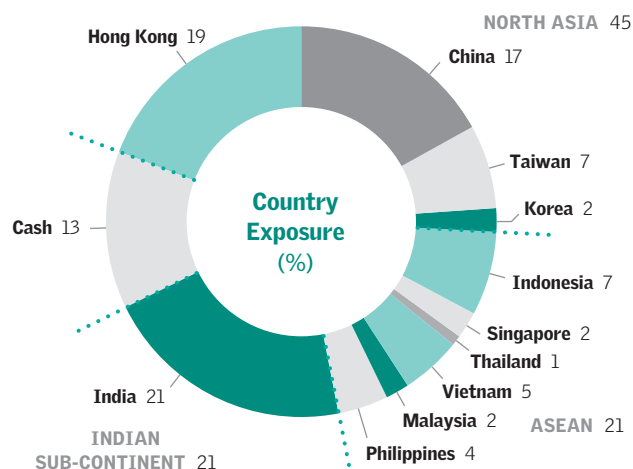
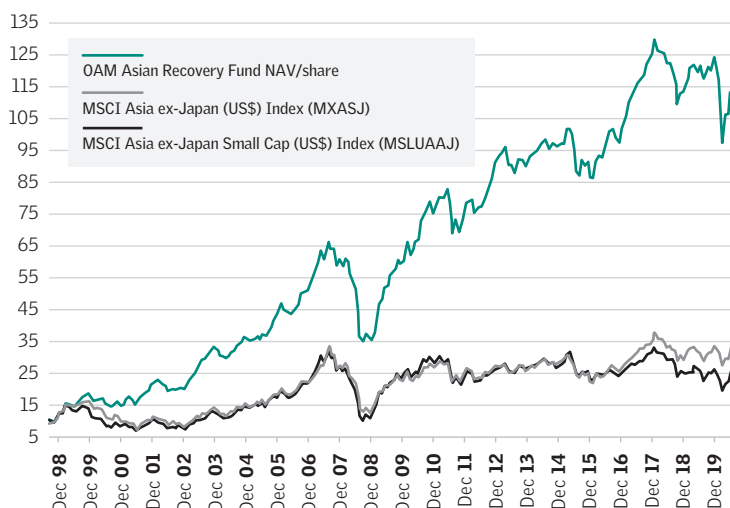


<b>Investment Advisor</b>	Overseas Asset Management (Cayman) Ltd.
<b>Bloomberg Symbol</b>	OAMASRI KY
<b>Investment Manager</b>	Desmond Kinch, CFA
<b>Legal Domicile</b>	Cayman Islands
<b>Auditor</b>	KPMG
<b>Annualised return since inception</b>	Fund 12.2%   Benchmark 5.9%
<b>Largest peak-to-trough decline</b>	Fund -47.1%   Benchmark -62.8%
<b>Size of Fund</b>	US\$287 million
<b>Launch Date &amp; Price</b>	31 December 1998 at US\$10.00/share
<b>Valuation/look-through basis - P/E (20 EPS)</b>	22.2x
<b>Dividend Yield</b>	2.5%
<b>Cash in Fund</b>	8.8% (13% on a look-through basis)
<b>YTD Return</b>	-1.9%

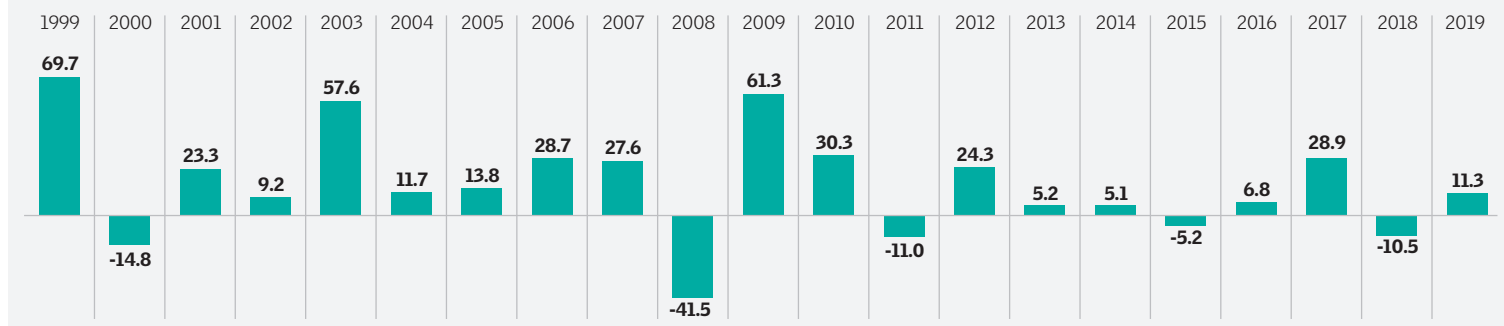
## Performance Since Launch (US\$)



## Investment Objective

The Fund's objective is to provide its shareholders with risk-adjusted returns which exceed the MSCI Asia free ex-Japan (US\$). It invests principally in other funds that are managed by boutique fund managers in Asia ex-Japan that have worked in the region for several years, have in-depth knowledge of companies in the region, employ a bottom-up, value investing style, and generally have limited assets under management. The Fund's underlying holdings have a bias towards small and medium capitalization equities and companies serving the burgeoning Asian consumer sector. The benchmark figures used for comparison do not include dividends. We estimate that if dividends, net of withholding taxes, are included in the benchmark returns, the benchmark returns would increase by around 2.5 percentage points per annum. The performance of the Fund does not include fees charged in clients' segregated accounts, which are the higher of 1% of assets or 10% of any gains above the high-water mark.

## Year-by-Year Return Since Launch (%)



## Investment Advisor Commentary

The Fund's NAV/Share recouped almost all the losses in Q1 during the subsequent two quarters. The Fund's flat return year to date disguises huge variance in the geographic returns across Asia. Year to date, the MSCI China index returned nearly 15% while the MSCI India index fell slightly and the MSCI ASEAN index fell nearly 25%. We think that the most undervalued equities in Asia are now in the ASEAN region, particularly outside the largest capitalisation companies. An illustration of how undervalued ASEAN equities are now, particularly compared to US technology stocks, is the following: Microsoft's market capitalisation of roughly \$1.6 trillion is around the same as the market cap of all ASEAN markets (Singapore, Malaysia, Indonesia, Thailand, the Philippines and Vietnam). Yet the GDP of the ASEAN region is about 20 times higher than Microsoft's annual sales.

## Overseas Asset Management (Cayman) Ltd

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