

Prusik Asian Equity Income Fund



PRUSIK

LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

30 December 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)	772.3m
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	-3.16	-1.05
3 Month	-5.19	-4.86
2016	10.36	7.06
Since Launch	111.18	7.88
Annualised [†]	13.27	1.27

Source: Morningstar.

Launch Date: B: 31.12.10

[†]Since Launch Performance

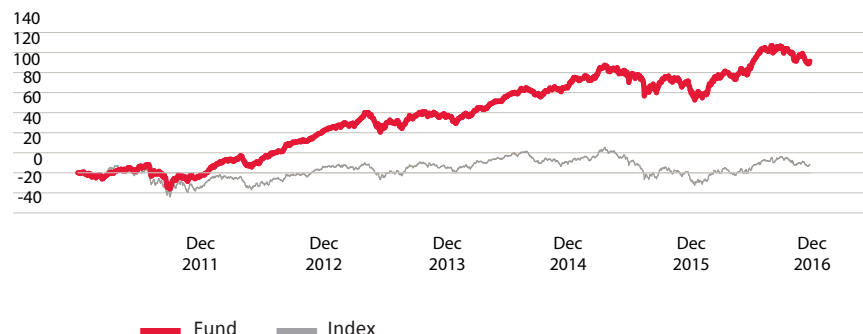
Investment Process

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

Much has changed since the summer when we sold several of our "bond proxy" positions due to the fact that valuations, in our opinion, did not reflect the risk of a rise in bond yields. The cash position in the fund, at that time, rose to our maximum comfort level of 15% as we struggled to find new ideas that met our criteria in terms of quality, downside risk and upside potential. As we head into 2017 that situation has changed substantially and although we don't think valuations in general are at bargain levels, we are no longer being forced to sell our existing holdings for valuation reasons and we are now finding several stocks which are trading at extremely attractive valuations, having fallen substantially from their 2016 highs. Our cash position has thus fallen from over 10% at the end of last month, to just over 3% as of the beginning of 2017 (after the payment of the dividend).

All data as at 30.12.16. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

Samsung Electronics Co Ltd	6.9
CK Hutchinson Holdings Ltd	6.5
Power Grid Corporation of India	5.3
AIA Group Ltd	5.1
Beijing Capital International Airport	4.2
Total Number of Holdings	34

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	12.5x
Predicted Return on Equity (%)	15.7
Predicted Dividend Yield (%)	4.8

Risk Metrics

Tracking Error (% pa)	9.80
Beta	0.79
Alpha	11.60
Volatility (%)	14.28
Sharpe ratio	1.33

Thematic Breakdown (%)

Consumer	22.1	
Power Utilities	14.6	
Financials	14.3	
Transport Infrastructure	13.7	
Communications Infrastructure	12.1	
Technology	8.4	
CK Hutchison	6.5	
Cash	4.8	
Real Estate	3.6	

Geographical Breakdown (%)

Hong Kong	24.9	
Korea	14.6	
India	12.8	
Thailand	12.3	
China	9.7	
Australia	6.4	
Cash	4.8	
Singapore	4.6	
Pakistan	3.4	
New Zealand	3.3	
Indonesia	1.8	
Taiwan	1.5	

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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	217.24
B USD Unhedged Distributing	B4QVD94	IE00B4QVD949	167.35
C GBP Hedged Distributing	B4Q6DB1	IE00B4Q6DB12	168.40
D SGD Hedged Distributing	B4NFJT1	IE00B4NFJT16	162.30

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	149.81
Y GBP Hedged Distributing	B4TRL17	IE00B4TRL175	151.34
Z SGD Hedged Distributing	B6WDYZ1	IE00B6WDYZ18	150.91

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	153.36

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

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