

# Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 July 2015

## 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)	70.6m
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	-1.78	-1.82	-1.26
3 Month	-5.89	-5.59	-5.68
Year to Date	-0.01	0.36	0.21
Since Launch	59.59	63.25	17.42
Since Launch <sup>†</sup>	6.45	6.77	2.94

Source: Bloomberg.

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

<sup>†</sup>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

The stock markets were weak in July, weighted down again by fears of a slowdown in China. As a result, the fund fell 1.8% which compares well with the index which fell 5.0%. Negative contributors were mainly in China, including **HNA Infrastructure**, the Hainan Airport management company. **Hana Microelectronics** also suffered as weak sentiment settled over the smartphone sector. Amongst the positive highlights this month were India and Vietnam with two out of our three best performing companies being in India.

**PVR**, which was amongst these top contributors in India, is a long term holding of the fund and operates India's largest and most prestigious cinema chain. A recent new buy for the fund and the second stock in India which was a key contributor in July was **Eros International**. **Eros** is a film production company but the group has recently launched Eros Now which can be thought of as the 'Netflix of India', combined with Spotify, and which is available both in India and worldwide. The company is in a very strong position to deliver good growth, having already acquired 19m million subscribers in India. We believe the company is in an interesting 'sweet spot' thematically, benefitting from India's wider internet availability and rising middle class at the same time.

Finally, we are delighted to announce we have a new analyst on the Prusik team. Matthew Zhao is from Beijing and read Mathematics at Cambridge. He will work on ideas across the region, but will be of particular help in analysing Chinese companies, which will soon be by far the largest market in the region.

All data as at 31.07.15. Source: Prusik Investment Management LLP, unless otherwise stated.

# Prusik Asian Smaller Companies Fund



## Top 5 Holdings (%)

Interpark Holdings Corp	5.9
iFast Corp Ltd	5.4
Toung Loong Textile Manufacturing	5.2
Innovalues Ltd	4.7
Beijing Urban Construction Ltd	4.5
Total Number of Holdings	29

## Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.4x
Predicted Return on Equity (%)	19.8

## Risk Metrics

Beta	0.55
Alpha	4.67
Sharpe Ratio	0.47
Volatility (%)	13.74
% of the portfolio which could be sold in 2 business days	50.76

## Thematic Breakdown (%)

Leisure / Tourism	24.5	<div></div>
Vietnam	15.4	<div></div>
Financialisation	14.6	<div></div>
Automation / Internet of Things	10.9	<div></div>
Local Brands	9.0	<div></div>
Telecoms / Infrastructure / Logistics	8.9	<div></div>
Smart Textiles	8.5	<div></div>
Software / Smartphones	4.8	<div></div>
Environment	2.6	<div></div>
Cash	0.8	<div></div>

## Geographical Breakdown (%)

Hong Kong / China	25.5	<div></div>
Vietnam	15.4	<div></div>
Singapore	12.6	<div></div>
India	10.6	<div></div>
Korea	9.7	<div></div>
Philippines	6.8	<div></div>
Taiwan	6.6	<div></div>
Thailand	4.2	<div></div>
Malaysia	3.2	<div></div>
Australia	2.5	<div></div>
Sri Lanka	2.1	<div></div>
Cash	0.8	<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	159.59
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	159.69
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	83.83
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	220.12

Performance fee based on individual investor's holding

U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	93.69
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Performance fee based on fund performance as a whole

All share classes are closed to new investors as of 30th September 2013.

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