered by fears of money flowing out of emerging markets in the aftermath of the U.S. elections, and the effects of a potentially trade-protectorist U.S. on its export-oriented economy.

On a year-to-date basis, the index rose 7.1%.

Hyundai Motors is a major Korean vehicle manufacturer with production plants in various part of the world. Its share price surged 9.8% in December on a month-on-month basis as investors' expectations of a hike in sales were raised with the revelation of its new models line-up. Hyundai Motor and Kia are targeting a 4.7% increase in combined global sales in 2017. Notwithstanding the share price increase, we still believe the company is attractively valued and see upside potential in the stock price.

QBE Insurance Group is amongst the world's top insurers and a large component of the ASX 200 index. It was a main contributor to performance in December as its share price increased close to 6% on a month-on-month basis. Its stock price continued to scale upwards for the third month as worries over weak underlying margin trends subsided, buffered by a longer liability duration vis-a-vis assets in an increasing interest rate environment.

Indiabulls Housing Finance Ltd ("IBHFL") is the second largest mortgage provider in India, regulated by the National Housing Bank. IBHFL continued to correct in December, post India's demonetization exercise and concerns on rising NPLs from the SME sector which IBHFL has a large exposure to. However, we continue to be positive on the company as IBHFL's loans to the SME sector are largely secured by property and business fundamentals remain strong.

Rural Electrification Corporation (REC) is a leading public Infrastructure Finance Company in India's growing power sector. The company finances and promotes rural electrification projects across India to Central/State Sector Power Utilities, State Electricity Boards, Rural Electric Cooperatives, NGOs and Private Power Developers. It detracted from performance in December as its share price corrected over 8%, after rising for six consecutive months. The company remains on our conviction list on account of its cheap valuations and its status as a key conduit for the government to execute power reform projects. LG Corp is a major Korean conglomerate with a wide gamut of businesses ranging from electronics, telecommunications, and chemicals. Its main subsidiaries include LG Electronics and LG Chemical. We added to this high conviction position in December as valuations remain cheap at an approximate price-to-book ratio of 0.7X.

Perusahaan Gas Negara is in the distribution and transmission of natural gas to industrial, commercial and household gas nationwide in Indonesia. It was a key buy in December as we like the stock for its duopoly status, and a solid upside to our valuation target at its current share price.

Samsung Electronics is a global leader in the manufacturing of high-tech electronic products and digital media. The valuation of the stock is no longer as attractive, moderated by the strong performance of its share price in 2016, which rose close to 44% for the year. Given aforementioned, we took some profit off the table though we continue to like the stock given the company's dominant global positioning and diverse business model across mobile, memory and household appliances and its improving dividend policy.

Tenaga Nasional Berhad is the largest electricity utility in Malaysia which transmits, distributes, and sells electricity under license issued by the Director General of Electricity Supply. We have been selling off our position in the stock as we remain cautious on any policy moves by the Malaysia central Bank.

Asian equities remain very cheap relative to their long term averages and relative to developed markets of the West. Investing at these valuations has historically been a very attractive entry point. We are now seeing improving economic growth supported by a pickup in earnings delivery across Asia which has been driving improving sentiment for the region's shares.

Investors have ignored the price they are paying for certainty and quality for the last few years creating a huge valuation anomaly within Asian equity markets between value and quality. We have positioned the Fund to exploit this anomaly and are beginning to see more attractively valued cyclical companies outperform.

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies. It is issued by Eastspring Investments (Singapore) Limited, Pru Life UK's fund manager for unit-linked policies and is not intended to serve as individual investment advice.

## PRUlink global emerging markets dynamic fund

(All data as at 31 December 2016 unless otherwise stated)

### FUND DETAILS

Launch Date	1 April 2014
Manager	Eastspring Investments (Singapore) Limited
Fund Size	USD 12.97 million
Fund Currency	US Dollar
Risk Classification of Investment	Diversified
Financial Year End	31st December

### FUND FEES & CHARGES

Annual Management Fee	2.05% p.a.
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### HIGHEST & LOWEST UNIT PRICE ACHIEVED

Initial (01 Apr 2014)	1.00000
Highest (04 Sep 2014)	1.10986
Lowest (22 Jan 2016)	0.63696

### Fund Objective

The fund is structured as a feeder fund which invests in the Eastspring Investments – Global Emerging Markets Dynamic Fund, which aims to generate long-term capital growth through a concentrated portfolio of equities, equity-related securities and bonds. This fund will invest primarily in securities of companies which are incorporated, or listed in, or operating principally from, or carrying on significant business in, or derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from the emerging markets worldwide. This fund may also invest in depository receipts including American Depository Receipts and Global Depository Receipts, preference shares and warrants.

### Performance Chart



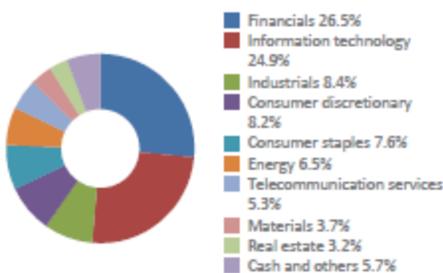
### Performance

1-Month	Actual yr-on-yr	Since Inception
0.85%	15.91%	-5.04%

Based on Unit Price as of 03 Jan 2017: USD 0.86697

Notes: The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

### Sector Allocation



### Top 5 Holdings

SAMSUNG ELECTRONICS	5.5%
TAIWAN SEMICONDUCTOR MANUFACTURING	5.0%
CHINA CONSTRUCTION BANK-H	3.9%
BAIDU INC - SPON ADR	3.2%
IND & COMM BK OF CHINA-H	3.2%

## Commentary

The MSCI Emerging Markets Index ended the month relatively flat (+0.2% in USD terms) as emerging markets underperformed developed markets (DM) for the second month in a row.

Upbeat U.S. economic data and expectations around fiscal expansion under the incoming Trump Administration continued to support DM equities and a strong US Dollar. Moreover, the Fed raised the U.S. interest rate by twenty-five basis points in December, and signaled that interest rates might be raised three more times in 2017 on the back of higher GDP growth expectations and a strengthening labour market.

Against this backdrop, cyclical sectors, led by Energy (+5.2%) outperformed defensive sectors with healthcare (-2.8%) lagging the most.

Russia (+12.5%) was the best performing market driven by rising energy prices. Natural gas was up 10.9% and oil continued to rally after non OPEC countries joined the OPEC deal in committing to production cuts. Brent closed at USD 55.4/bbl, its highest month-end level in 18 months.

China (-4.1%) was the worst performer. Persistent liquidity concerns restrained risk appetite in Chinese stocks as China's Central Bank tightened supervision of shadow banking businesses to rein in speculative credit growth. Capital outflows remain a key focus on the back of continued RMB depreciation against the USD. In 2016, the RMB depreciated 7% against the USD.

Month-to-date, overweights in MTS, JBS and OHL Mexico aided relative performance.

MTS is Russia's leading mobile phone operator with over 100 million subscribers. It is a cash generative business with circa 10% dividend yield. Following the sell-off of emerging markets in early 2016 and weakness of the Ruble, the stock appeared on our screen as very attractively valued. Our due diligence suggested that concerns around impact of additional competition and regulation were more than priced in. As commodity prices and the Ruble edged higher in recent months, the outlook for the domestic economy has improved supporting fundamentals and market sentiment for MTS.

JBS is a meat processor and the world's biggest beef producer. JBS shares tumbled in late October after Brazil's national development bank (BNDES) - being a major shareholder - initially vetoed a planned NYSE listing of JBS Foods International. The share price rebounded in December as the company reached an agreement with its shareholders. Different from the first proposal, JBS's shareholders will not migrate to JBS Foods International, thereby eliminating BNDES's concern around the capital reduction and the "denationalization" of the Brazilian company.

OHL Mexico is a transport and airport infrastructure operator including toll roads and Toluca airport (Mexico City's low cost carrier airport). The company builds the infrastructure and manages the concessions. Its share price corrected on concerns over regulatory certainty for guaranteed return concessions. This has since been clarified and tariffs can now be increased to compensate for lower traffic. Post US elections and broad market weakness in Mexico, we have topped up the position. The company is attractively valued relative to its long term sustainable earnings potential.

Year-to-date, Kingboard Chemical, Bradespar, and Sberbank boosted relative performance.

Month-to-date, overweights in China Pacific Insurance, China Resources Cement and KEPCO negatively impacted relative performance.

China Pacific Insurance (CPIC) is China's fourth largest insurance group with nationwide presence. It operates in Life, property & casualty and pensions. The Chinese market is the least penetrated life insurance market in the world which leaves room for substantial growth in a country with high domestic savings rate. CPIC has a strong business model and solid management. We believe valuation is attractive with the market expecting no growth in the business. Shares of Chinese insurers fell in December after Beijing announced plans to crackdown on stock investments by several big domestic insurance companies.

Korea Electric Power (KEPCO) is an electricity generator and distributor in Korea trading at undemanding valuations. KEPCO benefits from a high quality balance sheet given government ownership. The stock has underperformed amid fears of surging fuel costs, tariff cuts and Korean Won weakness. Our analysis suggests that concerns are more than priced in with strong valuation upside risk from current price levels.

China Resources Cement Holdings is a leading supplier of cement and ready-mixed concrete in Southern China. The cyclical stock has declined steadily since the start of the year as the Chinese economy grapples with an economic slowdown that has weighed on the construction and property sectors, exacerbating the problem of excess concrete production in the country. The portfolio manager sees upside potential in the stock due to its attractive relative valuations after recent price correction.

Year-to-date, Dongfeng Motor Group, Petrobras and Vale were key detractors.