

Target Value Fund
(An Absolute Gain 'Value' Fund)

Performance Report – 30 September 2011

Inception:- 1 June 2011

Fund Size:- US\$364 million

NAV per Class P share (weighted average):- US\$864.839

2011	The Fund (Net)	MSCI ACFE Ex-Japan (Gross)	Over/ (Under) Performance
• June	-0.1%	-2.7 %	2.6%
• July	3.3%	1.6%	1.7%
• August	-3.1%	-9.6%	6.4%
• September	-13.5%	-13.9%	0.4%
• YTD	-13.5%	-23.0%	9.5%
Since inception			
• Performance	-13.52%	-23.00%	
• CAGR	-35.31%	-54.34%	
• Volatility (Std Dev)	0.22	0.21	
• Sharpe Ratio	-0.66	-1.14	

Top 5 Holdings		Country (%)	
Bank Negara Indo	Indonesia	Hong Kong	34
BOC HK Hldgs	Hong Kong	Singapore	15
Digital China	Hong Kong	Philippines	8
First Resources	Singapore	Indonesia	6
GOME	Hong Kong	Malaysia	4
		China	4
		Thailand	4
		Taiwan	3
		United States	2
		Cash	20
			100

Market Capitalisation		
	No. of Holdgs	% of Hldgs
Small: Up to US\$1b	13	21
Mid: US\$1b to US\$5b	13	41
Large: >US\$5b	5	18
Total	31	80

Sector Exposure (%)			
Consumer & Retailer	31	Infrastructure	3
Banking & Finance	25	Industrial	4
Property & Construct	9	Others	4
Food & Agriculture	4	Cash	20
		Total	100

Performance

September has been a very challenging month. Panic and volatility struck the market resembling the sub-prime crisis. This time though, the problem is harder to resolve as it is now on a global scale. Monetary easing has not worked well in the West to create employment. In Asia, loose monetary policy caused the undesired effects of inflation, asset bubble and a possible banking crisis in China. During crisis periods, the most worrying thing to see is a lack of political unity in the West and also poor coordination at the international level. Market always hates unknown and uncertainty as it does not know how to react. Let's hope that at the end, everybody realizes that to save ourselves we have to help each other to overcome problems.

For the month, the Fund's NAV declined 13.5% while the benchmark index MSCI ACFE Ex-Japan fell 13.9%. Year to date, the Fund's NAV and the index fell 13.5% and 23.0% respectively.

After the recent market fall, stock valuation has become much more attractive. Stock prices can still go down fairly significantly should the global economy really tumble. The Fund will continue to increase its investment as the market goes down. But given the magnitude of the multi-global problems, we will implement this strategy cautiously unless distressed valuation appears.

Note: 1) Past performance cannot guarantee future results.

2) This is neither a solicitation for business nor an invitation to subscribe to the Fund.

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