

Prusik Asia Fund

GROWTH INVESTING IN ASIA



26 February 2021

Monthly Fund Fact Sheet

Investment Objective

The Fund aims to achieve capital growth by investing in listed equities in the Asia Pacific region excluding Japan.

Fund Facts

| | |
|-----------------|--|
| Fund Size (USD) | 195.2m |
| Launch Date | 7 October 2005 |
| Fund Manager | Anna Gallagher |
| Fund Structure | UCITS III |
| Domicile | Dublin |
| Currencies | USD (base), GBP, SGD |
| Index | MSCI AC Asia Pacific Ex Japan Gross Return Index (USD) |

Performance (%)

| | U (GBP) | Index (GBP) |
|-------------------------|---------|-------------|
| 1 Month | 0.95 | -0.43 |
| 3 Month | 6.91 | 6.92 |
| Year to Date | 1.35 | 2.61 |
| 2020 | 32.94 | 18.96 |
| Since Launch | 140.38 | 119.70 |
| Annualised [†] | 12.13 | 10.82 |

Source: Morningstar.

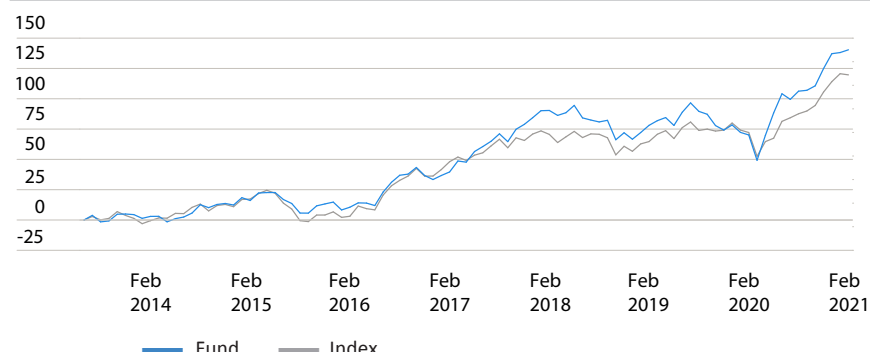
Launch Date: U: 01.07.13

[†]Since Launch Performance

Investment Process

With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis with emphasis on traditional value and high ROCE.

Fund Performance - Class U GBP (%)



Source: Morningstar. Total return net of fees.

Performance since launch of Class U GBP share class - 01.07.13

Fund Manager Commentary

Asian markets continued their volatility from January through to February, this time led by a correction in China as the PBOC withdrew liquidity from the market and rising bond yields led to some rotation away from growth investments to value investments. Set against this backdrop, the Prusik Asia Fund returned 0.95% in the month, which was 1.38% ahead of the index decline of 0.43% (all in sterling terms). During the period, the fund saw particularly strong absolute and relative returns in Australia, South Korea, India and Hong Kong. By theme, the fund's Buildings/Materials/Commodities theme rose by 12.8% in sterling terms as commodity prices continued to rise. It is worth noting that gold stocks bucked this trend and thus the fund benefitted from having recently exited its gold theme.

A small number of changes were made to the fund in the month. Firstly, a new exposure to copper mining was added via **Oz Minerals**. There have been no significant large scale copper discoveries over the past 10-15 years and demand for renewable energy plus electric vehicles could see demand for copper increase beyond its long-term historical average growth rate. This was funded by selling **Incitec Pivot**, an Australian fertiliser company which sat within the Buildings/Materials/Commodities theme. While we sympathise with the concept that fertiliser companies will benefit from rising food prices, we believe the long-term structural outlook for copper is more compelling.

Secondly, a new position was established in **Bank Rakyat**, one of the leading banks in Indonesia with a focus on micro-loans. **Bank Rakyat** is entering the ultra-micro-loan segment which we believe is very attractive given the ability to earn higher yields with less cyclicality in this space. Indonesian mining equipment and coal company, **United Tractors**, was sold as a result. By comparison, **United Tractors** does not offer such a strong franchise and its coal assets were somewhat at odds with the fund's Green Policies theme.

Finally, the fund's weighting in India was increased in February via additions to the Local Brands theme and the Ecommerce/Gaming theme. It was interesting to note India's announcement of a 'pro-growth' budget in the month coupled with numerous indicators pointing to a robust economic recovery in the country.

Signatory of:



All data as at 26.02.21. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asia Fund



Top 5 Holdings (%)

| | |
|---|-----|
| Samsung Electronics Co Ltd | 4.9 |
| Taiwan Semiconductor Manufacturing Co Ltd | 4.8 |
| SK Hynix Inc | 4.2 |
| Wuxi Lead Intelligent Equipment Co Ltd | 4.2 |
| China Longyuan Power Group Ltd | 4.0 |
| Total Number of Holdings | 35 |

Portfolio Financial Ratios

| | |
|--------------------------------|-------|
| Price/Earnings Ratio | 17.6x |
| Predicted Return on Equity (%) | 18.4 |
| Predicted Dividend Yield (%) | 2.0 |

Risk Metrics

| | |
|-----------------------|-------|
| Tracking Error (% pa) | 7.86 |
| Beta | 0.91 |
| Alpha | 1.29 |
| Volatility (%) | 18.37 |
| Sharpe Ratio | 0.75 |

Thematic Breakdown (%)

| | | |
|---|------|--|
| Local Brands | 18.3 | |
| Tech Hardware/5G | 15.9 | |
| Buildings/Materials/Commodities | 15.6 | |
| Ecommerce/Gaming | 13.7 | |
| Finance/Fintech | 13.0 | |
| Green Policies | 6.3 | |
| EVs | 6.1 | |
| Malls/Property/Cyclical Consumer Recovery | 4.4 | |
| Cash | 3.7 | |
| Wellbeing | 2.8 | |

Geographical Breakdown (%)

| | | |
|-----------|------|--|
| China | 31.4 | |
| India | 14.5 | |
| Korea | 12.5 | |
| Taiwan | 9.0 | |
| Vietnam | 8.7 | |
| Australia | 7.3 | |
| Singapore | 5.3 | |
| Hong Kong | 4.3 | |
| Cash | 3.7 | |
| Indonesia | 3.1 | |

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Management Fees

Annual Management Fee

All Share Classes: 1% p.a. Paid monthly in arrears

Performance Fee

Class U: 10% of the net out-performance of the MSCI AC Asia Pacific Ex Japan Gross Return Index (USD), with a high-water mark paid annually

All Share Classes except Class U: 10% NAV appreciation with a 6% hurdle annually

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 | B0MDR72 | IE00B0M9LK15 | 354.86 |
| B USD Unhedged Distributing | B0M9LL2 | IE00B0M9LL22 | 355.08 |
| C GBP Hedged Distributing | B18RM25 | IE00B18RM256 | 181.22 |
| D SGD Hedged Distributing | B3LYLK8 | IE00B3LYLK86 | 477.06 |

Performance fee based on individual investor's holding.

| | | | |
|-----------------------------|---------|--------------|--------|
| U GBP Unhedged Distributing | BBQ37S6 | IE00BBQ37S60 | 240.38 |
|-----------------------------|---------|--------------|--------|

Performance fee based on fund performance as a whole.

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