

# Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 April 2012

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)	83.8m
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	4.29	4.13	4.18
3 Month	11.19	11.04	10.90
Year to Date	16.81	16.46	16.43
Since Launch†	37.37	43.18	0.42
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.

## Fund Manager Commentary

The fund was up 4.29% in April compared with a market rise of 0.5%. Performance was driven by our ASEAN region weightings in Vietnam, the Philippines and Thailand. Taiwan bicycle maker **Merida**, and a handful of Vietnam companies were the largest contributors to performance. Philippine hypermarket operator **Puregold** and Thai property company **LPN** also did well. The largest detractors to performance were Taiwanese smartphone shop chain, **Senao** and Korean mobile gaming company, **Gamevil**.

The fund remains fully invested and very few changes were made in April. We did add to our Vietnam exposure, buying tyre maker **Southern Rubber**, which takes the country weighting there towards 15%. Vietnam has been the best performing market in the region so far this year, driven by falling inflation and expectations of large cuts in interest rates. CPI peaked last year at 23% but, in April 2012, the year on year CPI fell to an 18 month low of 10.5%. This is due to food price declines and the year on year effect of the oil and electricity price increases from the Q1 last year falling out of the data. We think Vietnam shows classic 'theme' characteristics, including exceptionally cheap valuations and before long, we will see more foreign funds gain interest here.

Other ASEAN countries also continued to dominate the performance tables as the strong domestic and regional momentum, supportive liquidity and relatively low economic dependence on Western growth, continues to be appreciated by investors. The outlook remains good here but we would not be surprised to see some of our China and Hong Kong companies take up the leadership in coming weeks, as, anecdotally, it looks as though April has been a better month for companies operating there and we expect this improvement to continue into May.

All data as at 30.04.12. Source: Prusik Investment Management LLP, unless otherwise stated.

# Prusik Asian Smaller Companies Fund



## Top 5 Holdings (%)

Hemaraj Land Development	4.2
Security Bank	3.3
LPN Development	3.2
Merida Industry	3.2
Sino Thai Engineering & Construction	3.0
Total Number of Holdings	59

## Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.7
Predicted Return on Equity (%)	20.3
Predicted Earnings Growth (%)	20.3

## Thematic Breakdown (%)

ASEAN Linkage/Domestic Growth	31.7	
Vietnam	14.6	
Domestic Consumption Services	14.2	
Water	5.5	
Mobile Gaming	5.3	
Singapore Office	4.9	
Healthcare	4.7	
Gold	3.7	
Tablet/Smartphones	3.6	
Environment	3.2	
Financial Services	3.2	
Domestic Infrastructure	2.4	
Cloud	2.1	
Cash	0.7	
Oil Services	0.2	

## Geographical Breakdown (%)

Philippines	19.1	
Thailand	16.4	
Vietnam	14.6	
Malaysia	10.9	
Singapore	10.0	
Australia	8.4	
Korea	7.5	
Taiwan	5.3	
Hong Kong/China	4.9	
Indonesia	2.2	
Cash	0.7	

All data as at 30.04.12. Source: Prusik Investment Management LLP, unless otherwise stated.

## Management Fees

Annual Management Fee	1.5% p.a. Paid monthly in arrears
Performance Fee	10% of 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	137.37
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	137.50
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	71.33
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	188.25

Performance fee based on individual investors' holding

This document is issued Prusik Investment Management LLP and is for private circulation and information purposes only. Prusik Investment Management LLP is authorised and regulated by the Financial Services Authority in the United Kingdom. Prusik is also registered with the Securities and Exchanges Commission in the United States of America under the Investment Advisors Act of 1940, as amended. The information contained in this document is strictly confidential and does not constitute investment advice, nor an offer or solicitation to buy or sell any securities and or derivatives or to make any investment decision and may not be reproduced, distributed or published by any recipient for any purpose without the prior written consent of Prusik Investment Management LLP.

The value of investments and any income generated may go down as well as up and is not guaranteed. You may not get back the amount originally invested. Past performance is not a guide to, or indicative of, future results. Changes in exchange rates may have an adverse effect on the value, price, or income of investments.

The information and opinions contained in this document are for background purposes only, and do not purport to be full or complete. Please refer to the fund prospectus for more detail. The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors and investors alike should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of shares under the laws of the jurisdictions in which they may be subject to tax. No representation, warranty, or undertaking, express or limited, is given as to the accuracy or completeness of the information or opinions contained in this document by any of Prusik Investment Management LLP, its partners or employees and no liability is accepted by such persons for the accuracy or completeness of any such information or opinions. As such, no reliance may be placed for any purpose on the information and opinions contained in this document.