

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 April 2016

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)	788.7m
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	0.95	-0.06
3 Month	10.91	10.52
Year to Date	4.21	1.86
Since Launch	99.60	2.65
Since Launch (Annualised)	13.84	0.49

Source: Bloomberg

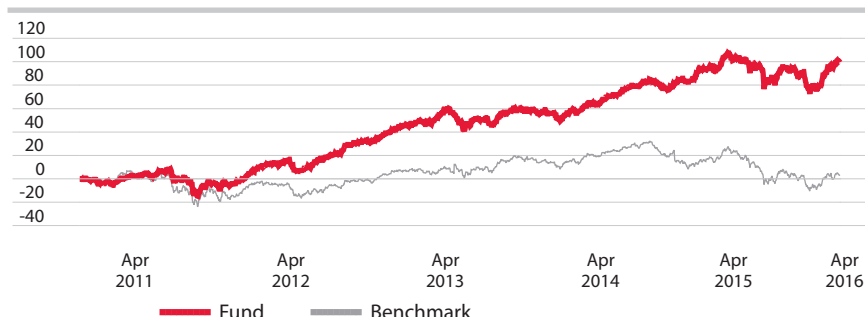
Investment Process

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: Bloomberg. Total return net income reinvested.

Fund Manager Commentary

During the month our cash position drifted higher as we reduced several of our Thai Infrastructure positions including **BTS Rail Mass Transit**, **Digital Telecommunications** and **Samui Airport Fund**. These stocks have performed strongly this year (all three stocks are up more than 20%) and no longer offer as much upside to intrinsic value. **Samui Airport Fund** has been in the fund almost continuously since inception and has returned 274% (28% annualised) since December 2010. It is a wonderfully simple security which receives a fixed payment for each plane and passenger that lands at the airport. It has no debt and virtually no costs (as these are borne by the operator of the airport Bangkok Airways) meaning that the operating leverage is very low and predictability is very high. Although the market values it like an equity, it is in fact much closer to a bond in terms of its risk profile. However unlike a bond it has growth as passenger numbers have grown steadily over time and will continue to do so as the airport operates at only 50% utilisation. At the time of purchase we were able to earn a 13-14% implied equity return but over the years, that potential return has narrowed to just 7% which we believe is not high enough to justify holding the position.

All data as at 30.04.16. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

CK Hutchinson Holdings Ltd	6.7
Samsung Electronics Co Ltd	5.3
Macquarie Korea Infrastructure Fund	4.4
Link Real Estate Investment Trust	4.3
AIA Group Ltd	4.2
Total Number of Holdings	33

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	12.6x
Predicted Return on Equity (%)	14.1

Risk Metrics

Tracking Error (% pa)	6.40
Beta	0.79
Alpha	13.46
Volatility (%)	12.68
Sharpe ratio	1.09

Thematic Breakdown (%)

Financials	19.0	
Transport Infrastructure	15.9	
Communications Infrastructure	13.0	
Cash	9.9	
Cheung Kong / Hutchison	9.8	
Power Utilities	8.9	
Asian Brands & Technology	8.2	
Consumer	8.0	
Shopping Malls	7.3	

Geographical Breakdown (%)

Hong Kong	31.5	
Thailand	12.6	
India	11.7	
China	10.8	
Cash	9.9	
Korea	9.6	
Singapore	5.6	
Taiwan	3.0	
Australia	2.4	
Pakistan	2.1	
Philippines	0.7	

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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	205.13
B USD	Unhedged	Distributing	B4QVD94	IE00B4QVD949	161.21
C GBP	Hedged	Distributing	B4Q6DB1	IE00B4Q6DB12	162.75
D SGD	Hedged	Distributing	B4NFJT1	IE00B4NFJT16	156.18

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	144.55
Y GBP	Hedged	Distributing	B4TRL17	IE00B4TRL175	146.22
Z SGD	Hedged	Distributing	B6WDYZ1	IE00B6WDYZ18	145.42

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	124.61

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

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