

MARTIN CURRIE INVESTMENT FUNDS

Asia Pacific (OEIC)

OBSR Fund Rating
A

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RATINGS

Key Information

Launch Date	14 February 1994	
Fund Size	£242.0m	
Type of Shares Available	Accumulation	
Distribution Date	30 April	
Historic Yield	n/a	
ISA	Only through third party	
ISA Transfer	Only through third party	
Standard Fund Management Charges	Initial	5.00%
	Annual	1.50%

Classification

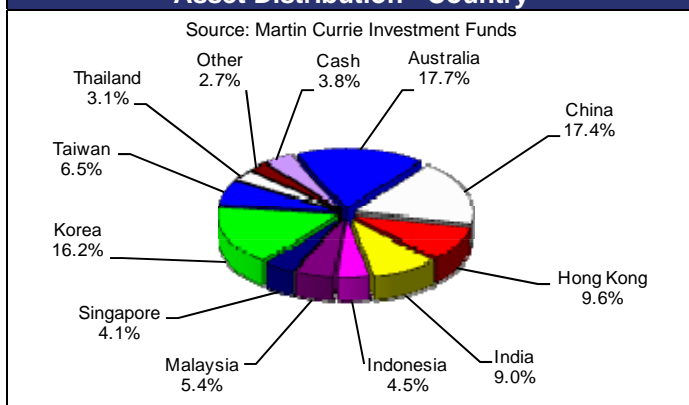
Sector	Asia Pacific Ex Japan
Market Cap / Style	Large Cap Bias / Blend
Benchmark/Index	MSCI AC Asia Pacific Ex Japan

Management/Investment Style

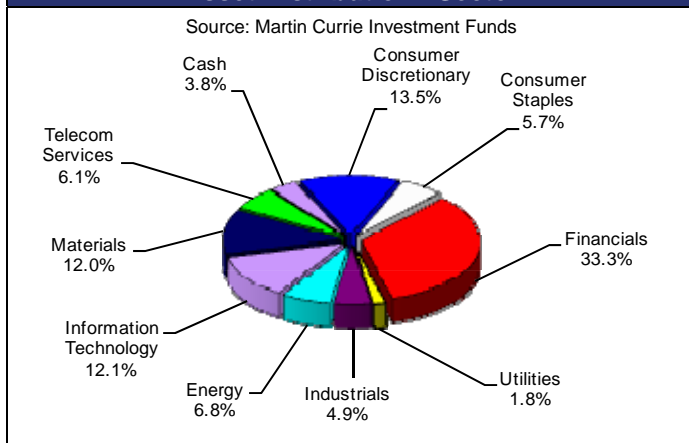
Fund Managers	Jason McCay (July 1998) Richard Evans (July 2004)
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A reasonably concentrated Asia ex Japan equity fund that is managed using Martin Currie's proprietary screening tool as a framework for stock selection. Predominantly bottom-up, the emphasis is on seeking out companies that are beneficiaries of positive change.

Asset Distribution - Country



Asset Distribution - Sector



Top Ten Holdings

Company	%
Samsung Electronics	5.6
BHP Billiton	4.8
Taiwan Semiconductor Manufacturing	3.7
CNOOC	3.6
Newcrest	3.5
Commonwealth Bank of Australia	3.2
China Construction	3.2
Hyundai	3.0
Rio Tinto	2.7
SJM Holdings	2.6
Concentration (Top 10)	35.9
Total Number of Holdings	47

Source: Martin Currie Investment Funds

Investment Objective & Methodology

The aim of the fund is to produce long-term capital growth by investing in the Indian sub-continent, Australasia and the Far East, excluding Japan. The fund aims to generate +3% outperformance of the benchmark (on a gross basis) over rolling 3 and 5 year periods.

The fund is managed by Jason McCay and Richard Evans. They are members of the Asian Investment team which is split between offices in Edinburgh and Shanghai. They are assisted by two team members who work with them on Asia ex Japan mandates; the remainder of the team is dedicated to China mandates. The managers also draw support from Martin Currie's in-house analysts.

The team believes that positive and negative changes in the dynamics of a business are typically underestimated by the market. Therefore, they aim to identify the factors that will drive such changes and invest in companies over a positive earnings cycle. In doing this, they are assisted by Martin Currie's proprietary screening tool, the Dynamic Stock Matrix (DSM) and for Asia ex Japan mandates, the tool ranks companies based upon 5 factors: quality, value, growth, change in forecast EPS estimates and change in share price momentum. The DSM is used both as a tool for idea generation and also to help with stock monitoring. The managers may also take ideas from other sources, particularly in cases where companies are in transformation and where short-term change may not have been identified by the DSM. Qualitative assessment is then undertaken; they try to meet the management of all the companies in which they invest, focusing on a few key factors that they believe will drive returns. Ideas are discussed at a weekly team meeting and championed by the individual covering the relevant market. Top-down input is a less important factor in portfolio construction and they tend to focus on factors that are likely to affect a company's ability to generate earnings growth, for example, political changes or changes to credit conditions.

The fund has a large cap bias and is intended to be a portfolio of conviction ideas, typically comprising 40-60 stocks. At a country level, positions may deviate by +/-10% versus the index while individual positions must not exceed 10% or benchmark +5% at purchase. The tracking error of the fund is expected to be in the range of 6%-9% per annum. Mindful of their risk budget, they will hold neutral positions in a limited number of large index stocks. In terms of style, the fund does not have a structural bias to growth or value but is sensitive to earnings and share price momentum and as such, tends to perform better in trending market conditions.

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Data as at 30 June 2010
Last Updated July 2010