

Prusik Asia Emerging Opportunities Fund

GROWTH INVESTING IN ASIA



30 April 2020

Monthly Fund Fact Sheet

Investment Objective

The fund aims to achieve capital growth by investing in companies operating in the Asian and Australasian ex Japan region, with a specific focus on the demographic growth markets.

Fund Facts

Fund Size (USD)	25.6m
Launch date	8 February 2008
Fund Managers	Heather Manners Anna Gallagher
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD

Performance (%)

	A USD	C GBP	D SGD
1 Month	17.61	17.36	17.41
3 Month	-20.29	-21.62	-20.76
Year to Date	-21.79	-23.15	-22.26
2019	12.28	10.28	11.44
Since Launch	23.56	22.13	-11.60
Annualised [†]	1.75	1.67	-1.19

Source: Morningstar.

Launch Date: A: 08.02.08, C: 25.03.08, D: 15.01.10

[†]Since Launch Performance

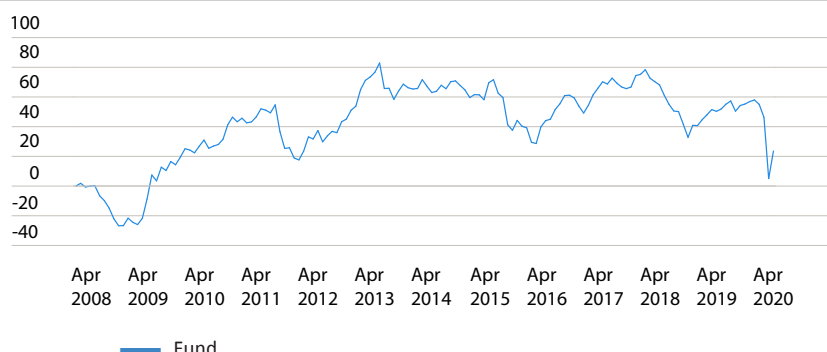
Investment Process

The starting point for the fund is an exclusive focus on the demographic growth markets in Asia, namely those with large, young and growing populations. Over the next few decades these countries are due to benefit from their demographic dividend, leading to GDP growth roughly double that of Asia's more economically mature nations. This backdrop provides a fertile hunting ground for companies which are able to compound their earnings over the long term. The fund combines a thematic approach with stock picking that favours market leaders with a clear, sustainable competitive edge, which helps drive above average earnings growth and ROEs over the long term.

Dividend Dates

Dividends paid twice annually (January and July)

Fund Performance - Class A USD (%)



Source: Morningstar. Total return net of fees.

Fund Manager Commentary

The world's battle with COVID-19 continued through April with infections increasing from roughly 1 million in early April to over 3.5 million as of early May. This trebling of cases comes despite unprecedented lockdown measures and in spite of limits regarding how many tests can be carried out, which suggests the true infection rate is much higher. April saw some lockdown measures across the world eased and further easing is expected in the coming weeks. While this development is partly on account of infection peaks in many places having passed, it remains to be seen what the outcome will be of lifting lockdowns. Further still, in the longer term, it also remains unclear whether we will all face a second wave towards the end of this year as winter in the northern hemisphere approaches. Thus, as of now, we have perhaps seen 'the end of the beginning'. Regrettably, the 'beginning of the end' may still be some time away.

Markets took government and central bank action to support economies and liquidity positively in April. Signs of greater pragmatism with regard to balancing human life against a need to set economies in motion (which itself has material implications for human life) also gave markets a shot in the arm. To this end, the Prusik Asia Emerging Opportunities Fund was strong in April, returning 17.6% in the month. This was in part driven by smaller companies outperforming their larger counterparts – and by a wide margin – for the first time in many months. In April, the MSCI Asia ex-Japan Small Cap Index rose by 16.4% versus the MSCI Asia ex-Japan Index return of 9.8%. While the fund is not measured on a relative basis, it is worth noting that it nevertheless bettered both of the aforementioned indices. By country, the fund outperformed each of the local indices in Singapore, Vietnam, Pakistan and Indonesia by 13-17%. By stock, the corrections seen in March in Vietnamese blue chips, **FPT Corp** and **Mobile World Group**, reversed to the extent that they were the fund's largest positive contributors to performance. ASEAN Ecommerce and mobile gaming leader, **Sea Ltd**, was also a key driver of the fund's high-teens return in April.

Early in the month, we took the opportunity to build positions in two companies we have long admired. The first, **Saigon Beer Alcohol Corp** or **SABECO**, is the leading beer brand in Vietnam. The second, **Universal Robina**, is the leading snack company in the Philippines. In 2019, both stocks were trading on 35x P/E; however, the recent market correction gave us an opportunity to buy the stocks on 18x P/E and 22x P/E, respectively. **SABECO** and **Universal Robina** are blue chips, have excellent management and expected to see continuing demand during and after the crisis. These purchases were partly financed by trimming some of our more cyclical and vulnerable to COVID-19 companies in India, as well as a reduction in **Sea Ltd** which had risen to over a 9.0% weighting in the fund.

All data as at 30.04.20. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asia Emerging Opportunities Fund



Top 5 Holdings (%)

FPT Corporation	7.9
Sea Ltd	7.2
Mobile World Investment Corporation	7.2
Philippine Seven Corporation	4.9
Ace Hardware Indonesia	4.5
Total Number of Holdings	35

Portfolio Financial Ratios

Price/Earnings Ratio	16.3x
Predicted Return on Equity (%)	17.6
Predicted Dividend Yield (%)	2.0

Risk Metrics

Tracking Error (% pa)	13.86
Beta	0.64
Alpha	-0.19
Volatility (%)	16.31
Sharpe Ratio	0.18

Thematic Breakdown (%)

Modern Retail	27.0	<div></div>
Emerging Technology	26.4	<div></div>
Local Brands	19.4	<div></div>
Infrastructure	12.2	<div></div>
Financialisation	8.8	<div></div>
Leisure/Tourism	3.7	<div></div>
Cash	2.4	<div></div>

Geographical Breakdown (%)

India	29.1	<div></div>
Vietnam	26.5	<div></div>
Indonesia	15.5	<div></div>
Philippines	14.0	<div></div>
Singapore	7.2	<div></div>
Pakistan	5.3	<div></div>
Cash	2.4	<div></div>

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Management Fees

Annual Management Fee

Class A, B, C, D, U - 1.2% p.a. Paid monthly in arrears.

Performance Fee

No performance fee.

Dealing

Dealing Line	+353 1 603 6490
Administrator	Brown Brothers Harriman (Dublin)
Dealing Frequency	Daily
Min. Initial Subscription	USD 10,000
Subscription Notice	1 business day
Redemption Notice	1 business day

Share Class Details

Share Class			Sedol	ISIN	Month-end NAV
A	USD	Unhedged Non distributing	B2PKN21	IE00B2PKN210	123.56
B	USD	Unhedged Distributing	B2PKN32	IE00B2PKN327	114.81
C	GBP	Hedged Distributing	B2PKN43	IE00B2PKN434	56.37
D	SGD	Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	153.74
U	GBP	Unhedged Distributing	BBQ37T7	IE00BBQ37T77	82.57

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