

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

28 June 2013

Quarterly 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)	147.3m
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	-9.40	-9.58	-9.37
3 Month	-4.45	-4.57	-4.26
Year to Date	7.72	8.07	8.07
Since Launch†	65.70	68.94	21.81
2012	30.80	31.05	30.69
2011	-19.28	-19.86	-20.04
2010	16.43	16.90	7.90
2009	59.70	56.10	-
2008	-21.60	-18.40	-

Source: Bloomberg.

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

Investment Process

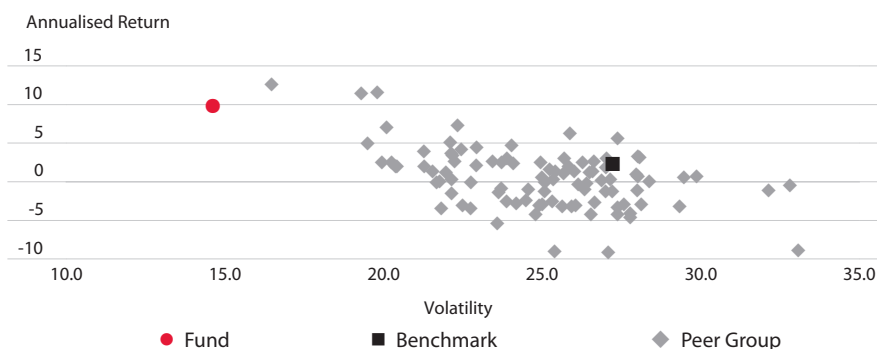
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis 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. Since launch: 08.02.08

Risk Adjusted Performance - Class A USD (%)



Source: Bloomberg. Annualised return and 1 year volatility versus the peer group (open ended offshore Asia Pacific ex Japan Equity Fund Index), 8.02.08 to 28.06.13

Fund Manager Commentary

The sell-off during June had the usual hallmarks of a fevered reaction triggered by macro-economic concerns. Correlations spiked sharply meaning that there were few places to hide and the stocks, markets and currencies which had performed best year to date were the worst hit. This meant it was a tough month for ASEAN as well as smaller companies and owing to this the fund slightly underperformed the index. However, we did not give back all the outperformance gained in May. Indeed 2 out of our top 3 best performers, **Airports of Thailand** and **Puregold**, were ASEAN based companies.

We have made very few changes during the month but the themes we are adding to in the weak markets include tourism and consumption in China. In general our companies continue to report very strong trading conditions. Clearly, the recent correction has highlighted a loss of confidence in the predictability of China's progression through its banking issues raised concerns over consumption growth and focused investors on risks to currency stability in Asia. It has also raised questions over Western economic recovery. However, the region's price to book ratio has fallen to 1.4x. The MXAPJ's price to book ratio has only been lower 5 times in the past 20 years and so past experience suggests these fears have just generated a very attractive entry point. The fund is currently trading on a 2013 P/E of 10.7x with an average ROE of 21.8% and expected one year forward EPS growth of 21.4%. Such valuations rarely, if ever, exist at the peak of the cycle.

All data as at 28.06.13. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Kolao Holdings	3.2
Sino Grandness Food Industry	2.9
Silverlake Axis	2.7
Super Group Ltd	2.5
Thai Tap Water Supply	2.5
Total Number of Holdings	69

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	10.7x
Predicted Return on Equity (%)	21.8
Predicted Earnings Growth (%)	21.4

Risk Metrics

Beta	0.56
Alpha	8.5
Sharpe Ratio	0.67
Volatility (%)	14.6
% of the portfolio which could be sold in 2 business days	73.6

Thematic Breakdown (%)

Infrastructure	25.2	
ASEAN Consumer	14.5	
Local brands	12.8	
Domestic Consumer	11.7	
Cash	9.1	
Tablet/Smartphones/OLED	7.3	
Entertainment/Tourism	6.3	
Vietnam	4.8	
Oil Services	4.5	
Singapore Office	1.9	
Financial Services	1.1	
Gold	0.7	
Healthcare	0.2	

Geographical Breakdown (%)

Thailand	16.9	
Singapore	16.0	
Korea	15.4	
Philippines	11.0	
Malaysia	10.2	
Cash	9.1	
Hong Kong/China	6.5	
Vietnam	4.3	
Indonesia	3.7	
India	2.0	
Sri Lanka	2.0	
Taiwan	2.0	
Australia	1.0	

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Management Fees

Annual Management Fee	1.5% p.a. Paid monthly in arrears
Performance Fee	10% NAV appreciation with a 6% hurdle

Dealing

Dealing Line	+353 1 4367 200
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	165.70
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	165.86
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	86.75
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	228.35

Performance fee based on individual investors' holding

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