

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 March 2017

Monthly Fund Fact Sheet

Investment Objective

To select a portfolio of equity investments in the Asia Pacific ex-Japan region with above average dividend yields and which have the ability to grow their dividends over time. The fund aims to outperform the MSCI Asia Pacific ex-Japan index by 5-10% annually whilst growing its dividend over time.

Fund Facts

Fund size (USD)	869.0m
Launch date	31 December 2010
Fund Manager	Tom Naughton
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD
Index	MSCI Asia Pacific ex Japan Index

Performance - Class B USD (%)

	Fund	Index
1 Month	3.98	3.09
3 Month	14.92	12.84
Year to Date	14.92	12.84
Since Launch	142.69	21.74
Annualised [†]	15.25	3.20

Source: Morningstar.

Launch Date: B: 31.12.10

[†]Since Launch Performance

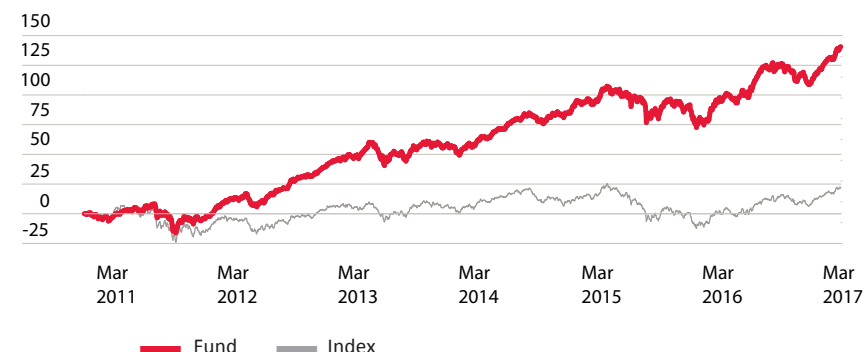
Investment Process

The process is both quantitative and qualitative with the latter dominating. The universe is screened for those high dividend stocks which have the greatest ability to sustain and grow their dividends over time. A particular emphasis is placed on identifying those companies with exceptional franchises, annuity like cash flows and pricing power which are trading at significant discounts to intrinsic value.

Dividend Dates

Dividends paid twice annually (January and July)

Fund Performance - Class B USD (%)



Source: Morningstar. Total return net income reinvested.

Fund Manager Commentary

The gains this month were driven by our China portfolio which rose by 13% and has returned +27% year to date. Although we are very concerned about the credit risks facing the country, we have always believed that having a zero weighting in this market is too risk averse. Even though we think the risk of a "hard landing" is significant, it does not make sense to us to attach a 100% probability to such a scenario even though for many stocks, that appears to be what the market price implies. We have no way of knowing the future path of China's economy and we do not buy stocks that are dependent on a strong economy to do well – or would face financial stress if it did not. Our process is simply to find companies with solid balance sheets, strong cash-flows and high margins operating in non-cyclical businesses and ideally, facing little or no competition. We then buy these stocks at large discounts to intrinsic value so that if we are "wrong" then our downside is limited and if we are "right" then, in addition to the dividend yield and earnings growth, we also are rewarded by a re-rating of the stock price towards intrinsic value (in addition to collecting the dividend yield).

In the last 3 years, our China portfolio has generated annualised returns of 31% compared to 5% for the MSCI China index which has resulted in China actually being the largest contributor to performance over this period, generating 25% of our total returns even though it has only averaged an 11% weighting during that time. So although we believe the credit risks have yet to be resolved and the risk of a hard landing remains significant, we will continue to search for companies that meet our stringent criteria.

All data as at 31.03.17. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

Samsung Electronics Co Ltd	7.3
CK Hutchinson Holdings Ltd	6.6
Indiabulls Housing Finance Ltd	5.7
AIA Group Ltd	5.4
Power Grid Corporation of India	4.5
Total Number of Holdings	34

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.0x
Predicted Return on Equity (%)	15.6
Predicted Dividend Yield (%)	4.3

Risk Metrics

Tracking Error (% pa)	9.68
Beta	0.79
Alpha	11.84
Volatility (%)	14.08
Sharpe ratio	1.52

Thematic Breakdown (%)

Consumer	20.9	
Financials	15.9	
Transport Infrastructure	14.7	
Communications Infrastructure	14.1	
Power Utilities	12.8	
Technology	8.7	
CK Hutchison	6.6	
Cash	3.6	
Real Estate	2.7	

Geographical Breakdown (%)

Hong Kong	28.1	
Korea	16.7	
Thailand	11.1	
China	11.0	
India	10.3	
Australia	6.4	
Singapore	4.0	
Cash	3.6	
New Zealand	3.2	
Pakistan	2.6	
Indonesia	1.6	
Taiwan	1.4	

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Management Fees

Annual Management Fee

1.0% p.a. Paid monthly in arrears

Performance Fee

Class 1: None

Class 2 and Class U: 10% of the net out-performance of the MSCI Asia Pacific ex-Japan Index, with a high-water mark paid quarterly.

Temporary Front End Charge:

3% introduced on 2nd December 2013 paid to the benefit of the fund.

Dealing

Dealing Line	+353 1 603 6490
Administrator	Brown Brothers Harriman (Dublin)
Dealing Frequency	Daily
Valuation Point	11am UK time
Dealing Cut-off	5pm UK time
Min. Initial Subscription	USD 10,000
Min. Subsequent Subscription	USD 5,000

Share Class Details

Class 1		Sedol	ISIN	Month-end NAV
A	USD Unhedged Non distributing	B4MK5Q6	IE00B4MK5Q67	249.65
B	USD Unhedged Distributing	B4QVD94	IE00B4QVD949	189.08
C	GBP Hedged Distributing	B4Q6DB1	IE00B4Q6DB12	189.63
D	SGD Hedged Distributing	B4NFJT1	IE00B4NFJT16	182.91

Class 1 shares were closed to further investment on 30th November 2012.

Class 2		Sedol	ISIN	Month-end NAV
X	USD Unhedged Distributing	B4PYCL9	IE00B4PYCL99	169.07
Y	GBP Hedged Distributing	B4TRL17	IE00B4TRL175	170.24
Z	SGD Hedged Distributing	B6WDYZ1	IE00B6WDYZ18	169.91

Class 2 shares were soft closed to new investors as of 30th November 2012. Performance fee based on individual investor's holding.

Class U		Sedol	ISIN	Month-end NAV
U	GBP Unhedged Distributing	BBP6LK6	IE00BBP6LK66	171.26

Class U shares are open to current investors only. Performance fee based on fund performance as a whole.

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