

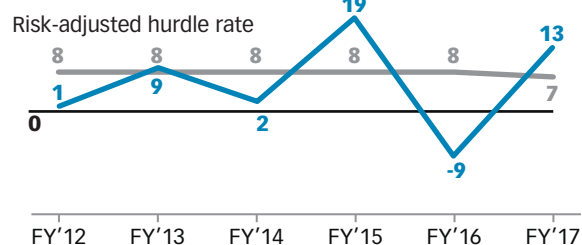
How Temasek did in FY 2017

Temasek Holdings returned to positive territory in fiscal 2017 as strong stock markets and signs of a global economic recovery gave its portfolio a boost. But the investment firm sounded a cautionary note on rich valuations, and stressed the need for disciplined investing. **BY KENNETH LIM**

Total shareholder returns*

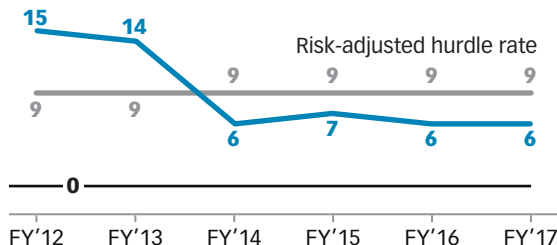
Temasek returned to positive returns in the year ended March 31, 2017 on a one-year basis. On a 20-year basis, however, Temasek is still lagging its risk-adjusted hurdle rate, which is the minimum target return that Temasek sets for its portfolio, and which it seeks to outperform over the long term.

One-year returns



* In S\$ terms

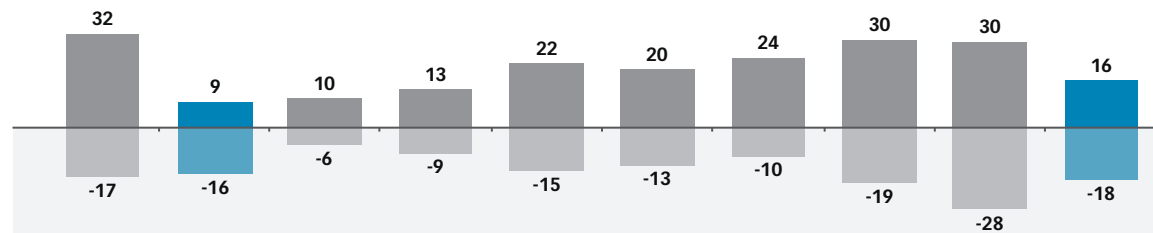
Annualised 20-year rolling returns



Investment activity

The buoyant prices that lifted Temasek's returns over the past year also reflected high valuations, which led to cautious deployment by the firm. Temasek divested more than it put to work for the first time since fiscal 2009.

Investments (\$b)

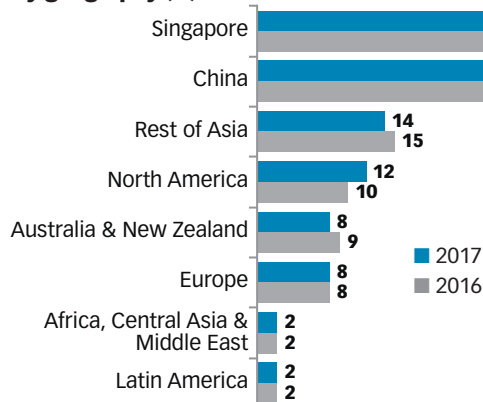


Divestments (\$b)

Portfolio distribution

Temasek continues to have the greatest exposure to Singapore and Asia. In terms of industry, the firm has been actively taking positions in technology-enabled investments, especially in non-bank financial services, telecommunications and media.

By geography (%)



By industry (%)

