



Martin Currie Asia Unconstrained Trust



31 JULY 2017

PROFILE

Objective	To achieve returns commensurate to Asia ex Japan nominal GDP growth
Benchmark	Unconstrained
Sector	Asia Pacific – excluding Japan
Launch	1985

PORTFOLIO

Country allocation

	30 Jun	31 Jul
Hong Kong	26.8%	27.4%
China	18.0%	19.2%
India	15.9%	16.2%
Singapore	14.6%	15.4%
South Korea	11.1%	11.4%
Taiwan	5.6%	5.7%
Malaysia	3.5%	3.5%
Thailand	3.4%	3.2%
Indonesia	2.5%	2.6%
Cash	1.8%	(1.5%)
Gearing*	(3.2%)	(3.1%)

Top 10 holdings

(56.5% of total portfolio)

AIA	7.9%
Samsung Electronics	7.4%
Tencent Holdings	7.1%
Taiwan Semiconductor	5.7%
HSBC	5.6%
Global Logistic Properties	4.9%
Tata Consultancy Services	4.7%
China Mobile	4.6%
Infosys	4.4%
Samsonite International	4.2%
Number of holdings	26
Number of countries	9

Key facts

Total net assets	£159.8m
Share price (p)	391.8
Net asset value per share (p)	442.4
Discount (premium)	11.4%
Historic net yield†	4.2%

PERFORMANCE

Cumulative performance over periods to 31 July 2017

	One month	Three months	Six months	One year	Three years	Five years
Share price	3.7%	8.2%	19.6%	31.4%	53.1%	81.2%
NAV	3.0%	8.0%	14.2%	26.7%	47.7%	62.6%

12-month performance

	To end Q2 2017	To end Q2 2016	To end Q2 2015	To end Q2 2014	To end Q2 2013
Share price	39.3%	(1.0%)	9.9%	0.5%	14.7%
NAV	28.7%	8.5%	5.7%	(3.9%)	13.4%

Past performance is not a guide to future returns.

Source: Martin Currie. The NAV basis used is cum-income in £. Please note prior to July 2017 the NAV basis used was ex-income NAV in £. Ex-income NAVs exclude current-year income, while cum-income NAVs include current-year income. These figures do not include the cost of buying and selling shares in an investment trust. If these were included, performance figures would be reduced.

On 11 July 2014 the investment policy changed from benchmark relative Asia Pacific including Japan to an unconstrained Asia ex Japan strategy.

MANAGER'S COMMENTARY

It was generally a strong month for Asian equities, with the MSCI AC Asia ex Japan index rising 3.9% in sterling terms. At a country level, China was the best performer, while of the larger markets Indonesia and Malaysia fared the worst over the period. In sector terms, Energy, real estate and materials were the strongest sectors, while consumer staples and healthcare were the weakest.

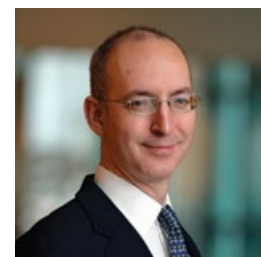
Over the month, the company's NAV rose 3.0 %.

At the stock level, internet giant Tencent was the strongest performer, as investors continue to be attracted by the prospects of consistent earnings growth. Singapore-listed Global Logistic Properties, (which provides modern logistics facilities in Japan, China and Brazil) also performed strongly, as a strategic review recommended the acceptance of an offer for the business from a Chinese-led consortium. Regional life insurer AIA Group performed well throughout the period on anticipation of strong second-half results. These results (delivered later in the month) exceeded analyst estimates on most key items, including the value of new business, embedded value and net profit.

On the other side, Indonesian retailer Matahari Department Store was weak, selling off in the run up to the its second-quarter result. Consumption continues to be sluggish in the country, as evidenced by management lowering its revenue guidance for the second half. Thai financial Siam Commercial Bank struggled as peers reported weak results, with credit quality issues persisting, particularly among small and medium-sized corporate borrowers. Television Broadcasts also fared badly. The Hong Kong media name is currently the subject of a court case which will determine the outcome of a planned share buyback, and its shares have been drifting in lower volume as a result.

There were no new purchases or outright disposals over the month.

Andrew Graham



*The risk outlined at the end of this document relating to gearing is particularly relevant to this company but should be read in conjunction with all warnings and comments given.

†Source for historic yield: Martin Currie as at 31 July 2017. The historic yield reflects dividends declared for the 12 months to 31 March 2017 as a percentage of the mid-market share price, as at the date shown. Investors may be subject to tax on their dividends.

The NAV stated in our reporting is inclusive of current year revenue. All sources (unless indicated): Martin Currie as at 31 July 2017.

CAPITAL STRUCTURE

Ordinary shares 36,124,496

BOARD OF DIRECTORS

Harry Wells (chairman) Anja Balfour
Peter Edwards Martin Shenfield
Gregory Shenkman

KEY INFORMATION

Year end 31 March
Annual general meeting July
Dividend paid August and December
Investment management fee as at 31 March 2017[^] 0.75%
(0.75% on net assets up to £150m
0.60% on net assets over £150m)
Ongoing charge – 31 March 2017[§] 1.1%
TIDM code MCP
Reuters code MCP.L
Sedol code 0569512

[^]Percentage of net assets, calculated quarterly.

[§]Percentage of shareholders' funds. Includes annual management fee.

Net asset value and dividend history

Year end	Share price	NAV per share	Discount/ (premium)	Dividend per share
2000	178.8p	210.9p*	15.2%	0.90p
2001	133.8p	161.0p	16.9%	1.00p
2002	112.0p	140.6p	20.3%	1.50p
2003	87.5p	105.1p	16.7%	1.00p
2004	145.0p	155.6p	6.8%	1.40p
2005	165.5p	175.1p	5.5%	1.10p
2006	244.3p	239.5p	(2.0%)	1.40p
2007	246.0p	265.6p	7.4%	2.80p
2008	271.3p	300.8p	9.8%	3.10p
2009	169.5p	209.3p	19.0%	3.30p
2010	236.5p	291.1p	18.8%	3.70p
2011	274.3p	320.7p	14.5%	4.50p
2012	276.5p	330.0p	16.2%	5.50p
2013	298.5p	359.4p	17.0%	6.50p
2014+	263.8p	313.4p	15.8%	7.50p
2015	320.8p	361.2p	11.2%	7.50p
2016	280.0p	327.2p	14.4%	7.75p
2017‡	364.5p	427.3p	14.7%	16.28p

Past performance is not a guide to future returns.

*This is the diluted net asset value until 30 June 2000 when the warrants expired. From 2001 the net asset value is represented.

†From 2014 the company year end changed to 31 March.

‡2017 final dividend will be paid in August 2017.

IMPORTANT INFORMATION

This information is issued and approved by Martin Currie Investment Management Limited. It does not constitute investment advice. Market and currency movements may cause the capital value of shares, and the income from them, to fall as well as rise and you may get back less than you invested. Please note that, as the shares in investment trusts are traded on a stockmarket, the share price will fluctuate in accordance with supply and demand and may not reflect the value of underlying net asset value of the shares.

Depending on market conditions and market sentiment, the spread between purchase and sale price can be wide. As with all stock exchange investments the value of investment trust share purchases will immediately fall by the difference between the buying and selling prices, the bid-offer spread. The value of investments and the income from them may go down as well as up and is not guaranteed. An investor may not get back the amount originally invested. Investment trusts may borrow money in order to make further investments. This is known as 'gearing' and can enhance shareholder returns in rising markets but, conversely, can reduce them in falling markets.

The majority of charges will be deducted from the capital of the company. This will constrain capital growth of the company in order to maintain the income streams.

Martin Currie Investment Management Limited, registered in Scotland (no SC066107) Martin Currie Fund Management Limited, registered in Scotland (no SC0104896). Registered office: Saltire Court, 20 Castle Terrace, Edinburgh EH1 2ES.

Tel: 0808 100 2125 Fax: 0870 888 3035 www.martincurrie.com

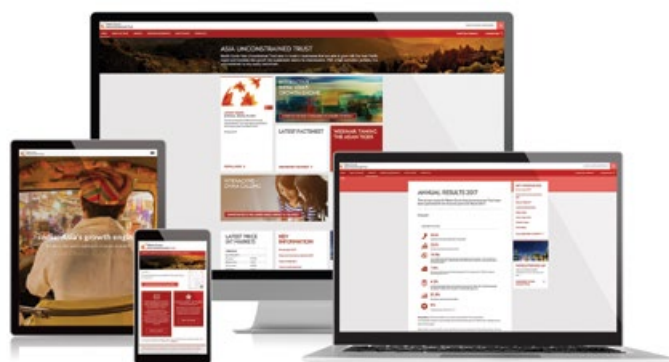
Both companies are authorised and regulated by the Financial Conduct Authority. Please note that calls to the above number may be recorded.

MANAGER'S BIOGRAPHY

Andrew joined Martin Currie in 2010 and heads our Asia team. Alongside the Martin Currie Asia Unconstrained Trust he is lead manager on the Martin Currie Asia Pacific and Asia Long-Term Unconstrained strategies. He joined us from Sofaer Global Research, bringing with him over 20 years' experience of managing Asia-Pacific equities. At Sofaer, where he was a partner, Andrew managed the company's Japan absolute return fund and co-managed its Pacific-region absolute return fund. Prior to this he spent five years as senior vice president at Putnam Investments, where he co-managed its International Capital Opportunities Fund, focusing particularly on the Asia-Pacific region. Earlier in his career Andrew held portfolio management roles at both Scottish Widows Investment Partnership and Kemper Investment Management.

WEBSITE

The company has its own website at www.martincurrieasia.com. There you will find further details about the company, information on Martin Currie and daily share prices (and associated risks).



www.martincurrieasia.com