

Asian Market Leaders Fund

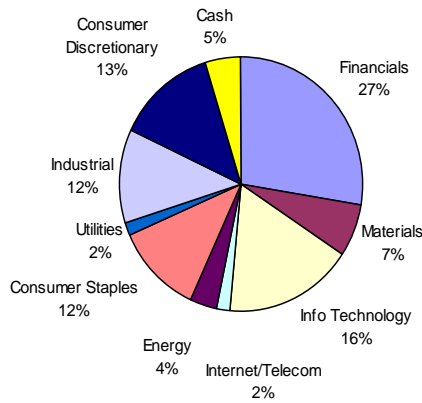
30 October 2009



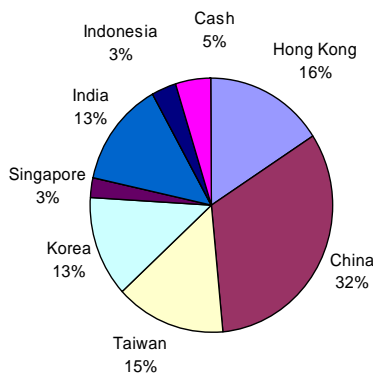
Morningstar Rating™
Source of Star Rating: Morningstar HK

Unit Price
US\$29.10

Sector Weighting



Country Weighting



Fund Details

The investment objective of the Asian Market Leaders Fund is to achieve capital appreciation by investing in the shares of regional Asian companies. The Fund invests its assets in Asia.

Launch date	20/12/1995
Authorisation	SFC ¹ and UCITS approved
Bloomberg Code	HAMAML ID
Dealing	Daily
Investment Advisor	Hamon Asset Mgmt. Ltd.

Important Information:

Investment involves risk. Past performance is not indicative to future performance. The fund may invest in emerging markets, smaller companies and derivative instruments and thus involve higher risk and volatility. Before investing, please refer to the offering document(s) for details, including the risk factors.

The document is issued by Hamon Investment Group and has not been reviewed by the SFC. It is not a recommendation, an offer or invitation to investment. Consult your financial advisor before making any investment decisions.

Fund in figures (NAV to NAV, with dividend reinvested)

Cumulative Performance % in US\$

(NAV in US\$)
Source: BNY Mellon, Bloomberg

	Oct 09	YTD	1 yr	3 yr	5 yr
Asian Market Leaders Fund	-2.81%	82.36%	105.54%	40.07%	118.46%
MSCI Daily TR AC FE ex-Japan ¹	-0.10%	58.49%	65.05%	20.56%	90.70%

1. The Fund has changed its index from MSCI AC FE Free ex-Japan to MSCI Daily TR AC FE ex-Japan Net with effect from 1 January 2007.

Calendar Year Performance % in US\$

	2008	2007	2006	2005
Asian Market Leaders Fund	-60.39%	65.48%	33.92%	20.85%
MSCI Daily TR AC FE ex-Japan ¹	-50.56%	36.49%	31.74%	21.33%

Highlights

- Asian markets rallied for most of the month until concerns regarding the withdrawal of government programs led to profit taking.
- Export figures continue to reflect steady improvements in Asia.
- Improvements in corporate earnings signal better expenditure forecasts.

Fund Review

Asian equities rallied for most of October due to better than expected earnings growth. However, profit taking was seen following signs of possible monetary tightening. The Fund fell 2.8% in October, underperforming the Index, due to interest rate sensitive names in India, Taiwanese and Korean tech holdings and commodity names in Indonesia.

The China/HK markets were the better performers in the region. The Fund's good exposure in China contributed positively to the performance, including property-related names following corrections from the previous month and the new media sector.

The Taiwanese market corrected following concerns over monetary tightening and a MOU delay, leading to profit taking among the financial sector. Nevertheless, Taiwan's economic outlook remains positive, as exports continue to improve on strong demand from China and the MOU is expected to be signed within this year.

Sentiment towards a possible interest rate hike pulled the Kospi down, despite earning results being better than expected. However, the launch of Windows 7 serves as a positive catalyst, benefiting related sectors, including DRAM names in the Fund that are already well positioned to rising demand and a shortness in supply.

India's Central bank increased its statutory liquidity ratio to 25% from 24% to manage rising inflation expectations. The government maintains growth expectations at 6% and the Fund's domestic holdings will continue to benefit in the long term.

Looking forward, the market will be supported by the continuous improvements in earnings growth. The Fund remains positive towards several sectors, including the long-term potential of the "green economy" and has further increased positions in new energy. An imminent economic recovery should also create investment opportunities in several domestic-driven sectors, such as Internet and media advertisement names, on the back of strengthening consumption. Improving cross-strait relations serves as a positive driver for Taiwan. The release of Windows 7 forecasts future CAPEX expenditure for IT upgrades, helping related sectors.

Market Review

CHINA/HK

The Chinese market performed well in October, with the Shanghai and Shenzhen composites rising 7.77% and 11.01% respectively. China's GDP expanded 8.9% during 3Q, its fastest pace of the year. China's PMI expanded at its fastest pace in 18 months.

INDIA

The BSE Sensex fell 4.93% while industrial production grew for the seventh consecutive month, hitting double digit expansion for the first time in almost two years. Government proposed a 5% stake sale in Indian largest power utility company which will relieve concern over the budget deficit and boost spending.

KOREA

The Kospi fell 6.55% in October while the consumer confidence index hit a seven-year high 117. Export orders fell at its slowest pace in almost a year.

TAIWAN

The Taiex fell 3.38%, while export trade and export orders fell at its slowest rate in almost a year due to rising demand from China.