

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

29 November 2013

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

Fund Facts

Fund Size (USD)	911.0m
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 (MXAJP)

Performance - Class B USD (%)

	Fund	Index
1 Month	-0.56	-0.95
3 Month	8.81	9.89
Year to Date	13.73	5.27
Since Launch	59.36	10.19
Since Launch (Annualised)	17.33	3.93

Source: Bloomberg

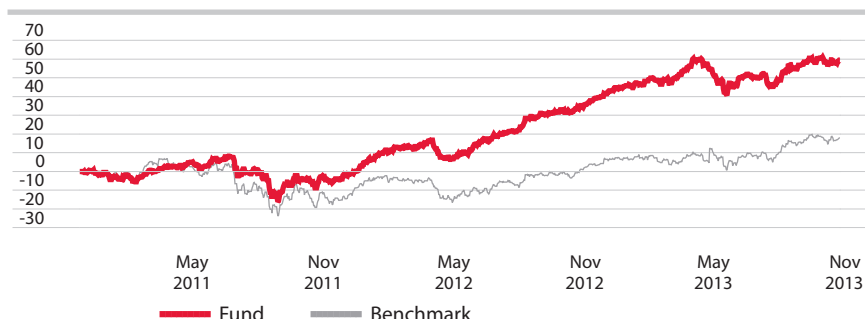
Investment Process

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

November was a mixed month for performance. Strong contributions from **Beijing Capital Airport**, **TVB** and **Jiangsu Expressway** were offset by weakness in some of our ASEAN holdings including **PT Telkom** and **Glow Energy**. We exited our position in **KT Corp** shortly before the company announced that it would not be able to maintain its dividend this year as the business had deteriorated faster than they (and we) expected. This had been a somewhat trying position where we had mistakenly thought that the cheap valuation had already discounted much of the bad news with regards to the declining fixed line business. However, we were wrong and the only saving grace was that once we had realised our mistake, we were quick to act and therefore did not suffer any meaningful loss of capital.

The extended flexibility that we introduced to the fund at the end of the third quarter, such as removing the minimum yield constraint, has been very helpful in allowing us to avoid the sell off in many of the traditional equity income sectors. In time, this sell off is likely to produce some interesting opportunities as "Mr Market" loses interest in safety and starts to become less risk averse but, for now, we still see better value in the less popular markets of Korea and China.

All data as at 29.11.13. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

Cheung Kong Holdings	6.6
HSBC Holdings	5.8
Hutchison Whampoa Ltd	5.3
Beijing Capital Intl	3.3
SK Telecom Co Ltd	3.1
Total Number of Holdings	43

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	11.4x
Predicted Return on Equity (%)	15.2
Predicted Dividend Yield (%)	4.1

Risk Metrics

Tracking Error (% pa)	6.7
Beta	0.80
Alpha	14.6
Volatility (%)	13.8
Sharpe ratio	1.26

Thematic Breakdown (%)

Core Infrastructure	39.4	
Quality Financials	11.6	
Cash	10.3	
Asian Consumer	9.5	
Real Estate	9.2	
Energy	6.8	
Retail Shopping Mall	6.0	
Asian Export Brand	4.5	
Niche Tech	2.6	

Geographical Breakdown (%)

Hong Kong	38.6	
China	17.2	
Korea	11.3	
Cash	10.3	
India	6.0	
Singapore	5.4	
Thailand	3.6	
Australia	3.6	
Malaysia	2.1	
Indonesia	2.0	

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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	163.78
B USD	Unhedged	Distributing	B4QVD94	IE00B4QVD949	142.80
C GBP	Hedged	Distributing	B4Q6DB1	IE00B4Q6DB12	143.14
D SGD	Hedged	Distributing	B4NFJT1	IE00B4NFJT16	137.16

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	131.24
Y GBP	Hedged	Distributing	B4TRL17	IE00B4TRL175	131.75
Z SGD	Hedged	Distributing	B6WDYZ1	IE00B6WDYZ18	130.95

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	101.18

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

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