

# Prusik Asia Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

28 September 2012

Quarterly 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)	71.6m
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	6.47	6.32	6.31
3 Month	8.25	8.04	7.99
Year to Date	17.43	17.24	16.77
Since Launch †	61.05	26.76	-11.09
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

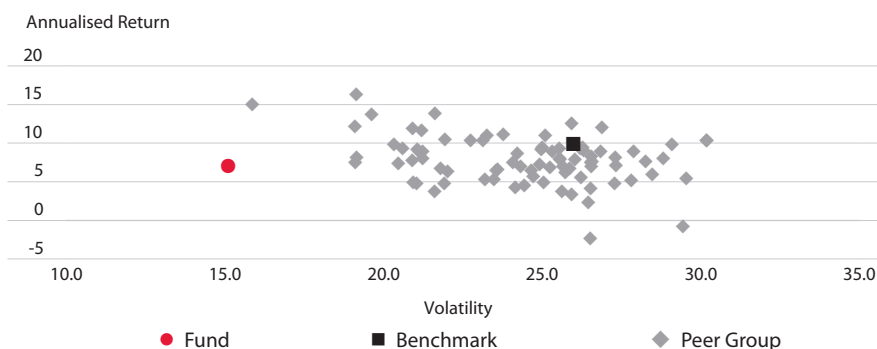
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis 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

## Risk Adjusted Performance - Class A USD (%)



Source: Bloomberg. Annualised return and 1 year volatility versus the peer group (open ended offshore Asia Pacific ex Japan Equity Fund Index), 7.10.05 to 28.09.12

## Fund Manager Commentary

The fund rose 6.5% in September as Asia's stock markets took up, with enthusiasm, moves by Western governments to increase money supply. Our large weighting in Thailand, which is becoming the epicentre of the ASEAN story, was a major positive contributor. In fact, ASEAN markets overall, with the exception of Vietnam where the banking sector corruption scandal continues to weigh, again produced strong returns. We expect this trend to strengthen and consequently have a c.50% weighting in ASEAN.

Entertainment was a leading theme with the fund seeing strong gains from Thai free to air TV company, **BEC World**, and Philippines beverage and casino conglomerate, **Alliance Global**. Hong Kong also saw good performance over the month with **Techtronics**, a power tools manufacturer, benefitting from a better US housing outlook.

We have added two new positions: one in our smart phone/addictions theme and the other in ASEAN. **Chipbond** is a Taiwan listed global leader in gold bumping. It will benefit from the move to embed 'near field communication' chips and 'biometric ID' devices in smart phones which are needed to turn mobiles into wallets. It also has a 7% dividend yield.

The second addition, **Siam Cement**, is a Thai blue chip with a recovery due in its non cement divisions. A combination of infrastructure projects in Thailand and the company's expansion into the rest of ASEAN should drive strong earnings growth. The shares trade on a 2013 P/E of just 11.9x.

All data as at 28.09.12. Source: Prusik Investment Management LLP, unless otherwise stated.

# Prusik Asia Fund



## Top 5 Holdings (%)

St Barbara Ltd	3.8
Bangkok Bank	3.5
Sun Hung Kai Properties	3.4
SK Telecom Co Ltd	3.4
Metro Pacific Investments	3.3
Total Number of Holdings	41

## Portfolio Financial Ratios

Predicted Price/Earnings Ratio	14.6x
Predicted Return on Equity (%)	17.3
Predicted Earnings Growth (%)	25.7

## Thematic Breakdown (%)

ASEAN Linkage/Domestic Growth	27.0	
Telecoms	18.6	
Domestic Consumption/Services	14.4	
Gold	9.2	
Vietnam	8.2	
Korean Cyclical	6.5	
China Easing	6.2	
Internet Gaming	3.2	
Cash	3.0	
Food	2.3	
Gallium Arsenide	1.4	

## Geographical Breakdown (%)

Korea	21.9	
Hong Kong/China	19.7	
Thailand	18.8	
Philippines	10.5	
Vietnam	8.2	
Australia	7.6	
Singapore	4.2	
Taiwan	3.4	
Cash	3.0	
Indonesia	2.7	

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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	161.05
B USD Unhedged Distributing	B0M9LL2	IE00B0M9LL22	161.12
C GBP Hedged Distributing	B18RM25	IE00B18RM256	87.53
D SGD Hedged Distributing	B3LYLK8	IE00B3LYLK86	221.46
Performance fee based on individual investors' holding			
N USD Unhedged Non distributing	B3LP510	IE00B3LP5101	161.04
O USD Unhedged Distributing	B3M40N3	IE00B3M40N30	161.14
P GBP Hedged Distributing	B3MWDD8	IE00B3MWDD86	87.20

Performance fee based on fund performance as a whole

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