

Prusik Asia Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 June 2014

Quarterly Fund Fact Sheet

Investment Objective

To preserve capital and generate absolute returns over a full economic cycle by investing in listed equities in Asia Pacific Ex-Japan, whilst maintaining portfolio volatility significantly below the peer group.

Fund Facts

Fund Size (USD)	84.8m
Launch Date	7 October 2005
Fund Manager	Heather Manners
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD

Performance (%)

	A USD	C GBP	D SGD
1 Month	2.91	2.85	2.88
3 Month	1.51	1.47	1.45
Year to Date	0.73	0.68	0.73
Since Launch	100.88	58.07	10.76
Since Launch [†]	8.31	5.92	2.32

Source: Bloomberg.

Launch Date: A: 07.10.05, C: 14.07.06, D: 15.01.10

[†]Annualised Since Launch Performance

Investment Process

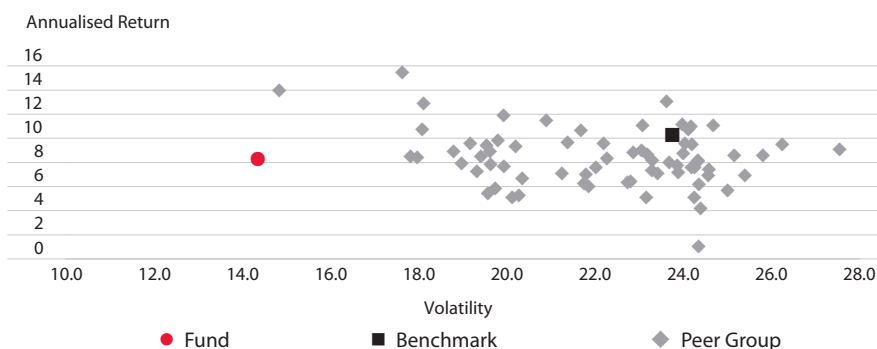
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis with emphasis on traditional value and high ROCE. Cash and Index Futures are used when opportunities are few and to reduce portfolio volatility.

Fund Performance - Class A USD (%)



Source: Bloomberg. Total return net of fees.

Risk Adjusted Performance - Class A USD (%)



Source: Bloomberg. Annualised return and 1 year volatility versus the peer group (open ended offshore Asia Pacific ex Japan Equity Fund Index), 7.10.05 to 30.06.14

Fund Manager Commentary

The fund had a good month in June in both relative and absolute terms. The top 3 positive contributors were **E-Commerce Dang Dang**, a Chinese e-commerce company, **PCCW**, the Hong Kong telco and **Hiwin Technologies**, a Taiwanese automation company. Overall, Chinese e-commerce companies, telcos, Thai stocks, in particular **Siam Cement** and **Sino Thai Engineering**, and a rebound in many of our **Vietnamese holdings** boosted performance this month.

Recent changes to the fund include trimming some of our exposure in India by selling **Crompton Greaves**, which had done well in the run-up to the elections in India and rumours of a takeover, and **Bajaj Finance**. We still have 8% of the fund in India, which is a slight overweight to the index.

Elsewhere we have been rebuilding our Chinese internet exposure after the sharp correction of the past few months. We recently attended a two day conference and met with 9 of the major China internet companies. As a result we bought a new position in **Baidu**, the **Google** of China, following a very positive meeting with the company where management outlined the company's dominance in mobile search, exponential growth in its mobile users and its growing opportunity outside the online advertising market via location based services and revenue sharing with app developers.

We are travelling to Vietnam and India this month and are visiting many of our holdings during the trip.

All data as at 30.06.14. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asia Fund



Top 5 Holdings (%)

PCCW	3.7
Coway Co. Ltd	3.5
Hotel Shilla	3.4
AIA Group	3.1
Huaneng Power International Inc	3.0
Total Number of Holdings	44

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	16.1x
Predicted Return on Equity (%)	18
Predicted Earnings Growth (%)	19

Risk Metrics

Beta	0.57
Alpha	2.5
Sharpe Ratio	0.58
Volatility (%)	14.4
% of the portfolio which could be sold in 2 business days	96.8

Thematic Breakdown (%)

Telecoms / Infrastructure / Logistics	22.9	<div></div>
Automation / Internet of things	16.2	<div></div>
Financialisation	12.8	<div></div>
Local Brands	9.3	<div></div>
Food	8.7	<div></div>
Internet	8.3	<div></div>
Leisure / Tourism	6.2	<div></div>
LED / Cloud Computing / Software	5.5	<div></div>
Brands / Beauty	5.0	<div></div>
China Restructuring	2.9	<div></div>
Cash	2.1	<div></div>

Geographical Breakdown (%)

Hong Kong / China	43.8	<div></div>
Taiwan	12.2	<div></div>
Korea	9.6	<div></div>
Vietnam	8.8	<div></div>
India	8.1	<div></div>
Thailand	7.4	<div></div>
Singapore	2.9	<div></div>
Malaysia	2.2	<div></div>
Cash	2.1	<div></div>
Australia	1.7	<div></div>
Indonesia	1.3	<div></div>

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Management Fees

Annual Management Fee

1.5% p.a. Paid monthly in arrears

Class U - 1% p.a. Paid monthly in arrears

Performance Fee

All Classes except Class U: 10% NAV appreciation with a 6% hurdle annually

Class U: 10% of the net out-performance of the MSCI Asia Pacific ex Japan Index (MXAJP) with a high-water mark paid quarterly

Dealing

Dealing Line	+353 1 603 6490
Administrator	Brown Brothers Harriman (Dublin)
Dealing Frequency	Daily
Min. Initial Subscription	USD 10,000
Subscription Notice	1 business day
Redemption Notice	1 business day

Share Class Details

Share Class	Sedol	ISIN	Month-end NAV
A USD Unhedged Non distributing	B0MDR72	IE00B0M9LK15	200.88
B USD Unhedged Distributing	B0M9LL2	IE00B0M9LL22	201.16
C GBP Hedged Distributing	B18RM25	IE00B18RM256	109.15
D SGD Hedged Distributing	B3LYLK8	IE00B3LYLK86	275.88

Performance fee based on individual investor's holding

U GBP Unhedged Distributing	BBQ37S6	IE00BBQ37S60	102.43
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Performance fee based on fund performance as a whole

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