

Prusik Asia Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 October 2014

Monthly 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)	94.7m
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	0.95	1.05	0.99
3 Month	0.92	1.26	1.03
Year to Date	3.77	4.08	3.87
Since Launch	106.94	63.40	14.21
Since Launch †	8.34	6.09	2.81

Source: Bloomberg.

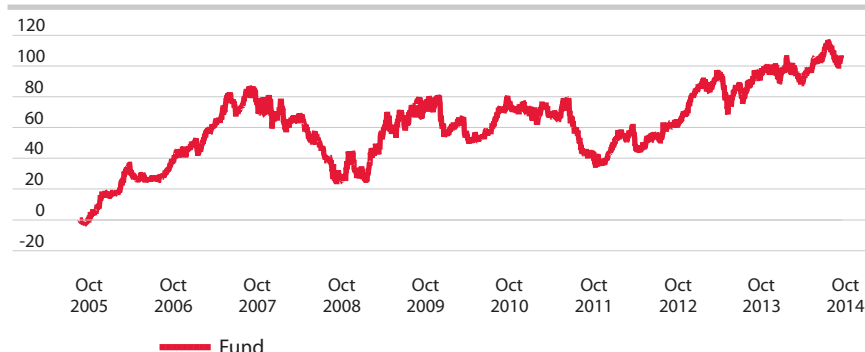
Launch Date: A: 07.10.05, C: 14.07.06, D: 15.01.10

† 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.

Fund Manager Commentary

In October the fund rose 0.95%. India, Hong Kong and Australia, all big index constituents, rose more than this, while the rest of the region languished in neutral or negative territory. Korea was especially weak, falling over 4% in US dollar terms. All three of the top negative contributors for the fund were in Korea – mainly the telecoms which corrected sharply after a strong run. However, **Hanjin Transportation**, with operations in logistics and tourism, was one of our top positive contributors.

Our internet stocks were also strong performers in October. A catalyst came from the post listing performance of **Alibaba**, which we added during the month.

As the year draws to a close we can see a number of very important trends emerging globally, as well as in Asia, that will challenge entrenched beliefs and long term portfolio positions. In addition to adapting to a low inflation environment, the most new and challenging aspect will be the requirement for investors and businesses to understand the newest and biggest generation cohort ever: the "Millennials". All businesses and investors will also need to understand and re-evaluate the value of data and how it is being used.

In Asia, we believe that reform, infrastructure and the internet will be the three dominant themes that will generate strong growth and witness the most dramatic change in the coming years.

All data as at 31.10.14. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asia Fund



Top 5 Holdings (%)

Hanjin Transportation	3.9
PCCW	3.5
Kinh Do Corporation	3.2
China Unicom	3.1
AIA Group	3.1
Total Number of Holdings	45

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	14.8x
Predicted Return on Equity (%)	16.5
Predicted Earnings Growth (%)	17.2

Risk Metrics

Beta	0.57
Alpha	2.8
Sharpe Ratio	0.59
Volatility (%)	14.2
% of the portfolio which could be sold in 2 business days	90.4

Thematic Breakdown (%)

Telecoms / Infrastructure / Logistics	28.7	
Reform	14.3	
Automation / Internet of things	14.1	
Local Brands	12.9	
Internet	9.1	
Financialisation	9.1	
Leisure / Tourism	4.2	
LED / Cloud Computing / Software	3.5	
Healthcare	2.4	
Cash	1.7	

Geographical Breakdown (%)

Hong Kong / China	44.3	
Korea	15.8	
Vietnam	9.1	
India	8.3	
Taiwan	8.2	
Thailand	5.3	
Singapore	4.7	
Cash	1.7	
Australia	1.3	
Indonesia	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	206.94
B USD Unhedged Distributing	B0M9LL2	IE00B0M9LL22	207.06
C GBP Hedged Distributing	B18RM25	IE00B18RM256	112.83
D SGD Hedged Distributing	B3LYLK8	IE00B3LYLK86	284.49

Performance fee based on individual investor's holding

U GBP Unhedged Distributing	BBQ37S6	IE00BBQ37S60	112.79
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Performance fee based on fund performance as a whole

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