

Prusik Asian Smaller Companies Fund



PRUSIK

GROWTH INVESTING IN ASIA

30 November 2017

Monthly Fund Fact Sheet

Investment Objective

To preserve capital and generate absolute returns over a full economic cycle by investing primarily in Small Cap companies in Asia Pacific ex-Japan, whilst maintaining portfolio volatility significantly below the peer group.

Fund Facts

Fund size (USD)	51.9m
Launch date	8 February 2008
Fund Manager	Heather Manners
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD

Performance (%)

	A USD	C GBP	D SGD
1 Month	4.61	4.46	4.55
3 Month	4.61	4.29	4.49
Year to Date	16.94	15.57	16.25
Since Launch	74.42	82.69	28.02
Annualised [†]	5.83	6.42	3.19

Source: Morningstar.

Launch Date: A: 08.02.08, C: 25.03.08, D: 15.01.10

[†]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.

Dividend Dates

Dividends paid twice annually (January and July)

Fund Performance - Class A USD (%)



Source: Morningstar. Total return net of fees.

Fund Manager Commentary

The Prusik Asian Smaller Companies Fund rose 4.6% in November, led by positive returns in India, Vietnam and the Philippines. In particular, we saw a very strong rise in Philippine convenience store chain, **Philippine Seven**, a long term holding for the fund, and **Shankara Building Products**, India's potential 'Home Depot' in the making and a more recent purchase for the fund. The former rose after a good set of results and positive indications for the domestic consumer from the recent proposed tax cuts in the Philippines. The latter responded positively to recent updates to GST, which went in its favour, and its purchasing of a home appliances ecommerce platform. **FPT**, our Vietnamese IT and telecom equipment group and one of our largest positions in the fund, was also a key contributor to performance in November. **FPT** has undergone a streamlining of its businesses this year, including a partial sale of its non-core retail business and is now poised for a multi-year growth phase, driven by its strong management, low cost base and leading competitive position in many of its businesses.

November was a busy month for the fund. We participated in the **Vincom Retail** IPO in Vietnam. **Vincom Retail** is Vietnam's leading shopping mall operator which fits our desire for more exposure to the nascent modern retail sector there. The stock has enjoyed a positive debut. We also saw a strong move in our Indonesian bank position, **Bank Danamon**, after a bid proposal. We have taken some profits here and await the potential for a higher bid to emerge. Lastly, in India, the new updates to the national sales taxes gave our consumer electrical companies, **Bajaj Electricals** and **Crompton Consumer**, a welcome fillip.

Year to date the fund has lagged the M2APJ index but we must remind readers that the demographic growth markets in which we are invested have only a 14% representation in the index, despite being home to over 2 billion of the world's younger populations and future middle class. We are now seeing some very strong moves emerge across our positions and feel excited for the year ahead. The fund is trading on a P/E of just 14.1x forward earnings but with 20% ROE. In addition, we expect another year of good earnings growth of well over 20% in the year ahead.

All data as at 30.11.17. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Mobile World Investment Corporation	7.5
FPT Corporation	7.4
Philippine Seven Corporation	5.4
Coteccons Construction	3.4
Phoenix Mills Ltd	3.3
Total Number of Holdings	36

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	14.1x
Predicted Return on Equity (%)	19.4
Predicted Dividend Yield (%)	2.4

Risk Metrics

Tracking Error (% pa)	13.61
Beta	0.57
Alpha	2.85
Volatility (%)	15.59
Sharpe ratio	0.58

% of the portfolio which could be sold in 2 business days

70.84

Thematic Breakdown (%)

Local Brands	23.7	<div></div>
Modern Retail	22.3	<div></div>
Infrastructure	14.4	<div></div>
Communication Technology	13.5	<div></div>
Financialisation	12.3	<div></div>
Cash	7.8	<div></div>
Leisure/Tourism	6.0	<div></div>

Geographical Breakdown (%)

India	31.1	<div></div>
Vietnam	27.2	<div></div>
Indonesia	10.7	<div></div>
Sri Lanka	8.0	<div></div>
Cash	7.8	<div></div>
Pakistan	5.5	<div></div>
Philippines	5.4	<div></div>
Cambodia	2.9	<div></div>
Singapore	1.3	<div></div>

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Management Fees

Annual Management Fee

1.5% p.a. Paid monthly in arrears

Performance Fee

All Classes except Class U: 10% NAV appreciation with a 6% hurdle annually

Class U: 10% NAV appreciation with a 1.5% hurdle, quarterly

Dealing

Dealing Line	+353 1 603 6490
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	B2PKN21	IE00B2PKN210	174.42
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	170.45
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	88.77
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	234.29

Performance fee based on individual investor's holding.

U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	113.86
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Performance fee based on fund performance as a whole.

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