

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

**Performance Report – 30 November 2011**

Inception:- 1 June 2011

Fund Size:- US\$484 million

NAV per Class P share (weighted average):- US\$913.051

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%
• October	11.5%	12.4%	-0.9%
• November	-5.3%	-7.5%	2.2%
• YTD	-8.7%	-19.9%	11.2%
<b>Since inception</b>			
• Performance	-8.69%	-19.90%	11.20%
• CAGR	-16.63%	-35.83%	19.20%
• Volatility (Std Dev)	0.27	0.30	
• Sharpe Ratio	-0.36	-0.70	

## Performance

The worsening of the European sovereign debt rating continued to unsettle the global market. On 30<sup>th</sup> November, several central banks launched a co-ordinated effort to liquefy the banking system and were joined by China which announced a reduction of banks' RRR to signal the end of the tightening cycle. These announcements gave a positive lift to the performance of the Western markets. However, as the announcements took place after the close of the Asian markets, the Asian markets and the Fund did not benefit the same in the month of November.

**For the month, the Fund's NAV and the benchmark index MSCI ACFE Ex-Japan declined 5.3% and 7.5% respectively. Since its inception to-date, the Fund's NAV fell 8.7% while the benchmark index in the same period dropped 19.9%.**

It is evident that investors globally are getting less and less tolerant with financial indiscipline. Countries that had over spent beyond their means simply have to begin cutting down their fiscal deficit and deleverage. To mitigate the slow down of its economy, Asia will hasten the restructuring of its economy to be more pro-domestic consumption and investment. But this time, it has to be careful and not over doing it to risk the recurrence of inflation.

Given the current fairly attractive stock valuation and more fiscal stimulus in Asia, we are cautiously optimistic about the Asian investment markets in the near future. Our caveat is hopefully there is no tsunami in other corners of the world.

Top 8 Holdings (37% of portfolio)		Country	%
Alliance Financial	Malaysia	Hong Kong	41
BOC HK	Hong Kong	Singapore	14
DBS Group	Singapore	Philippines	7
Digital China	Hong Kong	Malaysia	6
First Resources	Singapore	Indonesia	4
GOME	Hong Kong	Taiwan	3
Pure Gold	Philippines	China	3
Texwinca	Hong Kong	USA (ADR)	2
		Thailand	1
		Cash	19
			100

Market Capitalisation		
	No. of Hldgs	% of Hldgs
Small: Up to US\$1b	13	20
Mid: US\$1b to US\$5b	16	46
Large: >US\$5b	5	15
Total	34	81

Sector Exposure (%)			
Consumer & Retailer	33	Infrastructure	2
Banking & Finance	21	Industrial	4
Property & Construction	13	Others	4
Food & Agriculture	4	Cash	19
		Total	100

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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