

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 November 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)	176.0m
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	-1.76	-1.64	-1.69
3 Month	-3.27	-2.87	-3.07
Year to Date	-0.39	0.08	-0.28
Since Launch	64.72	67.85	20.99
Since Launch †	7.60	7.90	3.98

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 November the fund fell by 1.7%. The outlier performers included China, where the Shanghai index rose 11.5%, driven by frenzied local buying after the opening of the stock market to foreigners. After a very strong summer Korea and Vietnam corrected, the latter by 6%, continuing a correction which started in September. At stock level our holdings in Philippine casino company, **Premium Leisure**, and Indian software company, **Persistent Systems**, were strong contributors during the month. Our Korean companies mostly corrected and **Silverlake Axis** in Singapore and in **7-11** in Malaysia were both weak.

We believe there are some key themes presenting opportunities and areas to avoid in 2015. Price deflation will remain a feature, driving investors away from resources, asset heavy models and companies who need to compete heavily on price. The rise of the "Millennial" demographic (18-30 year old cohort) will continue to transform consumption patterns towards experience rather than belongings. This is a rich area for investing in smaller companies.

Meanwhile, the use of data to target customers and advertising will drive both internet companies and some more traditional ones that have access to data. Smaller specialised software companies will benefit from this. Reforms in China, India, Korea and Indonesia will be a key driver in these markets while ASEAN will continue to spend heavily on infrastructure. Additionally, in ASEAN the official start of the ASEAN Economic Community (AEC) in 2015 will finally open geographic boundaries allowing ambitious smaller companies to expand in Cambodia, Laos, Myanmar and Vietnam or "CLMV". 2015 could thus be a year where active investing away from the index is very important, with smaller companies and emerging and frontier markets likely to be beneficiaries.

All data as at 30.11.14. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Wasion Group	4.5
Premium Leisure	4.0
Persistent Systems	3.5
eMemory Technology Inc.	3.3
Sunny Optical	3.2
Total Number of Holdings	49

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.5x
Predicted Return on Equity (%)	20.3
Predicted Earnings Growth (%)	30.7

Risk Metrics

Beta	0.54
Alpha	5.4
Sharpe Ratio	0.54
Volatility (%)	14.0
% of the portfolio which could be sold in 2 business days	52.3

Thematic Breakdown (%)

Leisure / Tourism	20.3	
LED / Cloud computing / Software	15.3	
Brands / Beauty	10.7	
Vietnam	9.4	
Telecoms / Infrastructure / Logistics	7.6	
Automation / Internet of things	7.2	
Environment	6.0	
Local Brands	4.9	
Internet	4.9	
Financialisation	4.1	
Cash	4.1	
Healthcare	3.1	
Energy services	2.4	

Geographical Breakdown (%)

Hong Kong / China	29.6	
India	13.2	
Korea	9.9	
Vietnam	9.4	
Philippines	8.5	
Singapore	7.3	
Thailand	7.1	
Taiwan	5.3	
Cash	4.1	
Malaysia	3.7	
Australia	1.4	
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	164.72
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	164.87
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	86.19
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	226.81

Performance fee based on individual investor's holding

U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	95.95
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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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