

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 December 2011

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)	71.3m
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	-1.07	-1.07	-1.14
3 Month	-6.17	-6.09	-6.36
Year to Date	-19.28	-19.86	-20.04
Since Launch	17.60	22.94	-13.75
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

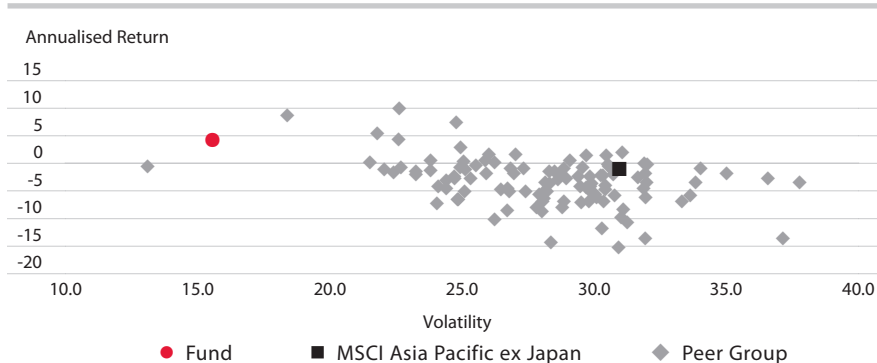
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis 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 Index Fund), 8.02.08 to 30.12.11.

Fund Manager Commentary

The fund fell 1% in December whilst the index was barely changed. Better performers included healthcare stocks, **KPJ Healthcare** and **Bangkok Dusit Medical**. The fall in the gold price was a hindrance as the gold miners, such as **Medusa Mining** and Indian gold jewellery brand **Shree Ganesh** fell in tandem. Overall, economic concerns, weak volumes and risk aversion brought the markets to a lacklustre and muted year end.

In December we began to amend portfolio weightings to parts of the region we think look poised to do well in 2012. Defensive stocks, excluding some telecoms, now look fully valued whilst many cyclical franchise stocks look cheap. China stands out as being on historic low valuations whilst we can also find many cheap opportunities in the Philippines and Vietnam. Subsequently, the portfolio is becoming more exposed to South East Asia and China. **Puregold Price Club** in the Philippines is a good example of what we are looking for in 2012. **Puregold** is a Filipino hypermarket and discount retailer. Organised retail only accounts for 20% of all retail so the segment is set to grow fast.

We have begun to build a small portfolio of Vietnamese investments. Valuations are intriguingly low after another poor year dominated by high inflation. Monthly CPI numbers are now falling, suggesting interest rate cuts are likely. The median 2012 PE of the market is about 4x, so the upside potential is tremendous.

All data as at 30.12.11. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Bangkok Dusit Medical Service	4.4
Hemaraj Land Devopment	3.7
KPJ Healthcare Berhad	3.7
Alliance Financial Group	3.3
Gamevil Inc	3.3
Total Number of Holdings	38

Futures (%)

MSCI SING IX ETS (Jan 2012)	-4.2
SGX S&P CNX NIFTY (Jan 2012)	-2.6
Hang Seng Index Futures (Jan 2012)	-2.0
SPI 200 Futures (Mar 2012)	-2.0
KOSPI2 INX Futures (Mar 2012)	-1.3
SET50 Futures (Mar 2012)	-1.0

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	12.9x
Predicted Return on Equity (%)	22.1
Predicted Earnings Growth (%)	31.0

Thematic Breakdown (%)

Cash	30.2	
Asean Linkage/Domestic Growth	14.7	
Domestic Consumption Services	13.8	
Healthcare	10.0	
Singapore Office	4.6	
Financial Services	3.8	
Tablet/Smartphones	3.8	
Internet	3.6	
Gold	3.6	
Mobile Internet	3.3	
Water	3.1	
Environment	2.2	
Security	1.6	
Automation	1.6	
Oil Services	0.1	

Geographical Breakdown (%)

Cash	30.2	
Thailand	11.7	
Singapore	10.8	
Hong Kong/China	10.4	
Australia	9.2	
Taiwan	7.4	
Malaysia	7.0	
Korea	5.0	
Philippines	4.2	
India	3.4	
Indonesia	0.5	

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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	117.60
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	117.72
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	61.25
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	161.68

Performance fee based on individual investors' holding

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