

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 October 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)	179.0m
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	-1.85	-1.73	-1.80
3 Month	1.28	1.64	1.40
Year to Date	1.39	1.75	1.44
Since Launch	67.67	70.65	23.07
Since Launch [†]	7.97	8.26	4.42

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

In October the fund fell 1.85%, giving back some, but not all of the significant relative performance we gained last month. India, Hong Kong and Australia, all big index constituents, rose sharply but the rest of the region languished in neutral or negative territory. Korea was especially weak, falling over 4% in US dollar terms. Two of the top negative contributors to the fund were in Korea – **Interpark**, an online booking agency and **Daehyun**, a local fashion brand which is very popular with the Chinese and which corrected sharply after a strong run. Conversely, Hong Kong based smart meter maker, **Wasion**, continued to contribute well as did Indian tyre brand **Ceat** and Philippine gaming company **Premium Leisure**.

As the year draws to a close we can see a number of very important trends emerging globally, as well as in Asia, that will challenge entrenched beliefs and long term portfolio positions. In addition to adapting to a low inflation environment the most new and challenging aspect will be the requirement for investors and businesses alike to understand the newest and biggest generation cohort ever: the "Millennials". All businesses and investors will also need to understand and re-evaluate the value of data and how it is being used.

In Asia, we believe that reform, infrastructure, local brands, leisure spending and beauty will be among the dominant themes that will generate strong growth, especially in smaller companies, regardless of the economic backdrop.

All data as at 31.10.14. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Silverlake Axis	5.3
CEAT Limited	4.6
Wasion Group	4.2
Premium Leisure	3.8
i-SENS	3.0
Total Number of Holdings	50

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.4x
Predicted Return on Equity (%)	21.3
Predicted Earnings Growth (%)	26

Risk Metrics

Beta	0.57
Alpha	5.6
Sharpe Ratio	0.57
Volatility (%)	14.0
% of the portfolio which could be sold in 2 business days	51.8

Thematic Breakdown (%)

Leisure / Tourism	17.4	
LED / Cloud computing / Software	16.5	
Brands / Beauty	11.0	
Automation / Internet of things	10.5	
Vietnam	9.4	
Local Brands	7.1	
Financialisation	6.5	
Environment	6.4	
Telecoms / Infrastructure / Logistics	5.2	
Healthcare	3.0	
Internet	2.9	
Energy services	2.6	
Cash	1.5	

Geographical Breakdown (%)

Hong Kong / China	26.7	
India	14.4	
Korea	11.8	
Vietnam	9.4	
Philippines	8.2	
Singapore	7.9	
Taiwan	6.5	
Malaysia	6.3	
Thailand	4.7	
Australia	1.9	
Cash	1.5	
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	167.67
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	167.82
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	87.63
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	230.71

Performance fee based on individual investor's holding

U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	95.92
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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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