

Prusik Asia Emerging Opportunities Fund



GROWTH INVESTING IN ASIA

31 August 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)	32.7m
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	9.49	9.44	9.45
3 Month	20.76	20.36	20.57
Year to Date	-0.75	-2.90	-1.53
2019	12.28	10.28	11.44
Since Launch	56.80	54.33	11.96
Annualised [†]	3.65	3.55	1.07

Source: Morningstar.

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

[†]Since Launch Performance

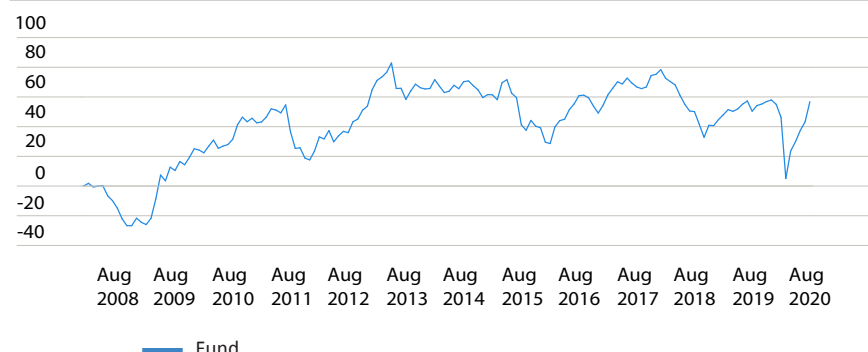
Investment Process

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 Prusik Asia Emerging Opportunities Fund saw a very strong return of 9.5% in August. While the fund is not measured against a benchmark, to put this in context, this was 5.7% ahead of the MSCI Asia ex-Japan Index return of 3.8% and 2.8% ahead of the MSCI Asia ex-Japan Smaller Companies Index rise of 6.7%. The fund was buoyed by its outperformance of the local index in India, Vietnam, the Philippines, Pakistan and Singapore. This outperformance was particularly marked in Singapore, Vietnam and the Philippines. Our investment in **Sea Ltd**, the leading ecommerce and mobile gaming company in ASEAN, saw another stellar period, appreciating by 25.0% in the month, as management released a blockbuster set of results. In Vietnam, we saw strength across the board, but particularly in leading electronics, white goods and grocery retailer, **Mobile World Group**, which has been a key laggard in the fund year to date. Similarly, management released positive earnings news with the company's July print showing a return to double digit earnings growth – the first time for **Mobile World Group** since the onset of COVID. Our Philippines portfolio also showed breadth in performance with blue chip snacks brand, **Universal Robina**, leading the way.

In terms of portfolio changes, we made just a single change in the month, which was to add to our position in **MakeMyTrip Ltd**, the leading online platform for hotel and airline bookings in India. Management have secured sufficient financing to endure the current low revenue run rate for two years, which is a much greater cushion than the previous liquidity buffer of one year. While headline COVID case numbers in India still look concerning, this belies the fact that both Delhi and Mumbai appear to have passed their peak and hotels have now been allowed to open in Delhi.

At a bigger picture level, we think the current juncture represents a particularly opportune time to be investing in the fund. Throughout the crisis there has been a clear bifurcation between North Asia and South and South East Asia in terms of their management of the COVID-19 and how this has been reflected in stock market performance. For example, MSCI China has risen 19.5% year to date at the time of writing, while all indices in South and South East Asia remain in negative territory. We believe this is now beginning to change as there is a greater appreciation of the fact that high headline case numbers do not reveal the very high recovery rates from COVID in South and South East Asia (now consistently above 70%) and very low death rates. Moreover, with the Fed's commitment to low interest rates for longer, plus the structural headwinds for the dollar and the oil price, we believe the fund is very well positioned to sustain its recent momentum.

All data as at 31.08.20. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asia Emerging Opportunities Fund



Top 5 Holdings (%)

Sea Ltd - ADR	7.6
FPT Corporation	7.0
Reliance Industries	6.5
Mobile World Investment Corporation	6.5
Info Edge India Ltd	4.1
Total Number of Holdings	34

Portfolio Financial Ratios

Price/Earnings Ratio	22.2x
Predicted Return on Equity (%)	23.5
Predicted Dividend Yield (%)	1.8

Risk Metrics

Tracking Error (% pa)	13.91
Beta	0.65
Alpha	0.76
Volatility (%)	16.45
Sharpe Ratio	0.34

Thematic Breakdown (%)

Emerging Technology	28.7	<div></div>
Modern Retail	24.3	<div></div>
Local Brands	19.7	<div></div>
Infrastructure	11.1	<div></div>
Financialisation	8.3	<div></div>
Leisure/Tourism	5.2	<div></div>
Cash	2.6	<div></div>

Geographical Breakdown (%)

India	30.9	<div></div>
Vietnam	27.2	<div></div>
Indonesia	15.8	<div></div>
Philippines	13.0	<div></div>
Singapore	7.6	<div></div>
Pakistan	2.8	<div></div>
Cash	2.6	<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	156.80
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	144.90
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	70.83
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	193.66
U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	97.85

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