

Prusik Asia Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 May 2013

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)	83.4m
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	0.09	0.19	0.16
3 Month	1.37	1.65	1.33
Year to Date	11.95	12.62	12.20
Since Launch †	91.43	51.44	5.90
2012	24.68	24.36	23.95
2011	-20.89	-20.70	-20.95
2010	-2.66	-3.00	-3.70
2009	26.59	23.20	-
2008	-20.84	-17.70	-

Source: Bloomberg.

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

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. Since launch: 07.10.05

Fund Manager Commentary

The fund had a very good May relative to the index, mainly thanks to its zero weighting in Australia which fell over 12% in US dollar terms. Mid-cap companies continued to do well, bucking the general trend of weakness in the markets. Dispersion of returns was very high with frontier markets in ASEAN doing particularly well. Vietnam and Sri Lanka returned over 10% and 8%, respectively, in US dollar terms over the month whilst Indonesia also rose against the trend.

With such powerful moves it is unsurprising that June to date has seen some sharp corrections amongst the better performers. We think this is healthy but also caution that there are shorter term signs that liquidity is contracting. That being said, the MXAPJ index is now on 1.55x P/B which is just 10% above a typical recessionary P/B of 1.4x and 22% below a 'normal' P/B of 1.9x. It is worth noting that over the past 15 years you would have made 22% annual returns by buying the MXAPJ between 1.4x and 1.6x P/B and never lost money on a 12 month basis!

We have added some exposure in Malaysia and Korea in the tourism and entertainment themes where there remains attractive value. We could soon be approaching a very attractive entry point for investors who remain underweight Asia.

All data as at 31.05.13. Source: Prusik Investment Management LLP, unless otherwise stated.

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Prusik Asia Fund



Top 5 Holdings (%)

Siam Cement	4.3
GS Home Shopping Inc	4.2
Minor International Pcl	3.7
Bangkok Bank	3.3
Kinh Do Corporation	3.3
Total Number of Holdings	42

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	15.7x
Predicted Return on Equity (%)	15.7
Predicted Earnings Growth (%)	14.7

Risk Metrics

Beta	0.56
Alpha	3.1
Sharpe Ratio	0.60
Volatility (%)	14.7
% of the portfolio which could be sold in 2 business days	81.8

Thematic Breakdown (%)

ASEAN Consumer	22.6	
Entertainment/Tourism	16.5	
Infrastructure	14.9	
Domestic Consumer	14.9	
Local Brands	9.7	
Vietnam	7.7	
Telecoms	7.4	
Smartphones	4.8	
Cash	1.6	

Geographical Breakdown (%)

Thailand	25.3	
Hong Kong/China	17.7	
Philippines	14.9	
Korea	14.9	
Malaysia	11.1	
Vietnam	7.7	
India	3.5	
Taiwan	3.1	
Cash	1.6	

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Management Fees

Annual Management Fee	1.5% p.a. Paid monthly in arrears
Performance Fee	10% NAV appreciation with a 6% hurdle

Dealing

Dealing Line	+353 1 4367 200
Administrator	Brown Brothers Harriman (Dublin)
Dealing Frequency	Weekly, Friday
Min. Initial Subscription	USD 10,000
Subscription Notice	2 business days
Redemption Notice	2 business days

Share Class Details

Share Class	Sedol	ISIN	Month-end NAV
A USD Unhedged Non distributing	B0MDR72	IE00B0M9LK15	191.43
B USD Unhedged Distributing	B0M9LL2	IE00B0M9LL22	191.50
C GBP Hedged Distributing	B18RM25	IE00B18RM256	104.57
D SGD Hedged Distributing	B3LYLK8	IE00B3LYLK86	263.78

Performance fee based on individual investors' holding

N USD Unhedged Non distributing	B3LP510	IE00B3LP5101	191.58
O USD Unhedged Distributing	B3M40N3	IE00B3M40N30	190.50
P GBP Hedged Distributing	B3MWDD8	IE00B3MWDD86	103.13

Performance fee based on fund performance as a whole

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