

Prusik Asia Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 September 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)	97.3m
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	-4.06	-3.93	-3.99
3 Month	2.05	2.30	2.11
Year to Date	2.79	3.00	2.85
Since Launch	104.99	61.71	13.09
Since Launch [†]	8.32	6.02	2.65

Source: Bloomberg.

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

[†]Annualised Since Launch Performance

Investment Process

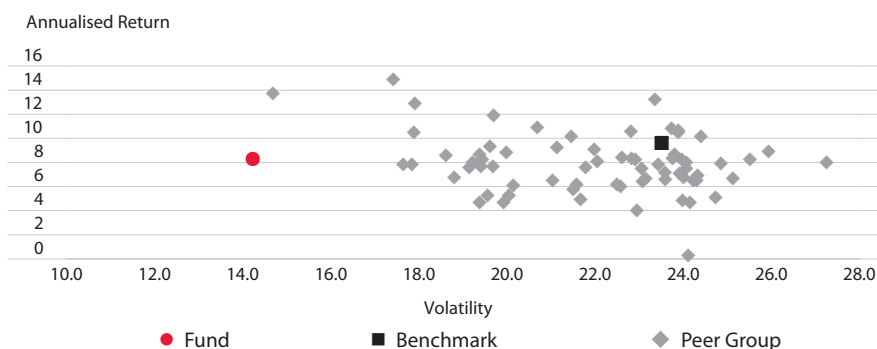
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis 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 30.09.14

Fund Manager Commentary

The fund fell 4.1% versus the index decline of 7.2%. The main positive contributions in absolute terms came from our weightings in Vietnam, India and Thailand, while the strong relative move was mainly down to our extreme underweight in Australia, which fell sharply. Good individual stock performance was also a highlight, and especially so in Korea, where both **Hanjin Transport Co Ltd** (logistics and freight) and **LG Uplus** (telco) bucked the weaker trend in the index.

The price to book ratio for the MXASJ Asia ex-Japan index has now dropped to 1.48x and the discount to global equities, according to Credit Suisse's PB/ROE model, is now 25%. It has only been this low, or lower, in 2005, the 2008-2009 global crisis and January 2014. This all points to now being a very good time to buy Asia.

Meanwhile, we have just returned from visiting Thailand and Singapore. The business story in Thailand remains a very good one and companies there are expanding into Cambodia, Laos, Myanmar and Vietnam (the 'CLMV' markets) more aggressively than ever. Thematically, we feel that this area has a 5 to 10 year period of very strong growth and development and we saw many new projects ranging from infrastructure initiatives to the rolling out of domestic brands in the cosmetics and juice drink markets.

All data as at 30.09.14. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asia Fund



Top 5 Holdings (%)

PCCW	3.4
Shinsegae	3.1
Kinh Do Corporation	3.1
Hanjin Transportation	3.1
China Unicom	3.0
Total Number of Holdings	45

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	14.8x
Predicted Return on Equity (%)	15.2
Predicted Earnings Growth (%)	18.4

Risk Metrics

Beta	0.57
Alpha	2.9
Sharpe Ratio	0.58
Volatility (%)	14.2
% of the portfolio which could be sold in 2 business days	95.6

Thematic Breakdown (%)

Telecoms / Infrastructure / Logistics	22.9	
Reform	14.0	
Automation / Internet of things	12.9	
Cash	11.1	
Financialisation	9.7	
Local Brands	7.1	
Food	7.1	
Leisure / Tourism	6.4	
Internet	5.6	
LED / Cloud Computing / Software	3.4	

Geographical Breakdown (%)

Hong Kong/China	38.9	
Korea	15.7	
Cash	11.1	
Vietnam	8.7	
Taiwan	7.8	
India	7.7	
Thailand	5.3	
Singapore	2.3	
Indonesia	1.3	
Australia	1.2	

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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	204.99
B USD Unhedged Distributing	B0M9LL2	IE00B0M9LL22	205.11
C GBP Hedged Distributing	B18RM25	IE00B18RM256	111.66
D SGD Hedged Distributing	B3LYLK8	IE00B3LYLK86	281.69

Performance fee based on individual investor's holding

U GBP Unhedged Distributing	BBQ37S6	IE00BBQ37S60	110.18
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Performance fee based on fund performance as a whole

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