

Prusik Asia Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 July 2012

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)	69.0m
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	4.33	4.31	4.20
3 Month	-2.25	-2.19	-2.33
Year to Date	13.18	13.19	12.67
Since Launch †	55.22	22.39	-14.21
2011	-20.89	-20.70	-20.95
2010	-2.66	-3.00	-3.70
2009	26.59	23.20	-
2008	-20.84	-17.70	-
2007	21.88	21.69	-
2006	33.94	13.89	-
2005	8.86	-	-

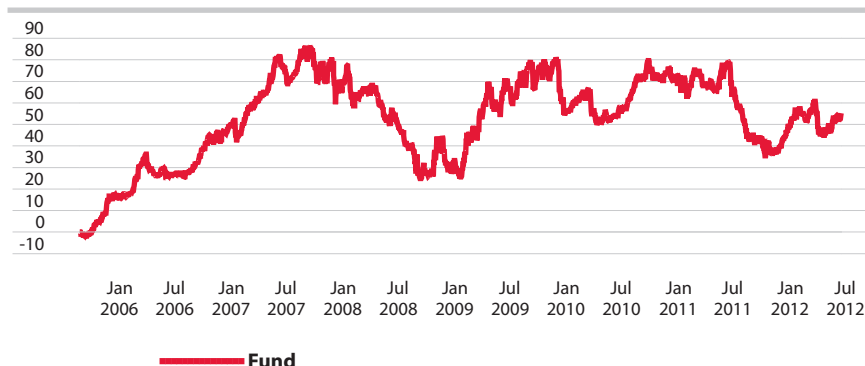
Source: Bloomberg.

†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 rose 4.3% over July. Positive contributors for the month were **Nagacorp** (Cambodian casino), **SK Telecom** (Korean mobile operator) and **BEC World** (Thai free to air TV). Stocks which were negative contributors included Vietnam jewellery company, **Phu Nhuan Jewellery** and Philippine food conglomerate **Universal Robina**. It is worth noting that Vietnam corrected 1.6% over the month, contrary to the general trend in markets which was positive. However, the fund did well relative to the index thanks to some of the recently added stocks and themes such as oil services and Korean Telecoms. Here we have combined very defensive value with an under-appreciated earnings story. In these cases our newly added stocks have a forward PE of well under 9x, dividend yields of over 5% and good catalysts going forward. During July we made some more significant changes to the fund - the first this year. The relative value gap between defensives and cyclicals has got to historically extreme levels and we have therefore top-sliced some of our better performing and more expensive defensive positions in the Philippines and Thailand and reinvested this money in more cyclical companies, mainly in Korea. We now have a 20% weighting in Korea and are continuing to explore very cheap opportunities in China and Australia.

We remain fully invested and optimistic. However, portfolio insurance has got remarkably cheap. To this end we have added a small position in Hang Seng put options.

All data as at 31.07.12. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asia Fund



Top 5 Holdings (%)

Bangkok Bank	3.6
Metro Pacific Investments	3.4
BDO Unibank	3.4
SK Telecom Co Ltd	3.4
Samsung Electronics	3.3
Total Number of Holdings	42

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.0x
Predicted Return on Equity (%)	18.7
Predicted Earnings Growth (%)	18.7

Index Hedging

Hang Seng Index Put Options*	-7.0
------------------------------	------

* Delta adjusted exposure

Thematic Breakdown (%)

ASEAN Linkage/Domestic Growth	24.2	
Telecoms	18.0	
Domestic Consumption/Services	14.9	
Vietnam	12.8	
China Easing	10.1	
Korean Cyclical	9.4	
Gold	4.6	
Food	2.7	
Cash	1.8	
Gallium Arsenide	1.6	

Geographical Breakdown (%)

Korea	20.1	
Hong Kong/China	20.0	
Thailand	16.8	
Philippines	16.4	
Vietnam	12.8	
Singapore	4.5	
Australia	3.2	
Indonesia	2.7	
Cash	1.8	
Taiwan	1.6	

All data as at 31.07.12. Source: Prusik Investment Management LLP, unless otherwise stated.

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	155.22
B USD Unhedged Distributing	B0M9LL2	IE00B0M9LL22	155.28
C GBP Hedged Distributing	B18RM25	IE00B18RM256	84.51
D SGD Hedged Distributing	B3LYLK8	IE00B3LYLK86	213.69

Performance fee based on individual investors' holding

N USD Unhedged Non distributing	B3LP510	IE00B3LP5101	155.21
O USD Unhedged Distributing	B3M40N3	IE00B3M40N30	155.30
P GBP Hedged Distributing	B3MWDD8	IE00B3MWDD86	84.21

Performance fee based on fund performance as a whole

This document is issued Prusik Investment Management LLP and is for private circulation and information purposes only. Prusik Investment Management LLP is authorised and regulated by the Financial Services Authority in the United Kingdom. Prusik is also registered with the Securities and Exchanges Commission in the United States of America under the Investment Advisors Act of 1940, as amended. The information contained in this document is strictly confidential and does not constitute investment advice, nor an offer or solicitation to buy or sell any securities and or derivatives or to make any investment decision and may not be reproduced, distributed or published by any recipient for any purpose without the prior written consent of Prusik Investment Management LLP.

The value of investments and any income generated may go down as well as up and is not guaranteed. You may not get back the amount originally invested. Past performance is not a guide to, or indicative of, future results. Changes in exchange rates may have an adverse effect on the value, price, or income of investments.

The information and opinions contained in this document are for background purposes only, and do not purport to be full or complete. Please refer to the fund prospectus for more detail. The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors and investors alike should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of shares under the laws of the jurisdictions in which they may be subject to tax. No representation, warranty, or undertaking, express or limited, is given as to the accuracy or completeness of the information or opinions contained in this document by any of Prusik Investment Management LLP, its partners or employees and no liability is accepted by such persons for the accuracy or completeness of any such information or opinions. As such, no reliance may be placed for any purpose on the information and opinions contained in this document.