

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 September 2013

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)	810.2m
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 (%)

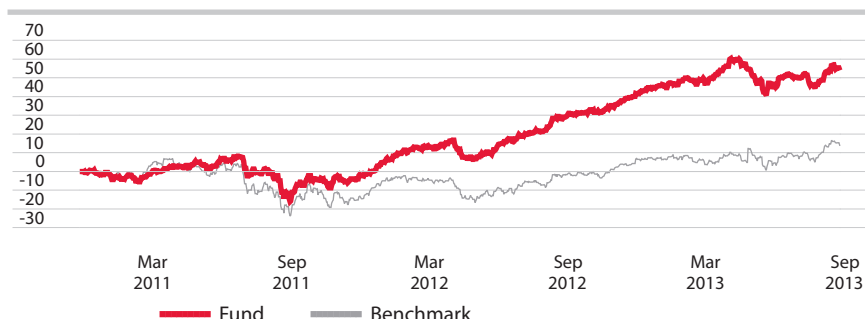
	Fund	Index
1 Month	5.07	6.00
3 Month	4.64	7.55
Year to Date	9.81	1.52
Since Launch	53.88	6.28
Since Launch (Annualised)	16.96	2.24

Source: Bloomberg

Investment Process

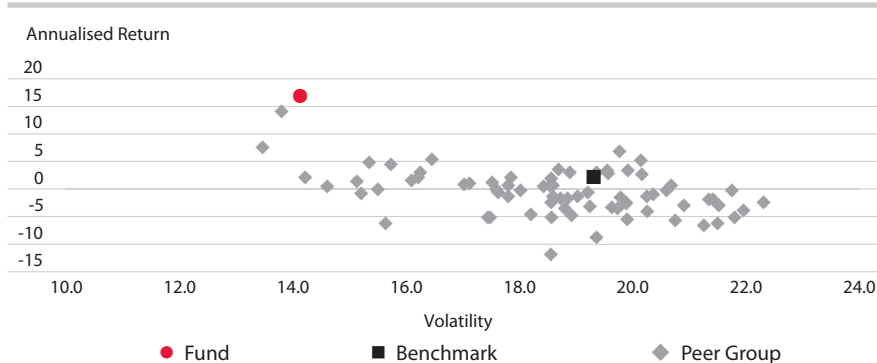
The process is both quantitative and qualitative with the latter dominating. The universe is screened for those high dividend stocks which have the greatest ability to sustain and grow their dividends over time. A particular emphasis is placed on identifying those companies with exceptional franchises, 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 30.09.13

Fund Manager Commentary

During September we used the strength in markets to upgrade our portfolio. This involved selling 9 positions and adding 5 new positions. Typically we have replaced companies with weaker balance sheets, lower return on capital and more subdued growth potential and replaced them with companies with higher franchise strength and better growth opportunities. Owing to this imbalance between buying and selling we have ended the month with a record cash position of approximately 10%. This is not because we are bearish on markets but rather because we cannot currently find enough stocks that meet our investment criteria. In the upcoming quarterly report we will address how we are planning to deal with this issue in more detail. Our desire is to reduce the cash to below 5% but not if that means compromising the portfolio quality.

In a recent trip to Singapore and Thailand we uncovered several new potential ideas. One of those we have already begun to build a position in and 3-4 others are 5-10% above our ideal buying price. We were surprised by the relative robustness of the Thai economy despite the negative macro headwinds and broadly take the view that this is a good time to be buying companies with low balance sheet risk and robust franchises where the market is pricing in recessionary conditions.

All data as at 30.09.13. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

Cheung Kong Holdings	5.6
HSBC Holdings	5.3
Hutchison Whampoa Ltd	4.4
SK Telecom Co Ltd	3.7
KT Corporation	3.3
Total Number of Holdings	43

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	11.2x
Predicted Return on Equity (%)	16.7
Predicted Dividend Yield (%)	4.5

Risk Metrics

Tracking Error (% pa)	6.9
Beta	0.80
Alpha	15.2
Volatility (%)	14.1
Sharpe ratio	1.20

Thematic Breakdown (%)

Core Infrastructure	37.7	
Asian Consumer	12.3	
Quality Financials	11.4	
Cash	10.6	
Real Estate	8.2	
Energy	6.7	
Retail Shopping Mall	6.5	
Asian Export Brand	4.5	
Niche Tech	2.0	

Geographical Breakdown (%)

Hong Kong	35.2	
China	17.0	
Korea	12.6	
Cash	10.6	
India	7.0	
Singapore	4.9	
Thailand	4.2	
Australia	3.8	
Indonesia	2.4	
Malaysia	2.4	

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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 (MXAJPI) with a high-water mark paid quarterly

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	158.14
B USD	Unhedged	Distributing	B4QVD94	IE00B4QVD949	137.89
C GBP	Hedged	Distributing	B4Q6DB1	IE00B4Q6DB12	138.31
D SGD	Hedged	Distributing	B4NFJT1	IE00B4NFJT16	132.47

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	126.72
Y GBP	Hedged	Distributing	B4TRL17	IE00B4TRL175	127.33
Z SGD	Hedged	Distributing	B6WDYZ1	IE00B6WDYZ18	126.47

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	98.77

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

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