

Prusik Asia Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 October 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)	67.6m
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	4.19	4.19	4.11
3 Month	5.48	5.29	5.31
Year to Date	13.68	14.01	13.76
Since Launch	94.04	53.31	7.37
Since Launch †	8.58	6.02	1.89

Source: Bloomberg.

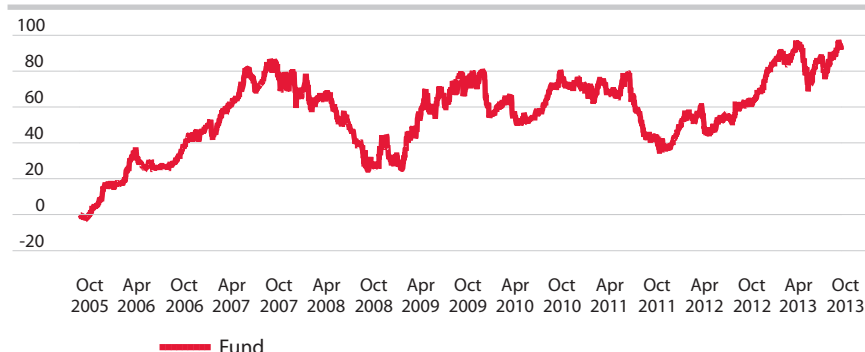
Launch Date: A: 07.10.05, C: 14.07.06, D: 15.01.10

† 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

Asian markets continued to climb higher in October, led by North Asia and Australia. Significant positive contributions from the month came from our holdings in Korea, China and Hong Kong; in particular leading Chinese white goods brand, **Haier**, and Macau casino operator, **Sands China**, did well. ASEAN continued to take rather more of a back seat, with Thailand seeing a strong reversal mid month as the government tried to pass the Amnesty Bill. This has provoked widespread dissent and more recently some street protests as the opposition views the Bill as a precursor to allowing banished ex-Prime Minister, Thaksin, back into Thailand and Thai politics. We have just returned from a research visit to Thailand and, as is often the way during these political moments, on the ground it was very much business as usual with companies still demonstrating very encouraging growth. That said, the fund's weighting in Thailand is now under 5%, so events there present little risk and we are hoping for a good buying opportunity.

Elsewhere it is China that keeps surprising on the upside. We wrote about the internet last month and the data points continue to be staggeringly positive. For example, Chinese search engine, **Baidu**, recently posted good results with installations of its mobile app rising 50% quarter on quarter! Mobile revenues are already 14% of total sales but the fun really starts at 20%. The real upside here, we believe, is still to come.

All data as at 31.10.13. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asia Fund



Top 5 Holdings (%)

Travelsky Technology	4.5
Haier Electronics	4.2
Kinh Do Corporation	4.1
Baidu	3.8
Cheung Kong Holdings	3.6
Total Number of Holdings	43

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.8x
Predicted Return on Equity (%)	15.1
Predicted Earnings Growth (%)	33.2

Risk Metrics

Beta	0.57
Alpha	2.6
Sharpe Ratio	0.59
Volatility (%)	14.7
% of the portfolio which could be sold in 2 business days	89.3

Thematic Breakdown (%)

Domestic Consumer	25.8	
Entertainment/Tourism	17.6	
Infrastructure	11.6	
Local Brands	9.5	
Vietnam	9.1	
China Internet	8.9	
Telecoms	7.0	
Other	6.0	
ASEAN Consumer	4.1	
Cash	0.3	

Geographical Breakdown (%)

China	36.6	
Korea	17.3	
Hong Kong	14.1	
Vietnam	9.1	
Thailand	4.9	
India	4.7	
Malaysia	4.5	
Philippines	4.2	
Australia	2.9	
Indonesia	1.6	
Cash	0.3	

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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	194.40
B USD Unhedged Distributing	B0M9LL2	IE00B0M9LL22	194.53
C GBP Hedged Distributing	B18RM25	IE00B18RM256	105.86
D SGD Hedged Distributing	B3LYLK8	IE00B3LYLK86	267.45

Performance fee based on individual investor's holding

N USD Unhedged Non distributing	B3LP510	IE00B3LP5101	194.50
O USD Unhedged Distributing	B3M40N3	IE00B3M40N30	188.64
P GBP Hedged Distributing	B3MWDD8	IE00B3MWDD86	104.20

Performance fee based on fund performance as a whole

U GBP Unhedged Distributing	BBQ37S6	IE00BBQ37S60	104.75
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Performance fee based on fund performance as a whole

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