

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 May 2014

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)	188.9m
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	0.56	0.65	0.55
3 Month	-4.52	-4.38	-4.56
Year to Date	-0.90	-0.86	-0.94
Since Launch	63.88	66.27	20.19
Since Launch †	8.14	8.39	4.29

Source: Bloomberg.

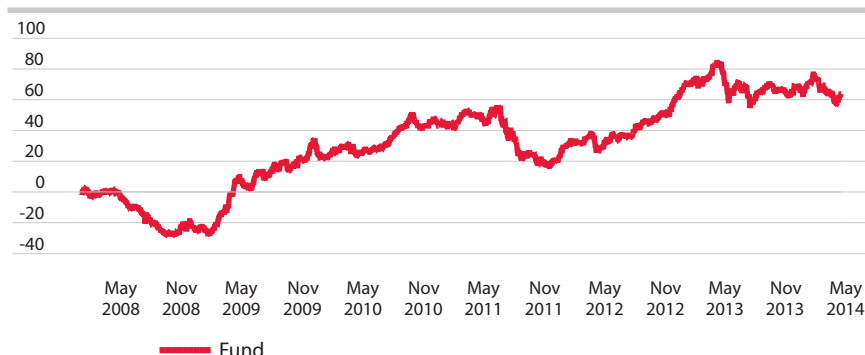
Launch Date: A: 08.02.08, C: 25.03.08, D: 15.01.10

† 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.

Fund Performance - Class A USD (%)



Source: Bloomberg. Total return net of fees.

Fund Manager Commentary

Against seasonal expectations, May was quite a strong month for Asian markets. India led the way after the outstanding election result for reformist Modi. This market has performed well since last autumn in expectation of this outcome but has continued to make new highs post the election amidst an avalanche of increasingly optimistic forecasts. Our 7% weighting in this market has served us well.

Other positive contributors to this month included **Hanjin Kal**, which sells air travel software and operates travel agencies, golf courses and hotels in Korea. Sentiment for the stock benefitted from news that the number of Chinese visitors to Korea rose by 53% in March! This impressive data point also underlines our ongoing enthusiasm for the regional tourism theme.

Areas which have not done so well in the recent months include Vietnam and technology, especially the internet companies. In Vietnam the sharp correction began in April, sparked by a clash with China over some disputed islands. This now appears to have blown over, leaving the index 15% off its April peak and offering an excellent buying opportunity for those looking to buy before the government raises foreign ownership limits.

One of our Australian holdings, **Donaco International**, which operates a casino in Vietnam, also corrected sharply despite a very successful opening of its new facility. We expect a strong rebound soon.

Meanwhile the internet companies found some stability in May. News flow here continues to point to outstanding growth and so we also expect this sector to start to move ahead vigorously in the second half of the year.

All data as at 30.05.14. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Silverlake Axis	3.9
RFM Corporation	2.9
Gome Electrical	2.8
Naturalendo Tech Co., Ltd.	2.7
Interpark Corporation	2.7
Total Number of Holdings	64

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.5x
Predicted Return on Equity (%)	19.1
Predicted Earnings Growth (%)	26.2

Risk Metrics

Beta	0.55
Alpha	5.7
Sharpe Ratio	0.57
Volatility (%)	14.2
% of the portfolio which could be sold in 2 business days	70.4

Thematic Breakdown (%)

Leisure/ Tourism	21.6	
Brands / Beauty	19.7	
LED/Cloud computing/Software	18.8	
Automation / Internet of things	8.0	
Vietnam	7.9	
Telecoms/Infrastructure/ Logistics	7.3	
Healthcare	5.6	
Internet	5.5	
Financialisation	3.2	
Energy services	1.4	
Cash	1.0	

Geographical Breakdown (%)

Hong Kong / China	26.5	
Korea	18.3	
Taiwan	14.8	
Vietnam	7.9	
Singapore	7.6	
India	7.2	
Philippines	6.9	
Australia	4.1	
Malaysia	3.0	
Thailand	2.1	
Cash	1.0	
Sri Lanka	0.6	

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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	163.88
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	164.03
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	85.38
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	225.30

Performance fee based on individual investor's holding

U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	89.52
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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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