Prusik Asian Smaller Companies Fund

LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA



31 August 2016

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)	49.2m
Launch Date	8 February 2008
Fund Manager	Heather Manners
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD

Performance (%)

	1	A USD	C GBP	D SGD
1 Month		3.55	3.61	3.60
3 Month		10.98	11.23	10.85
Year to Date		15.60	15.72	15.38
Since Launch		60.92	70.45	18.68
Since Launch	†	5.71	6.53	2.62
Sourco: Morni	nact	o r		

Source: Morningstar.

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

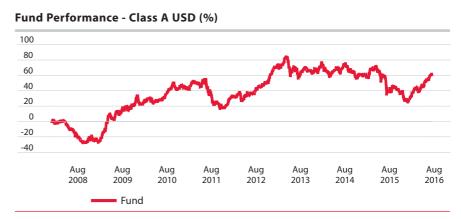
[†]Annualised Since Launch Performance

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.

Dividend Dates

Dividends paid twice annually (January and July)



Source: Morningstar. Total return net of fees.

Fund Manager Commentary

In August the Prusik Asian Smaller Companies Fund rose 3.55% vs the M2APJ index rise of 2.11%. Vietnam, Taiwan and the Philippines were the major contributors to performance. In the Philippines, restaurant brand owner **Max's Group** continued its robust recovery post restructuring. In Taiwan, **Wistron Neweb** did especially well after announcing good results. **Wistron** is a major beneficiary of the explosion in demand for intelligent safety systems in cars. CLSA forecast that the global ADAS (Advanced Driver Assistance Systems) market will grow from US\$7bn in 2015 to US\$33bn by 2020, which implies an impressive 38% CAGR. This is an important trend to note and we have some 11% of the fund invested in companies benefitting from this theme.

We are excited about the outlook for Asia as the summer draws to an end. We note that investors are generally underweight Asia and, as expected, the Shenzhen A share market was added to the Hong Kong Connect program. This will begin in practice towards the end of the year and could bring a fresh impetus of Chinese investors to Hong Kong. Valuations in Asia do not look overwhelmingly expensive and in North Asia, they are historically cheap. Hong Kong for example is still below 2008 Price/Book levels. Meanwhile, earnings seem to be recovering, with a greater number of companies beating earnings expectations in 2Q. Looking forward into 2017 we expect to see a demonstrable earnings recovery develop further.

All these factors will benefit the smaller companies fund as investors are drawn back to Asia and local investors gain confidence. Thematically we are even more optimistic, especially for our smart cars/electric vehicles, Vietnam and local brand themes. Continuing our search for new ideas, we have just initiated a small position in a newly listed Taiwanese company that makes commercial drones and robots. Although it's a tiny company, the capacity expansion and likely volume increases look set to double or more over the next 2 years. Drones, especially, have huge commercial possibilities and this market is only in its infancy.

All data as at 31.08.16. Source: Prusik Investment Management LLP, unless otherwise stated.

Mark Dwerryhouse Tel: +44 (0)20 7297 6854 Mob: +44 (0)7831 856 066 **Jack Barham** Tel: +44 (0)20 7297 6858 Fax: +44 (0)20 7493 1770

Prusik Asian Smaller Companies Fund

Top 5 Holdings (%)

Philippine Sev	ven Corporation	7.3
Mobile World	Investment Corporation	6.7
PVR Ltd		5.9
FPT Corporati	on	5.3
Max's Group		5.0
Total Number	of Holdings	26

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	14.9x
Predicted Return on Equity (%)	21.7
Predicted Dividend Yield (%)	2.4

Risk Metrics

Tracking Error	(% pa)	20.31
Beta		0.58
Alpha		4.03
Volatility (%)		16.28
Sharpe ratio		0.55
% of the port liquidated in	folio that can be 2 days	61.91

Thematic Breakdown (%)

Local Brands	21.7
Vietnam	19.9
Clean Energy	13.3
Leisure/Tourism	12.7
Sensors	11.0
Cash	7.6
Financialisation	5.7
Smart Textiles	4.1
E-Commerce	2.6
Mobile Gaming	1.5

Geographical Breakdown (%)

Vietnam

Taiwan

India

Cash

Korea

Malaysia

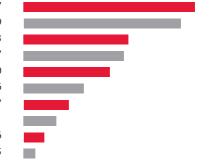
Thailand

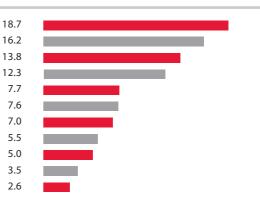
Singapore

Sri Lanka

Philippines

Hong Kong/China





All data as at 31.08.16. Source: Prusik Investment Management LLP, unless otherwise stated.

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 C	lass		Sedol	ISIN	Month-end NA
A USD	Unhedged	Non distributing	B2PKN21	IE00B2PKN210	160.92
B USD	Unhedged	Distributing	B2PKN32	IE00B2PKN327	159.51
C GBP	Hedged	Distributing	B2PKN43	IE00B2PKN434	84.06
D SGD	Hedged	Distributing	B3M3HJ5	IE00B3M3HJ55	220.42
Performance fee based on individual investor's holding					
U GBP	Unhedged	Distributing	BBQ37T7	IE00BBQ37T77	109.51
Performance fee based on fund performance as a whole					

This document is issued by Prusik Investment Management LLP and is for private circulation and information purposes only. Prusik Investment Management LLP is authorised and regulated by the Financial Conduct Authority in the United Kingdom. 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.