

# **Phillip Investment Funds**

## **Semi-Annual Report**

For the period ended 30 June 2015



**Phillip Capital Management**

(A member of PhillipCapital)

## PHILLIP INVESTMENT FUNDS

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## **PHILLIP INVESTMENT FUNDS**

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### **DIRECTORY**

#### **MANAGER**

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Singapore 179101

#### **DIRECTORS OF THE MANAGER**

Lim Hua Min  
Loh Hoon Sun  
Jeffrey Lee Chay Khiong  
Linus Lim Wen Sheong  
Lee Ken Hoon

#### **TRUSTEE**

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8 Marina View #21-00  
Asia Square Tower 1  
Singapore 018960

#### **CUSTODIAN**

Citibank N.A. Singapore Branch  
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Asia Square Tower 1  
Singapore 018960

#### **REGISTRAR**

Boardroom Corporate & Advisory Services Pte Ltd  
50 Raffles Place #32-01  
Singapore Land Tower  
Singapore 048623

#### **AUDITORS**

KPMG LLP  
16 Raffles Quay #22-00  
Hong Leong Building  
Singapore 048581

## PHILLIP INVESTMENT FUNDS

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### Phillip Money Market Fund

#### MANAGER'S REPORT

For the half year ended 30 June 2015, the Fund generated a net return of 0.28% and 0.52% for the 6 months and 1 year period respectively.

As at 30 June 2015, the portfolio Weighted Average Maturity ("WAM") stood at 120 days with 16% of assets maturing within 30 days. The Fund's bond portfolio maintains an average credit rating A with broad diversification of assets across countries, sectors and issuers. Over the same period, Singapore and China account for the two largest geographical exposures at 25% and 14% of the Fund's country allocation respectively.

Singapore's GDP grew at 2.3% yoy in the first half of 2015, placing it at the lower spectrum of the Singapore government's forecast of 2% to 4% for 2015. Manufacturing, transportation & storage were a drag on growth, contracting by 4.9% and 0.9% yoy respectively. The sectors were primarily pulled down by lower output from the biomedical, manufacturing, transport and engineering clusters and a decrease in sea cargo handled.

The SGD yield curve has seen a rise in the short-end since the start of 2015; volatility increased in the second quarter in anticipation that the Federal Open Market Committee (FOMC) meeting held in June might lead to a possible rate hike between end-2015 and early-2016. Both 1-month and 3-month SGD Inter-Bank Offer Rate ("SIBOR") increased by around 40 bps during the first half of this year while the 1 month and 3 month yields for the Singapore Swap Offer Rate ("SOR") have been volatile during Apr-Jun 2015, ranging between 70-100 bps.

#### OUTLOOK

Looking forward, Singapore's GDP is expected to grow between 2%-4% in 2015, its slowest since 2012. Growth is expected to be supported by the country's finance and wholesale trade sectors. Inflation continues to trend down, with the consumer price index at 0.20% yoy as at June 2015, well below the Monetary Authority of Singapore's (MAS) 0.50-1.5% target range. The combination of weak economic data and inflation has increased expectations that the MAS may ease policy at its coming October meeting. The potential for a Federal Reserve rate rise could push SOR rates higher in the coming months. We continue to keep a watchful eye on key downside risks including China's growth slowdown and the unresolved Greek debt crisis.

The Fund's strategy remains to buy and hold to maturity high quality securities while managing interest rate risk with staggered maturities. We continue to manage concentration and liquidity risks through a broad diversification of issuers and financial institutions for the portfolio.

## PHILLIP INVESTMENT FUNDS

### a) I Investment Classified by Geography

	Fair Value as at 30/06/2015 S\$	Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %
<b>By Geography (Summary)</b>		
Australia	4,049,880	0.56
China/Hong Kong	105,015,278	14.48
Japan	55,000,000	7.58
Malaysia	10,000,000	1.38
New Zealand	5,503,905	0.76
Singapore	184,499,021	25.43
South Korea	26,411,750	3.64
Accrued interest on debt securities	2,518,331	0.35
<b>Portfolio of investments</b>	<b>392,998,165</b>	<b>54.18</b>
<b>Other net assets</b>	<b>332,372,391</b>	<b>45.82</b>
<b>Net assets attributable to unitholders</b>	<b>725,370,556</b>	<b>100.00</b>

### a) II Investment Classified by Industry

	Fair Value as at 30/06/2015 S\$	Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %
<b>By Industry (Summary)</b>		
Airlines	10,312,566	1.42
Banks & financials	230,959,083	31.84
Commercial services	14,751,623	2.03
Lodging	504,620	0.07
Real estate	80,616,052	11.11
REITS	6,903,405	0.95
Sovereign government obligations	25,618,900	3.53
Transportation & logistics	8,004,000	1.10
Utilities	12,809,585	1.78
Accrued interest on debt securities	2,518,331	0.35
<b>Portfolio of investments</b>	<b>392,998,165</b>	<b>54.18</b>
<b>Other net assets</b>	<b>332,372,391</b>	<b>45.82</b>
<b>Net assets attributable to unitholders</b>	<b>725,370,556</b>	<b>100.00</b>

## PHILLIP INVESTMENT FUNDS

a) III Asset Class	Fair Value as at 30/06/2015 S\$	Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %
Debt Securities	392,998,165	54.18
Term deposits	300,780,306	41.47
Cash and Bank Balances	43,227,297	5.96
Other net assets	(11,635,212)	(1.61)
<b>Net assets attributable to unitholders</b>	<b>725,370,556</b>	<b>100.00</b>

a) IV Credit Rating of Non-Deposit Investments	Fair Value as at 30/06/2015 S\$	Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %
A	156,027,859	21.51
AA	5,572,361	0.77
AAA	24,978,270	3.44
A*	76,234,183	10.51
AA*	10,594,692	1.46
Unrated	119,590,800	16.49
<b>Portfolio of investments</b>	<b>392,998,165</b>	<b>54.18</b>

Source of the credit rating is from Standard & Poor's except for the following:

\* Credit rating is Moody's

### a) Type of Non-Deposit Investments

	Fair Value as at 30/06/2015 S\$	Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %
Certificates of deposit	150,015,279	20.68
Fixed rate bonds	215,486,285	29.71
Treasury bills	24,978,270	3.44
Accrued interest on debt securities	2,518,331	0.35
<b>Portfolio of investments</b>	<b>392,998,165</b>	<b>54.18</b>

## PHILLIP INVESTMENT FUNDS

a) Maturity Profile of Underlying Investments	Fair Value as at 30/06/2015 S\$	Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %
Up to 30 days	113,641,926	15.66
31 to 60 days	55,178,597	7.61
61 to 90 days	95,096,584	13.11
91 to 120 days	97,267,965	13.41
121 to 180 days	81,652,364	11.26
181 to 365 days	160,833,664	22.17
366 to 732 days	87,589,040	12.07
Accrued interest on debt securities	2,518,331	0.35
	<b>693,778,471</b>	<b>95.64</b>

### b) Top Ten Holdings

#### 10 Largest Holdings as at 30 June 2015

	Fair Value as at 30/06/2015 S\$	Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %
Industrial & Commercial Bank China SG 1% Due 09/08/15	34,994,804	4.82
HK Land Treasury 3.65% Due 10/05/15	33,964,312	4.68
Ascott Capital 3.8% Due 11/10/16	20,783,790	2.87
Agricultural Bank of China 1% Due 09/22/15	19,995,566	2.75
Henderson Land 3.65% Due 02/15/16	15,439,862	2.12
Bank of China 1.1% Due 06/08/2015	15,004,680	2.07
Sumitomo Mitsui Bank SG 1 1/4% Due 08/11/16	15,000,000	2.07
MAS Bills Due 07/20/15	14,994,540	2.07
Industrial & Commercial Bank China SG 1.05% Due 15/01/2016	14,992,098	2.06
PSA Corporation Ltd 2.83% Due 07/06/15	14,751,623	2.03

## PHILLIP INVESTMENT FUNDS

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### 10 Largest Holdings as at 30 June 2014

	<b>Fair Value as at 30/06/2014 S\$</b>	<b>Percentage of Net Assets Attributable to Unitholders as at 30/06/2014 %</b>
Lloyds TSB Bank 3 1/2% Due 09/17/14	36,450,825	4.42
HK Land Treasury 3.65% Due 10/05/15	30,559,050	3.70
United Overseas Land 2 1/2% Due 07/01/14	29,254,095	3.54
Singapore Press Holdings 2.81% Due 03/02/15	23,536,673	2.85
Agricultural Bank of China 1.38% Due 12/19/14	19,009,158	2.30
Bank of China 1.15% Due 08/06/14	15,503,426	1.88
Agricultural Bank of China 1.18% Due 04/28/15	14,977,350	1.81
Bank of China 1.15% Due 04/08/15	14,968,050	1.81
Intesa San Paolo 1.06% Due 05/15/15	14,047,600	1.70
SMRT Capital 2.42% Due 10/07/14	13,057,200	1.58

- c) (i) Exposure to derivatives as at 30 June 2015  
Nil.
- c) (ii) Net gains/losses on derivative contracts realised during the period from 01 January 2015 to 30 June 2015  
Nil.
- c) (iii) Net gains/losses on outstanding derivative contracts marked to market as at 30 June 2015  
Nil.
- c) (iv) Description of the method used to calculate the global exposure of financial derivatives

The global exposure relating to derivative instruments is calculated using the commitment approach. The global exposure of each sub-fund is calculated as the sum of:

- (a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- (b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- (c) the sum of the values of cash collateral received pursuant to:





## PHILLIP INVESTMENT FUNDS

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The “expenses” used in the calculation of the “Expense Ratio” do not include brokerage and other transaction costs, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received. The expense ratio is computed in accordance with the revised IMAS’ guidelines on disclosure of expense ratios.

j) Turnover Ratio

	30 June 2015	30 June 2014
	-	0.31%

The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the total value of purchases (or sales) of the underlying investments divided by the weighted average daily net asset value. The total value of bonds matured during the year is not included in the computation of portfolio turnover ratio.

k) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts.

Nil.

l) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme (‘the underlying scheme’) should be disclosed as well.

(i) Top 10 holdings at market value and as percentage of NAV as at 30 June 2015 and 30 June 2014

Not applicable.

(ii) Expense ratios for the period 30 June 2015 and 30 June 2014. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received.

Not applicable.

(iii) Turnover ratios for the period 30 June 2015 and 30 June 2014

Not applicable.

m) Soft dollar arrangements

The Manager is entitled to and intends to receive or enter into soft-dollar commissions or arrangements. The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which The Manager may receive include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis in relation to the investments managed for clients. The soft dollar credits utilised are not allocated on a specific client basis. The brokers also execute trades for other funds managed by the Manager.

## PHILLIP INVESTMENT FUNDS

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The Manager will not accept or enter into soft dollar commissions or arrangements unless such soft-dollar commissions or arrangements would, in the opinion of the Manager, assist the Manager in its management of clients' funds, provided that the Manager shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions or arrangements.

The Manager does not, and is not entitled to retain cash rebates for its own account in respect of rebates earned when transacting in securities for account of clients' funds.

The Manager did not receive any soft dollar services in respect of the Fund during the year.

## PHILLIP INVESTMENT FUNDS

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### Phillip Income Fund

#### MANAGER'S REPORT

The Fund generated a return of 4.55% and 5.32% (on a bid-to-bid basis) for the 6 month and 1 year period respectively. The Fund's current asset allocation comprises 44% equities, 9% REITS, 36% fixed income securities and 9% cash.

During the period under review, the Fund's return is largely attributed to strong equity markets. The gains were largely due to over-weight positions in the Hong Kong H-Shares and Japanese stocks. The Fund took profits on the positions in H-shares when the market over-heated and switched to European equities as these were anticipated to benefit from stimulus by European central banks as a result of the modest economic growth, low inflation and soft energy market. The Eurozone is seeing the benefits of quantitative easing in rising consumption and improved corporate earnings.

Performance was also positive for the fixed income portfolio. Asian credit continued to offer attractive spread pick-up with good corporate fundamentals and strengthening of US dollar and Chinese yuan on the foreign currency fixed income issuances. The fall in energy prices created room for central banks to conduct further easing as demonstrated by the surprise rate cut by the Reserve Bank of India and the lowered reserve ratio by the People's Bank of China. The Fund managed its weighted portfolio duration at 4.5 years, which is at the sweet spot of the yield curve. The portfolio was also over-weight on investment grade US dollar bond issuances which enjoyed credit spreads tightening and US dollar appreciation to Singapore dollar.

#### OUTLOOK

The global economy is expected to continue on a modest expansion path, led by the US, Eurozone and Japan. The anticipated modest improving conditions from developed markets for the rest of the year should help to compensate for slightly weaker growth in Asia ex-Japan. Nonetheless, the possibility of a sharper than expected slowdown in China and the uncertainty stemming from US policy normalisation has tilted the balance of risks to global growth to the downside.

Volatility of REITs has been increasing from the start of the year, and may continue to remain so, leading up to the interest rate hike. In June 2015, US 10 year treasury rates hovered at just around 2.3%. We remain very selective on REITs which have good assets, strong financials and parentages.

We believe the huge infrastructure push by China will support the region in the coming years positively. Among the bright spots in the region are India and Sri Lanka due to their government policies, and emerging Asean economies Vietnam, Cambodia and Myanmar have succeeded China in manufacturing roles due to their competitive labour costs.

For the fixed income portfolio, our focus will be on Asian corporate bonds due to their yield premiums over US treasuries, their relative short tenor (three to five years), premium for new issuance, supportive monetary authorities in the region and commitment by the Chinese authorities to develop the regional bond market. Standard & Poor's noted that in the next 5 years, 30% of global issuance will be coming from China.

## **PHILLIP INVESTMENT FUNDS**

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The Fund will retain a global market allocation for diversification benefits. The Fund's strategy of multi-asset investing will remain, with a bias towards equities, as these are anticipated to perform better in a global environment with low inflation and modest economic growth. However, the Fund will maintain a core bond position of up to 30% in its portfolio. The Manager may also include hedging strategies in currencies and derivatives for the portfolio.

## PHILLIP INVESTMENT FUNDS

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### Disclosures on the Fund <sup>2</sup>

#### I Investment Classified by Geography

a)

<b>By Geography (Summary)</b>	<b>Fair Value as at 30/06/2015 S\$</b>	<b>Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %</b>
Australia	279,928	2.27
Bermuda	313,603	2.55
Cayman Islands	1,095,652	8.89
China / Hong Kong	710,490	5.77
France	726,429	5.90
Germany	138,252	1.12
Indonesia	775,464	6.29
Japan	639,197	5.19
Malaysia	133,339	1.08
New Zealand	217,338	1.76
Philippines	290,128	2.36
Singapore	2,582,662	20.96
South Korea	600,726	4.88
Taiwan	636,296	5.17
Thailand	634,494	5.16
Turkey	266,702	2.16
United Kingdom	653,718	5.31
United States of America	394,728	3.20
Accrued interest on debt securities	21,168	0.17
<b>Portfolio of investments</b>	<b>11,110,314</b>	<b>90.19</b>
<b>Other net assets</b>	<b>1,208,728</b>	<b>9.81</b>
<b>Net assets attributable to unitholders</b>	<b>12,319,042</b>	<b>100.00</b>

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<sup>2</sup> As required by the Code on Collective Investment Schemes

## PHILLIP INVESTMENT FUNDS

### a) II Investment Classified by Industry

<b>By Industry (Summary)</b>	<b>Fair Value as at 30/06/2015 S\$</b>	<b>Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %</b>
Airlines	428,764	3.48
Automotive	116,417	0.95
Banks & financials	3,317,908	26.93
Building material	101,716	0.83
Chemicals	384,411	3.12
Country funds	243,315	1.98
Engineering & constructions	136,150	1.11
Food & beverage	1,107,464	8.98
Holding companies	273,079	2.22
Internet	473,042	3.84
Investment companies	138,442	1.12
Iron & Steel	179,022	1.45
Mining	91,988	0.75
Multi industry	236,668	1.92
Oil & gas	523,834	4.25
Pharmaceuticals	167,798	1.36
Real estate	981,210	7.97
REITS	151,320	1.23
Retail	241,967	1.96
Semiconductors	140,328	1.14
Sovereign government obligations	518,285	4.21
Telecommunications	489,323	3.97
Toys & Games	120,731	0.98
Transportation	525,964	4.27
Accrued interest on debt securities	21,168	0.17
<b>Portfolio of investments</b>	<b>11,110,314</b>	<b>90.19</b>
<b>Other net assets</b>	<b>1,208,728</b>	<b>9.81</b>
<b>Net assets attributable to unitholders</b>	<b>12,319,042</b>	<b>100.00</b>

### a) III Asset Class

	<b>Fair Value as at 30/06/2015 S\$</b>	<b>Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %</b>
Debt securities	4,488,593	36.44
Equities / Equity funds	5,464,311	44.35
REITS	1,157,410	9.40
Cash and bank balances	1,100,858	8.93
Other net assets	107,870	0.88
<b>Net assets attributable to unitholders</b>	<b>12,319,042</b>	<b>100.00</b>

## PHILLIP INVESTMENT FUNDS

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<b>a) IV Credit Rating of Debt Securities</b>	<b>Fair Value as at 30/06/2015 S\$</b>	<b>Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %</b>
A	739,870	6.01
AA	262,791	2.13
BB	240,369	1.95
BBB	713,738	5.79
A*	218,002	1.77
Aa*	216,989	1.76
Aaa*	259,966	2.11
Baa*	270,574	2.20
Unrated	1,566,294	12.71
	<b>4,488,593</b>	<b>36.44</b>

Source of the credit rating is from Standard & Poor's except for the following:

\* Credit rating is from Moody's

<b>b) Top Ten Holdings <u>10 Largest Holdings as at 30 June 2015</u></b>	<b>Fair Value as at 30/06/2015 S\$</b>	<b>Percentage of Net Assets Attributable to Unitholders as at 30/06/2015 %</b>
Societe Generale Due 02/04/16	582,355	4.73
Astra Sedaya Finance 2.875% Due 01/04/2018	268,663	2.18
Garuda ID Sukuk 5.95% Due 06/03/20	268,114	2.18
Turk Telekom 4 7/8% Due 06/19/24	266,702	2.16
Bei Jing State Asset 1/8% Due 05/26/25	262,091	2.13
US Treasury 2% Due 02/15/25	260,785	2.12
Alibaba Group 3.6% Due 11/28/24	258,341	2.10
Singapore Government 3% Due 09/01/24	257,500	2.09
Century Sunshine 7.2% Due 06/04/18	252,501	2.05
Rickmers Trust 8.45% Due 05/15/17	243,315	1.98



## PHILLIP INVESTMENT FUNDS

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### b) Top Ten Holdings

#### 10 Largest Holdings as at 30 June 2014

	<b>Fair Value as at 30/06/2014 S\$</b>	<b>Percentage of Net Assets Attributable to Unitholders as at 30/06/2014 %</b>
Phillip Singapore Real Estate Income Fund	692,800	5.98
Societe Generale 0% Due 02/04/16	588,059	5.07
Hyundai Capital 4 1/2% Due 05/16/17	356,179	3.07
Total SA	287,611	2.48
Nomura Real Estate Master Fund	273,742	2.36
China Shanshui 10 1/2% Due 04/27/17	271,183	2.34
Singapore Post Ltd	263,925	2.28
Daiwa House Industry Company Ltd	258,103	2.23
Finansbank 6 1/4% Due 04/30/19	257,950	2.23
TML Holdings 5 3/4% Due 05/07/21	256,803	2.22

- c) (i) Exposure to derivatives as at 30 June 2015:  
S\$8,711
- c) (ii) Net losses on derivative contracts realized for the period from 1 January 2015 to 30 June 2015  
S\$34,348
- c) (iii) Net gains on outstanding derivative contracts marked to market as at 30 June 2015  
S\$6,964
- c) (iv) Description of the method used to calculate the global exposure of financial derivatives

The global exposure relating to derivative instruments is calculated using the commitment approach. The global exposure of each sub-fund is calculated as the sum of:

- (a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- (b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- (c) the sum of the values of cash collateral received pursuant to:
- (i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) efficient portfolio management techniques relating to securities lending and repurchase transactions, and that are reinvested.

## PHILLIP INVESTMENT FUNDS

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- d) Amount and percentage of total fund size invested in other unit trusts, mutual funds and collective investment schemes as at 30 June 2015  
\$ 1,381,166 (11.21 %)
- e) Amount and percentage of borrowings of total fund size as at 30 June 2015  
Nil
- f) Amount of redemptions and subscriptions for the period 1 January 2015 to 30 June 2015

	Class A SGD S\$	Class I SGD S\$
Total amount of redemptions	44,143	-
Total amount of subscriptions	128,268	13,825

- g) Amount of Related-Party Transactions for the period 1 January 2015 to 30 June 2015

Brokerage paid to related parties of the Manager	S\$ 2,627
Interest income received from related parties of the Trustee	S\$70
Bank balances held with related parties of the Trustee	S\$ 795,932
Amounts held with related parties of the Manager	S\$ 304,926

- h) Performance of the Fund as at 30 June 2015

	3 months	6 months	1 year	3 years	5 years	10 years	Inception
Class A SGD cumulative (%)	-0.77	4.55	5.32	19.16	20.88	7.02	33.47
Class A SGD annualised (%)	-	-	-	6.02	3.86	0.68	2.05
Class I SGD Cumulative (%)	-0.70	4.68	5.56	-	-	-	17.86
Class I SGD Annualised (%)	-	-	-	-	-	-	6.15

Returns are calculated in Singapore dollars on a bid to bid basis, with net dividends reinvested. Inception dates for Class A SGD and Class I SGD were 16 April 2001 and 28 September 2012 respectively.

Source: Bloomberg

## PHILLIP INVESTMENT FUNDS

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### i) Expense Ratio

	30 June 2015		
	Class A SGD	Class I SGD	Class I USD
	%	%	%
Without performance fee	1.89	1.65	-
With performance fee	1.89	1.65	-

	30 June 2014		
	Class A SGD	Class I SGD	Class I USD
	%	%	%
Without performance fee	1.83	1.61	-
With performance fee	1.83	1.61	-

The “expenses” used in the calculation of the “Expense Ratio” do not include brokerage and other transaction costs, performance fee (where applicable), foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received. The expense ratio is computed in accordance with the revised IMAS’ guidelines on disclosure of expense ratios.

### j) Turnover Ratio

30 June 2015	30 June 2014
211.70%	83.45%

The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the total value of purchases (or sales) of the underlying investments divided by the weighted average daily net asset value. The total value of bonds matured during the year is not included in the computation of portfolio turnover ratio.

### k) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts.

Nil

### l) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme (‘the underlying scheme’) should be disclosed as well.

#### (i) Top 10 holdings at market value and as percentage of NAV as at 30 June 2015 and 30 June 2014.

Not applicable.

#### (ii) Expense ratios for the period 30 June 2015 and 30 June 2014. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received.

Not applicable.

## PHILLIP INVESTMENT FUNDS

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(iii) Turnover ratios for the period 30 June 2015 and 30 June 2014

Not applicable.

m) Soft dollar arrangements

The Manager is entitled to and intends to receive or enter into soft-dollar commissions or arrangements. The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Manager may receive include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis and custodial services in relation to the investments managed for clients. The soft dollar credits utilised are not allocated on a specific client basis. The brokers also execute trades for other funds managed by the Manager.

The Manager will not accept or enter into soft dollar commissions or arrangements unless such soft-dollar commissions or arrangements would, in the opinion of the Manager, assist the Manager in its management of clients' funds, provided that the Manager shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions or arrangements.

The Manager does not, and is not entitled to retain cash rebates for its own account in respect of rebates earned when transacting in securities for account of clients' funds.

During the period, soft dollar services received from each broker were investment research and publications, data and quotation services. Soft dollars were received from the Manager's panel of brokers which executed transactions for the Fund and other funds managed by the Manager.

## PHILLIP INVESTMENT FUNDS

### Statements of Total Return For the period ended 30 June 2015 (Unaudited)

	Phillip Money Market Fund		Phillip Income Fund	
	30 June 2015 S\$	30 June 2014 S\$	30 June 2015 S\$	30 June 2014 S\$
<b>Income</b>				
Dividends	-	-	131,284	190,215
Interest	5,783,487	5,187,028	95,722	112,778
	<b>5,783,487</b>	<b>5,187,028</b>	<b>227,006</b>	<b>302,993</b>
Less:				
<b>Expenses</b>				
Management fees	1,598,868	1,683,007	50,945	54,027
Management fees rebate	-	-	(540)	(989)
Trustee fees	71,929	73,691	2,582	2,293
Custody fees	27,334	23,811	8,174	7,761
Audit fees	10,188	6,520	10,188	6,520
Transaction costs	-	-	25,673	14,700
Other	198,591	135,897	33,862	36,421
	<b>1,906,910</b>	<b>1,922,927</b>	<b>130,884</b>	<b>120,733</b>
<b>Net income</b>	<b>3,876,577</b>	<b>3,264,101</b>	<b>96,122</b>	<b>182,259</b>
<b>Net gain or losses on value of investments and financial derivatives</b>				
Net (losses) / gains on investments	(1,421,562)	(1,550,370)	500,713	556,057
Net (losses) on financial derivatives	-	-	(27,383)	(20,771)
	<b>(1,421,562)</b>	<b>(1,550,370)</b>	<b>473,330</b>	<b>535,286</b>
<b>Total return for the period before income tax</b>	2,455,015	1,713,731	569,452	717,545
Less: Income tax	-	-	(11,150)	(30,178)
<b>Total return for the period after income tax before distribution</b>	<b>2,455,015</b>	<b>1,713,731</b>	<b>558,302</b>	<b>687,367</b>

## PHILLIP INVESTMENT FUNDS

### Statements of Financial Position As at 30 June 2015 (Unaudited)

	Phillip Money Market Fund		Phillip Income Fund	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	S\$	S\$	S\$	S\$
<b>Assets</b>				
Portfolio of investments	392,998,165	325,821,370	11,110,314	11,085,742
Sales awaiting settlement	-	-	605,745	-
Receivables	1,193,886	1,485,922	136,415	292,017
Cash and cash equivalents	344,007,603	486,256,239	1,100,858	1,613,008
Financial derivatives at fair value	-	-	8,711	11,526
<b>Total assets</b>	<b>738,199,654</b>	<b>813,563,531</b>	<b>12,962,043</b>	<b>13,002,293</b>
<b>Liabilities</b>				
Purchases awaiting settlement	2,586,295	17,361,815	391,594	913,974
Payables	10,242,803	1,237,135	251,407	154,550
<b>Total liabilities</b>	<b>12,829,098</b>	<b>18,598,950</b>	<b>643,001</b>	<b>1,068,524</b>
<b>Equity</b>				
<b>Net assets attributable to unitholders</b>	<b>725,370,556</b>	<b>794,964,581</b>	<b>12,319,042</b>	<b>11,933,769</b>

**PHILLIP INVESTMENT FUNDS**

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**Statements of Movements of Unitholders' Funds  
For the period ended 30 June 2015 (Unaudited)**

	<b>Phillip Money Market Fund</b>	
	<b>30 June 2015</b>	<b>31 December 2014</b>
	<b>S\$</b>	<b>S\$</b>
<b>Net assets attributable to unitholders at the beginning of financial period/year</b>	794,964,581	785,757,645
<b>Operations</b>		
Changes in net assets attributable to unitholders resulting from operations during the period/year	2,455,015	2,852,561
<b>Unitholders' contributions/ (withdrawals) during the period/year</b>		
Creation of units	1,212,433,778	2,447,621,272
Cancellation of units	(1,284,482,818)	(2,441,266,897)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(72,049,040)	6,354,375
Distribution	-	-
Total (decrease)/increase in net assets attributable to unitholders	(69,594,025)	9,206,936
<b>Net assets attributable to unitholders at end of the financial period/year</b>	725,370,556	794,964,581
<b>Units in issue</b>	<b>622,049,917</b>	<b>683,924,235</b>
<b>Net assets attributable to unitholders per unit</b>	<b>1.1661</b>	<b>1.1624</b>

**PHILLIP INVESTMENT FUNDS**

	<b>Phillip Income Fund</b>					
	<b>30 June 2015</b>			<b>31 December 2014</b>		
	<b>Class A</b>	<b>Class I</b>	<b>Total</b>	<b>Class A</b>	<b>Class I</b>	<b>Total</b>
	<b>SGD</b>	<b>SGD</b>		<b>SGD</b>	<b>SGD</b>	
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Net assets attributable to unitholders at the beginning of financial period/year</b>	1,413,440	10,520,329	11,933,769	1,412,608	11,897,261	13,309,869
<b>Operations</b>						
Changes in net assets attributable to unitholders resulting from operations during the period/year	62,743	495,559	558,302	79,928	69,391	775,319
<b>Unitholders' contributions/ (withdrawals) during the period/year</b>						
Creation of units	128,268	13,825	142,093	75,173	547,242	622,415
Cancellation of units	(42,143)	-	(42,143)	(91,880)	(2,142,003)	(2,233,883)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	86,125	13,825	99,950	(16,707)	(1,594,761)	(1,611,468)
Distribution	(32,669)	(240,310)	(272,979)	(62,389)	(477,562)	(539,951)
Total increase/(decrease) in net assets attributable to unitholders	116,199	269,074	385,273	832	(1,376,932)	(1,376,100)
<b>Net assets attributable to unitholders at end of the financial year</b>	<b>1,529,639</b>	<b>10,789,403</b>	<b>12,319,042</b>	<b>1,413,440</b>	<b>10,520,329</b>	<b>11,933,769</b>
<b>Units in issue</b>	1,373,437	9,624,656		1,298,082	9,613,412	
<b>Net assets attributable to unitholders per unit</b>	1.1137	1.1210		1.0889	1.0945	

There were no Class I USD units issued for the period/year.



## PHILLIP INVESTMENT FUNDS

### Statements of Portfolio As at 30 June 2015 (Unaudited)

	Holdings as at 30/06/2015	Fair value as at 30/06/2015 S\$	Percentage of total net assets attributable to unitholders as at 30/06/2015 %
<b>Phillip Money Market Fund</b>			
<b>By Industry (Primary)</b>			
<b>Quoted securities</b>			
<b>Airlines</b>			
<b>Fixed rate bonds</b>			
SINGAPORE AIRLINES 2.15% Due 09/30/15	10,300,000	10,312,566	1.42
<b>Banks &amp; financials</b>			
<b>Certificates of deposit</b>			
AGRICULTURAL BANK OF CHINA SG 1% DUE 09/22/15	20,000,000	19,995,566	2.75
BANK OF CHINA 1.1% DUE 06/08/15	15,000,000	15,004,680	2.07
BANK OF CHINA 1.5% DUE 18/03/2016	10,000,000	10,028,130	1.38
INDUSTRIAL & COMMERCIAL BANK CHINA SG 1.05% DUE 15/01/2016	15,000,000	14,992,098	2.06
INDUSTRIAL & COMMERCIAL BANK CHINA SG 1% DUE 09/08/15	35,000,000	34,994,804	4.82
SUMITOMO MITSUI BANK/SG 1 ¼% DUE 08/11/16	15,000,000	15,000,000	2.07
SUMITOMO MITSUI BANK/SG 1.45% DUE 11/07/16	10,000,000	10,000,000	1.38
SUMITOMO MITSUI BANK/SG 1.58% DUE 09/12/16	10,000,000	10,000,000	1.38
SUMITOMO MITSUI BANK/SG 1.62% DUE 11/14/16	10,000,000	10,000,000	1.38
SUMITOMO MITSUI BANK/SG 1.1% DUE 22/06/16	10,000,000	10,000,000	1.38
		150,015,278	20.67

## PHILLIP INVESTMENT FUNDS

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### Fixed rate bonds

ANZ NEW ZEALAND INTL/LDN 2.95% DUE 07/27/15	5,500,000	5,503,905	0.76
INDUSTRIAL & COMMERCIAL BANK OF CHINA SYDNEY 1.38% DUE 06/03/16	10,000,000	10,000,000	1.38
KOOKMIN BANK 1.28% DUE 05/12/16	10,000,000	10,000,000	1.38
KOOKMIN BANK 1.35% DUE 03/14/16	6,000,000	6,000,000	0.83
MACQUARIE BANK LTD 3.28% DUE 04/11/16	500,000	506,795	0.07
MACQUARIE BANK LTD 3.3% DUE 04/08/16	3,500,000	3,543,085	0.49
MALAYAN BANKING 1.85% DUE 04/10/17	10,000,000	10,000,000	1.38
SHINHAN BANK 3.93% DUE 01/16/16	4,750,000	4,822,200	0.66
SHINHAN BANK 3.94% DUE 01/15/16	5,500,000	5,589,550	0.77
		<u>55,965,535</u>	<u>7.72</u>

### Treasury bills

MAS BILLS DUE 09/11/15	10,000,000	9,983,730	1.38
MAS BILLS DUE 07/20/15	15,000,000	14,994,540	2.07
		<u>24,978,270</u>	<u>3.45</u>
		<u>230,959,083</u>	<u>31.84</u>

### Commercial Services

#### Fixed rate bonds

PSA CORPORATION LTD 2.83% DUE 07/06/15	14,750,000	14,751,623	2.03
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### Government agency

#### Fixed rate bonds

HOUSING & DEVELOPMENT BOARD 0.76% DUE 11/02/15	2,500,000	2,496,225	0.34
HOUSING & DEVELOPMENT BOARD 0.943% DUE 03/21/16	4,500,000	4,489,515	0.62
HOUSING & DEVELOPMENT BOARD 2.0225% DUE 02/22/16	6,000,000	6,032,220	0.83
HOUSING & DEVELOPMENT BOARD 3.2% DUE 10/12/15	3,500,000	3,520,510	0.48

## PHILLIP INVESTMENT FUNDS

HOUSING & DEVELOPMENT BOARD 3.73% DUE 03/07/16	4,000,000	4,069,800	0.56
HOUSING & DEVELOPMENT BOARD 1.685% DUE 08/06/20	3,000,000	3,011,880	0.42
LAND TRANSPOR AUTHORITY 4.17% DUE 05/10/16	1,950,000	1,998,750	0.28
		<u>25,618,900</u>	<u>3.53</u>
<b>Lodging</b>			
<b>Fixed Rate Bonds</b>			
HOTEL PROPERTIES 3.6% DUE 10/07/15	500,000	504,620	0.07
<b>Real estate</b>			
<b>Fixed Rate Bonds</b>			
ASCOTT CAPITAL 3.8% DUE 11/10/16	1,250,000	1,282,950	0.18
ASCOTT CAPITAL 3.8% DUE 11/10/16	20,250,000	20,783,790	2.87
HENDERSON LAND 3.65% DUE 02/15/16	15,250,000	15,439,862	2.12
HENDERSON LAND 3.865% DUE 11/11/16	5,250,000	5,383,088	0.74
HK LAND TREASURY SERVICE	33,750,000	33,964,312	4.68
JOYNOTE LTD 2 ¼% DUE 11/23/15	2,500,000	2,503,413	0.35
JOYNOTE LTD 2.585% DUE 07/20/16	1,250,000	1,258,637	0.17
		<u>80,616,052</u>	<u>11.11</u>
<b>REITS</b>			
<b>Fixed rate bonds</b>			
CCT MTN PTE LTD 3 ¼% DUE 12/15/15	3,000,000	3,022,830	0.42
CMT MTN PTE LTD 3.85% DUE 03/15/17	3,750,000	3,880,757	0.53
		<u>6,903,405</u>	<u>0.95</u>
<b>Transportation &amp; logistics</b>			
<b>Fixed rate bonds</b>			
SINGAPORE BUS 1.95% DUE 10/26/15	8,000,000	8,004,000	1.10

## PHILLIP INVESTMENT FUNDS

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### Utilities

#### Fixed rate bonds

##### PUBLIC UTILITIES BOARD

3.18% DUE 10/26/15

5,750,000

5,787,605

0.81

SP POWERASSETS 4.19%

DUE 08/18/15

7,000,000

7,021,980

0.97

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12,809,585

1.78

#### Accrued interest on debt securities

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2,518,331

0.35

#### Portfolio of investments

---

392,998,165

54.18

#### Other net assets

---

332,372,391

45.82

#### Net assets attributable to unitholders

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**725,370,556**

**100.00**

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## PHILLIP INVESTMENT FUNDS

	Fair value as at 30/06/2015 S\$	Percentage of total net assets attributable to unitholders as at 30/06/2015 %	Percentage of total net assets attributable to unitholders as at 31/12/2014 %
<b>Phillip Money Market Fund</b>			
<b>By Industry (Summary)</b>			
Airlines	10,312,566	1.42	1.31
Banks & financials	230,959,083	31.84	19.63
Commercial services	14,751,623	2.03	1.87
Government agency	25,618,900	3.53	5.21
Lodging	504,620	0.07	7.83
Media	-	-	4.00
Real estate	80,616,052	11.11	-
REITS	6,903,405	0.95	-
Transportation & logistics	8,004,000	1.10	0.38
Utilities	12,809,585	1.78	0.51
Accrued interest on debt securities	2,518,331	0.35	0.25
<b>Portfolio of investments</b>	<b>392,998,165</b>	<b>54.18</b>	<b>40.99</b>
<b>Other net assets</b>	<b>332,372,391</b>	<b>45.82</b>	<b>59.01</b>
<b>Net assets attributable to unitholders</b>	<b>825,560,892</b>	<b>100.00</b>	<b>100.00</b>
<b>Phillip Money Market Fund</b>			
<b>By Geography (Secondary)</b>			
Australia	4,049,880	0.56	0.70
China/Hong Kong	105,015,278	14.48	12.84
Italy	-	-	3.01
Japan	55,000,000	7.58	1.26
Malaysia	10,000,000	1.38	-
Netherlands	-	-	0.35
New Zealand	5,503,905	0.76	0.79
Singapore	184,499,021	25.43	21.11
South Korea	26,411,750	3.64	0.68
Accrued interest on debt securities	2,518,331	0.35	0.25
<b>Portfolio of investments</b>	<b>392,998,165</b>	<b>54.18</b>	<b>40.99</b>
<b>Other net assets</b>	<b>332,372,391</b>	<b>45.82</b>	<b>59.01</b>
<b>Net assets attributable to unitholders</b>	<b>725,370,556</b>	<b>100.00</b>	<b>100.00</b>

## PHILLIP INVESTMENT FUNDS

	Holdings as at 30/06/2015	Fair value as at 30/06/2015 S\$	Percentage of total net assets attributable to unitholders as at 30/06/2015 %
<b>Phillip Income Fund</b>			
<b>By Industry (Primary)</b>			
<b>Quoted securities</b>			
<b>Airlines</b>			
<b>Equities</b>			
SINGAPORE AIRLINES LTD	15,000	160,650	1.30
<b>Fixed rate bonds</b>			
GARUDA ID SUKUK GARUDA 5.95% DUE 06/03/20	200,000	268,114	2.18
		428,764	3.48
<b>Automotive</b>			
<b>Equities</b>			
HYUNDAI MOTOR CO	710	116,417	0.95
<b>Banks &amp; financials</b>			
<b>Equities</b>			
AGRICULTURAL BANK CHINA 'H' CNY1	208,000	150,836	1.22
FUBON FINANCIAL HOLDING CO	42,000	112,201	0.91
HANA FINANCIAL HOLDINGS	4,100	143,599	1.17
HSBC HOLDINGS PLC	14,918	181,553	1.47
MEGA FINANCIAL HOLDING CO LTD	148,000	178,984	1.45
MIZUHO FINANCIAL GROUP INC	53,800	156,574	1.27
OVERSEA-CHINESE BANKING CORP	9,000	91,620	0.74
STANDARD CHARTERED PLC	7,500	163,295	1.33
SUMITOMO MITSUI FINANCIAL GR	2,500	149,806	1.22
		1,328,468	10.78

**PHILLIP INVESTMENT FUNDS****Fixed rate bonds**

ASTRA SEDAYA FINANCE 2.875% DUE 01/04/2018	200,000	268,663	2.18
BEI JING STATE ASSET 4 1/8% DUE 05/26/25	200,000	262,091	2.13
BOC AVIATION 4 ½% DUE 11/20/18	1,000,000	220,650	1.79
ICBCIL FINANCE ICBCAS 3.9% DUE 06/18/18	1,000,000	217,724	1.76
TMB BANK 5 ½% DUE 03/09/18	1,000,000	221,200	1.80
		<u>1,190,328</u>	<u>9.66</u>

**Fixed rate bonds**

KOREA DEV BANK 3.55% DUE 06/19/18	1,000,000	<u>216,757</u>	<u>1.76</u>
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**Zero Coupon Bonds**

SOCIETE GENERALE SOCGEN DUE 02/04/16	500,000	<u>582,355</u>	<u>4.73</u>
		<u>3,317,908</u>	<u>26.93</u>

**Building material****Equities**

TAIWAN CEMENT	60,000	<u>101,716</u>	<u>0.83</u>
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**Chemicals****Equities**

PTT GLOBAL CHEMICAL PCL- NVDR THB10(NVDR))	48,000	<u>131,910</u>	<u>1.07</u>
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**Fixed rate bonds**

CENTURY SUNSHINE 7.2% DUE 06/04/18	250,000	<u>252,501</u>	<u>2.05</u>
		<u>384,411</u>	<u>3.12</u>

**Country funds****Fixed rate bonds**

RICKMERS TRUST 8.45% DUE 05/15/17	250,000	<u>243,315</u>	<u>1.98</u>
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## PHILLIP INVESTMENT FUNDS

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### Engineering & Construction

#### Equities

SEMBCORP INDUSTRIES LIMITED	35,000	136,150	1.11
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### Food & Beverage

#### Equities

CHAROEN POKPHAND FOODS-NVDR	145,000	138,601	1.13
CHINA MENGNIU DAIRY CO	23,000	153,822	1.25
DAIRY FARM INTL HLDGS	15,000	174,702	1.42
PEPSI-COLA PRODUCTS PHILIPPINES	1,116,000	159,815	1.30
SAN MIGUEL PURE FODDS CO	26,000	130,315	1.05
WESFARMERS LIMITED	3,300	132,871	1.07
		890,126	7.22

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### Fixed rate bonds

FONTERRA COOPERA 4% DUE 06/22/20	1,000,000	217,338	1.76
		1,107,464	8.98

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### Holding companies

#### Equities

KEPPEL CORP LTD	17,000	139,740	1.14
YTL CORPORATION BERHAD	243,000	133,339	1.08
		273,079	2.22

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### Internet

#### Fixed rate bonds

ALIBABA GROUP BABA 3.6% DUE 11/28/24	200,000	258,341	2.10
21VIANET GROUP I VNET 6 7/8% DUE 06/26/17	1,000,000	214,701	1.74
		473,042	3.84

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### Investment companies

#### Equities

CK HUTCHISON HOLDINGS LTD	7,000	138,442	1.12
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## PHILLIP INVESTMENT FUNDS

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### Iron & steel

#### Equities

##### FORTESCUE METALS GROUP

LTD NPV	28,000	55,069	0.44
POSCO	460	123,953	1.01
		<hr/>	<hr/>
		179,022	1.45

### Mining

#### Equities

##### BHP LTD ORD

	3,300	91,988	0.75
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### Multi industries

#### REITS

##### GLP J-REIT REIT

	80	102,724	0.83
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### Investment funds/Mutual funds

#### ISHARES MSCI INDIA ETF

	3,300	133,944	1.09
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		236,668	1.92
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### Oil & gas

#### Equities

##### BP PLC

	15,880	141,073	1.15
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##### TOTAL SA

	2,200	144,074	1.17
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		285,147	2.32
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### Fixed rate bonds

#### PERTAMINA PERTIJ 5 5/8

05/20/43

	200,000	238,687	1.93
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		523,834	4.25
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### Pharmaceutical

#### Equities

##### GLAXOSMITHKLINE PLC

	6,000	167,798	1.36
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### Real Estate

#### Equities

##### CHEUNG KONG PROPERTY

HOLDING

	7,000	77,844	0.64
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## PHILLIP INVESTMENT FUNDS

### REITS

CDL HOSPITALITY TRUST	85,000	138,125	1.12
FRASERS HOSPITALITY TRUST	150,000	128,250	1.04
KEPPEL DC REIT	155,000	161,975	1.31
KEPPEL REIT	124,000	141,980	1.15
MAPLETREE GREATER CHINA COMM	145,000	147,175	1.20
NOMURA REAL ESTATE	64	109,361	0.89
SOILBUILD BUSINESS SPACE	90,000	76,500	0.62
		<u>903,366</u>	<u>7.33</u>

981,210      7.97

### REITS

#### REITS

CAPITACOMMERCIAL TRUST	97,000	<u>151,320</u>	<u>1.23</u>
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### Retail

#### Equities

CAPITACOMMERCIAL TRUST	1,112,000	138,900	1.12
PRESIDENT CHAIN STORE CORP	11,000	103,067	0.84
		<u>241,967</u>	<u>1.96</u>

### Semiconductors

#### Equities

TAIWAN SEMICONDUCTOR	23,000	<u>140,328</u>	<u>1.14</u>
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### Sovereign government obligations

#### Fixed rate bonds

SINGAPORE GOV'T SIGB 3% DUE 09/01/24	250,000	257,500	2.09
US TREASURY N/B T 2% DUE 02/15/25	200,000	260,785	2.12
		<u>518,285</u>	<u>4.21</u>

### Telecommunications

#### Equities

ADVANCED INFO SERVICE NVDR	15,000	142,783	1.16
CHINA COMMUNICATIONS SERVI-H 'H' CNY1	118,000	79,838	0.65
		<u>222,621</u>	<u>1.81</u>

## PHILLIP INVESTMENT FUNDS

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### Fixed rate bonds

TURK TELEKOM TURKTI

4 7/8% DUE 06/19/24

200,000 266,702 2.16

489,323 3.97

### Toys & games

#### Equities

SANRIO CO LTD NPV

3,300 120,731 0.98

### Transportation

#### Equities

DEUTSCHE POST AG

3,500 138,252 1.12

SINGAPORE POST LTD

80,000 151,600 1.23

SMRT CORP LTD

95,000 146,300 1.19

436,152 3.54

### Investment funds/mutual funds

HUTCHISON PORT HOLDINGS

106,000 89,812 0.73

525,964 4.27

### Accrued interest on debt securities

21,168 0.17

### Portfolio of investments

11,110,314 90.19

### Other net assets

1,208,728 9.81

### Net assets attributable to unitholders

12,319,042 **100.00**

## PHILLIP INVESTMENT FUNDS

	Fair value as at 30/06/2015 S\$	Percentage of total net assets attributable to unitholders as at 30/06/2015 %	Percentage of total net assets attributable to unitholders as at 31/12/2014 %
<b>Phillip Income Fund</b>			
<b>By Industry (Primary)</b>			
Airline	428,764	3.48	1.81
Automotive	116,417	0.95	3.52
Banks & financials	3,317,908	26.93	20.93
Bond funds	-	-	6.02
Building material	101,716	0.83	-
Chemicals	384,411	3.12	1.35
Country funds	243,315	1.98	2.08
Engineering & construction	136,150	1.11	-
Electronics	-	-	4.16
Food & beverage	1,107,464	8.98	4.86
Government agency	-	-	9.95
Holding companies	273,079	2.22	0.98
Insurance	-	-	1.11
Internet	473,042	3.84	3.93
Investment companies	138,442	1.12	-
Iron & steel	179,022	1.45	0.70
Leisure	-	-	2.31
Mining	91,988	0.75	0.88
Multi industry	236,668	1.92	0.34
Oil & gas	523,834	4.25	1.12
Pharmaceuticals	167,798	1.36	1.90
Real estate	981,210	7.97	11.00
REITS	151,320	1.23	1.07
Retail	241,967	1.96	1.33
Semiconductors	140,328	1.14	-
Sovereign government obligations	518,285	4.21	-
Software	-	-	2.56
Telecommunications	489,323	3.97	3.11
Toys & games	120,731	0.98	1.39
Transportation	525,964	4.27	4.16
Accrued interest on debt securities	21,168	0.17	0.32
<b>Portfolio of investments</b>	<b>11,110,314</b>	<b>90.19</b>	<b>92.89</b>
<b>Other net assets</b>	<b>1,208,728</b>	<b>9.81</b>	<b>7.11</b>
<b>Net assets attributable to unitholders</b>	<b>12,319,042</b>	<b>100.00</b>	<b>100.00</b>

## PHILLIP INVESTMENT FUNDS

	Fair value as at 30/06/2015 S\$	Percentage of total net assets attributable to unitholders as at 30/06/2015 %	Percentage of total net assets attributable to unitholders as at 31/12/2014 %
<b>Phillip Income Fund</b>			
<b>By Geography (Secondary)</b>			
Australia	279,928	2.27	2.68
Bermuda	313,603	2.55	1.77
British Virgin Islands	-	-	1.81
Cayman Islands	1,095,652	8.89	8.63
China / Hong Kong	710,490	5.77	8.35
France	726,429	5.90	4.88
Germany	138,252	1.12	-
Indonesia	775,464	6.29	4.49
Italy	-	-	2.00
Japan	639,197	5.19	6.28
Malaysia	133,339	1.08	2.15
New Zealand	217,338	1.76	-
Philippines	290,128	2.36	2.51
Singapore	2,582,662	20.96	30.47
South Korea	600,726	4.88	2.59
Taiwan	636,296	5.17	1.27
Thailand	634,494	5.16	1.35
Turkey	266,702	2.16	-
United Kingdom	653,718	5.31	5.84
United States	394,728	3.20	5.50
Accrued interest on debt securities	21,168	0.17	0.32
<b>Portfolio of investments</b>	11,110,314	90.19	92.89
<b>Other net assets</b>	1,208,728	9.81	7.11
<b>Net assets attributable to unitholders</b>	12,319,042	100.00	100.00

## PHILLIP INVESTMENT FUNDS

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### IMPORTANT INFORMATION

Phillip Money Market Fund and Phillip Income Fund (the "Sub-Funds") are sub-funds of Phillip Investment Funds (the "Fund"), an open-ended umbrella unit trust authorised under the Securities and Futures Act, Chapter 289, by the Monetary Authority of Singapore.

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