

Prusik Asia Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 August 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)	61.2m
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	-3.21	-3.21	-3.35
3 Month	-6.81	-6.94	-6.95
Year to Date	4.32	4.80	4.41
Since Launch	78.39	40.93	-1.46
Since Launch †	8.13	5.47	0.55

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 August there was a very severe correction in ASEAN which was in marked contrast to the performance in North Asia where China, Korea, Taiwan and Hong Kong ended the month between flat and up 5%. The worst performing market was Indonesia which fell 17% in US dollar terms. Owing to this it was the contributions from Hong Kong, China and Korea which supported the fund this month. It is worth re-emphasising that we had reduced our ASEAN exposure during July, having seen some very extended valuations, which helped considerably during August. At the end of June our ASEAN weighting was 58.4% but far lower at 36.5% by the end of July. We have purchased quite a few new holdings in North Asia, taking our weighting in Hong Kong and China from 18.2% at end June to 42.1% at the end of July. We have also increased our exposure to Korea.

Valuations in both China and Korea remain at the very low end of historical levels on a Price/Book to ROE basis and history suggests strong relative and absolute performance from here, even after the correction in South East Asia. We have added to our themes in tourism (**Beijing Capital Airport** and **Travelsky**), entertainment, (**Sands China**) and the 'financialisation of Asia' (**AIA**). In particular the fund has benefitted from a new exposure to four internet stocks in China where growth is very strong.

All data as at 30.08.13. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asia Fund



Top 5 Holdings (%)

Travelsky Technology	4.7
Kinh Do Corporation	4.5
SK Telecom Co Ltd	4.2
Haeir Electronics	3.9
Great Eagle Holdings	3.7
Total Number of Holdings	43

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.0x
Predicted Return on Equity (%)	15
Predicted Earnings Growth (%)	30.9

Risk Metrics

Beta	0.57
Alpha	2.4
Sharpe Ratio	0.52
Volatility (%)	14.7
% of the portfolio which could be sold in 2 business days	90.7

Thematic Breakdown (%)

Entertainment/Tourism	21.4	
Domestic Consumer	20.3	
Infrastructure	11.9	
Vietnam	9.8	
Telecoms	7.7	
China Internet	6.8	
Cash	6.4	
Local Brands	5.8	
ASEAN Consumer	5.3	
Gold	3.0	
Other	1.4	

Geographical Breakdown (%)

China	36.3	
Hong Kong	14.1	
Korea	13.5	
Vietnam	9.8	
Cash	6.4	
Thailand	4.7	
Malaysia	4.2	
India	3.8	
Philippines	3.0	
Australia	2.4	
Indonesia	1.7	

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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 4367 200
Administrator	Brown Brothers Harriman (Dublin)
Dealing Frequency	Daily
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	178.39
B USD Unhedged Distributing	B0M9LL2	IE00B0M9LL22	178.47
C GBP Hedged Distributing	B18RM25	IE00B18RM256	97.31
D SGD Hedged Distributing	B3LYLK8	IE00B3LYLK86	245.46

Performance fee based on individual investor's holding

N USD Unhedged Non distributing	B3LP510	IE00B3LP5101	177.47
O USD Unhedged Distributing	B3M40N3	IE00B3M40N30	176.47
P GBP Hedged Distributing	B3MWDD8	IE00B3MWDD86	95.17

Performance fee based on fund performance as a whole

U GBP Unhedged Distributing	BBQ37S6	IE00BBQ37S60	98.45
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Performance fee based on fund performance as a whole

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