

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 March 2014

Quarterly 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 out-perform the MSCI Asia Pacific ex-Japan index by 5-10% annually whilst growing its dividend over time.

Fund Facts

Fund Size (USD)	792.3m
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 (MXAJP)

Performance - Class B USD (%)

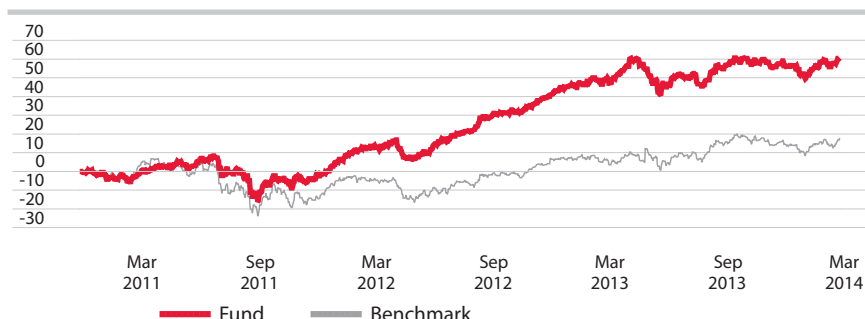
	Fund	Index
1 Month	1.50	1.83
3 Month	1.00	1.00
Year to Date	1.00	1.00
Since Launch	60.56	10.08
Since Launch (Annualised)	15.69	3.00

Source: Bloomberg

Investment Process

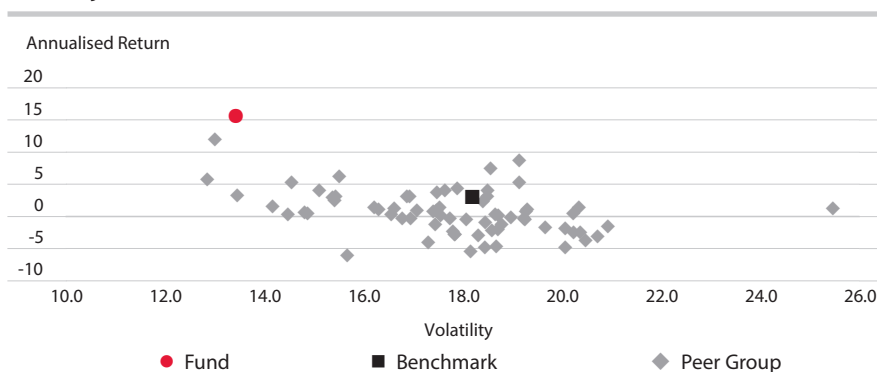
The process is both quantitative and qualitative with the latter dominating. The universe is screened for those high dividend stocks which have the greatest ability to sustain and grow their dividends over time. A particular emphasis is placed on identifying those companies with exceptional franchises,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

Fund Performance - Class B USD (%)



Source: Bloomberg. Total return net income reinvested.

Risk Adjusted Performance - Class B USD (%)



Source: Bloomberg. Annualised return and 1 year volatility versus the peer group (open ended offshore Asia Pacific ex Japan Equity Fund Index), 31.12.10 to 31.03.14

Fund Manager Commentary

Given our process of looking for stocks with limited downside, we tend to find ourselves selling stocks that have performed well and are trading near the high end of valuation ranges and buying stocks that have performed poorly and are trading at relatively cheap valuations. So far this year that means we are selling stocks such as **OSIM** which has appreciated by 35% in the last year and has re-rated from 13x to 16x earnings and **Halla Climate Control**, which has appreciated by 73% and re-rated from 10x to 14x earnings. In contrast, we are buying stocks like **Bangkok Expressway** which is down 22% over the past year and has de-rated from 13x to 10x and **TVB** which has fallen by 18% and has de-rated from 14x to 11x earnings. While we think all four of these businesses are attractive franchises, we believe that shifting the fund's capital towards stocks with better risk/return characteristics should lead to higher returns for our investors with reduced risk.



Winner 2014 Lipper Fund Awards - 3 year category*

Equity Asia Pacific Ex Japan Sector (132 funds)

Source: Lipper - data to 31/12/13*

All data as at 31.03.14. Source: Prusik Investment Management LLP, unless otherwise stated.

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Prusik Asian Equity Income Fund



Top 5 Holdings (%)

Cheung Kong Holdings	6.9
Hutchison Whampoa Ltd	4.7
The Link REIT	4.3
SK Telecom Co Ltd	3.7
Zhejiang Expressway	3.1
Total Number of Holdings	46

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	11.0x
Predicted Return on Equity (%)	14.1
Predicted Dividend Yield (%)	4.6

Risk Metrics

Tracking Error (% pa)	6.6
Beta	0.81
Alpha	13.3
Volatility (%)	13.4
Sharpe ratio	1.17

Thematic Breakdown (%)

Core Infrastructure	47.5	
Retail Shopping Mall	11.8	
Cash	10.5	
Real Estate	9.3	
Asian Consumer	8.4	
Asian Export Brand	3.9	
Energy	3.9	
Quality Financials	3.8	
Niche Tech	1.0	

Geographical Breakdown (%)

Hong Kong	35.3	
China	17.4	
Cash	10.5	
Korea	10.3	
Thailand	8.1	
Singapore	7.8	
India	3.1	
Indonesia	2.6	
Malaysia	2.3	
Australia	2.1	
New Zealand	0.4	

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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 (MXAJP) 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	165.01
B USD	Unhedged	Distributing	B4QVD94	IE00B4QVD949	141.72
C GBP	Hedged	Distributing	B4Q6DB1	IE00B4Q6DB12	141.97
D SGD	Hedged	Distributing	B4NFJT1	IE00B4NFJT16	135.92

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	130.23
Y GBP	Hedged	Distributing	B4TRL17	IE00B4TRL175	130.69
Z SGD	Hedged	Distributing	B6WDYZ1	IE00B6WDYZ18	129.95

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	98.58

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

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