

# Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 June 2015

## 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)	873.4m
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 (MXAPJ)

### Performance - Class B USD (%)

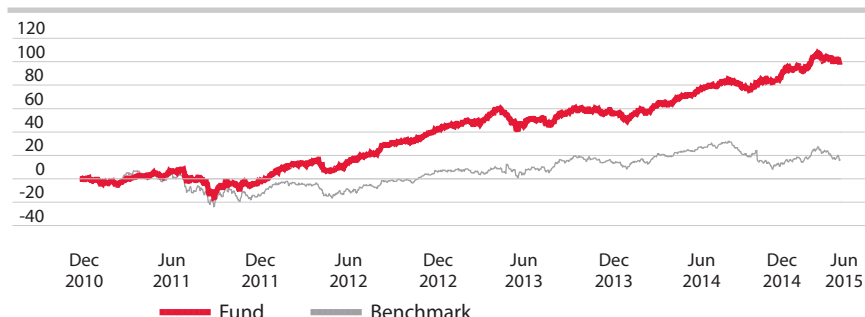
	Fund	Index
1 Month	-1.97	-3.86
3 Month	2.17	-0.87
Year to Date	7.37	3.63
Since Launch	99.33	17.32
Since Launch (Annualised)	16.57	3.52

Source: Bloomberg

### Investment Process

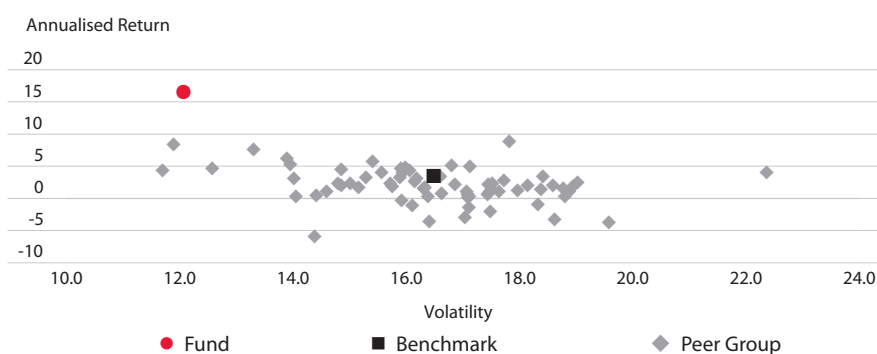
The process is both quantitative and qualitative with the latter dominating. The universe is screened for those high dividend stocks which have the greatest ability to sustain and grow their dividends over time. A particular emphasis is placed on identifying those companies with exceptional franchises, 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 30.06.15

### Fund Manager Commentary

During June the cash position of the fund fell from 12.9% to 5.7% as the market correction helped bring more stocks down to attractive valuation levels. We initiated four new positions including **Hong Kong Broadband Network** (Hong Kong broadband operator), **Jasmine Group** (Thai broadband operator), **IOOF** (Australian financial services platform) and **SUN Television** (Indian TV broadcaster). On average, these stocks have fallen 25% from their 2015 highs during which time their fundamental values have, in our view, remained relatively unchanged. The average yield of these stocks (5.5%) and their potential growth rate are higher than the overall portfolio and so they also benefit from being "accretive" acquisitions.



All data as at 30.06.15. Source: Prusik Investment Management LLP, unless otherwise stated.

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# Prusik Asian Equity Income Fund



## Top 5 Holdings (%)

CK Hutchison	7.8
Samsung Electronics	5.9
Cheung Kong Property Holdings	5.3
SK Telecom Co Ltd	4.2
Macquarie Korea Infrastructure Fund	4.1
Total Number of Holdings	37

## Portfolio Financial Ratios

Predicted Price/Earnings Ratio	12.7x
Predicted Return on Equity (%)	14.8
Predicted Dividend Yield (%)	4.9

## Risk Metrics

Tracking Error (% pa)	6.6
Beta	0.78
Alpha	13.8
Volatility (%)	12.1
Sharpe ratio	1.37

## Thematic Breakdown (%)

Communications Infrastructure	23.6	
Transport Infrastructure	15.9	
Asian Brands & Technology	13.1	
Cheung Kong / Hutchison	13.1	
Financials	11.2	
Shopping Malls	8.9	
Cash	5.7	
Power Utilities	4.5	
Consumer	4.0	

## Geographical Breakdown (%)

Hong Kong	26.7	
Korea	14.2	
Thailand	13.2	
China	12.0	
Taiwan	7.3	
India	6.3	
Cash	5.7	
Singapore	4.5	
Australia	4.5	
Pakistan	3.0	
New Zealand	1.4	
Philippines	1.3	

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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 (MXAPJ) 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	204.85
B USD	Unhedged	Distributing	B4QVD94	IE00B4QVD949	167.60
C GBP	Hedged	Distributing	B4Q6DB1	IE00B4Q6DB12	168.87
D SGD	Hedged	Distributing	B4NFJT1	IE00B4NFJT16	161.25

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	151.86
Y GBP	Hedged	Distributing	B4TRL17	IE00B4TRL175	153.40
Z SGD	Hedged	Distributing	B6WDYZ1	IE00B6WDYZ18	152.15

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	121.63

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

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