

Selected Asian Portfolio

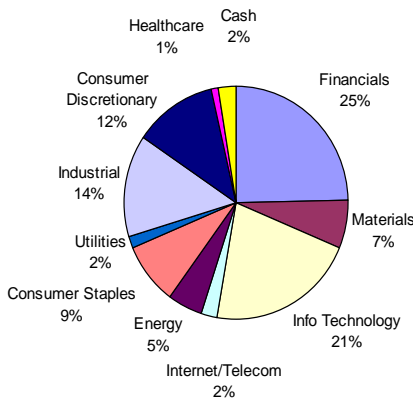
31 August 2009



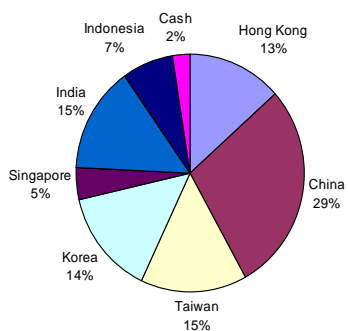
Morningstar Rating™
Source of Star Rating: Morningstar HK

Unit Price
US\$47.91

Sector Weighting



Country Weighting



Fund Details

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

Launch date	22/11/1989
Authorisation	SFC
Bloomberg Code	HAMSAPI HK
Dealing	Every Wednesday
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

	Aug 09	YTD	1 yr	3 yr	5 yr
Selected Asian Portfolio	-3.27%	72.93%	12.64%	46.84%	120.51%
MSCI Daily TR AC FE ex-Japan ¹	-3.51%	46.12%	-2.76%	17.50%	82.76%

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
Selected Asian Portfolio	-58.84%	66.35%	36.27%	19.43%
MSCI Daily TR AC FE ex-Japan ¹	-50.56%	36.49%	31.74%	21.33%

Highlights

- August saw markets correct over worries of gov't exit of stimulus plans.
- Continuous improvement in macro data and earnings revisions for Asian companies after 2Q result announcements.
- We believe this summer correction is healthy and will set a base for future rally.

Fund Review

Investors saw profit taking in Asia, particularly China, following a strong rally in July, as signs of an economic recovery led to speculation of central governments beginning to exit their stimulus efforts. Nevertheless, rebounds in macroeconomic data from the US and better than expected earnings results continued to fuel optimism in Asia.

The Fund fell 3.2% in August, slightly outperforming the benchmark, which fell 3.5%. Chinese property and financial sectors negatively affected the portfolio, while the Fund's Korean tech holdings performed well due to 3Q revised earnings and an increase in DRAM spot price. Low interest rates and export recovery will continue to lift Korea's economy growth and the Fund will maintain its positive stance towards the sector. The Fund's holdings in Indonesia and Singapore also fared well, where commodity prices have become more attractive to combat inflationary threats and there is rising demand from China and India, along with the weakening USD.

The Chinese market suffered the most, due to the rising possibility of central banks decelerating loan growth. Bank loans will likely total between RMB 10-11 trillion for the year. Reversal change or exit of stimulating policy is not expected, but will likely to increase loan transparency.

The Taiwanese market was pressured by the deadly typhoon and political instability this month, yet its economy remains relatively upbeat. The visit of Dalai Lama should not sway the strengthening of cross strait relations in the long term.

The BSE Index ended down 1.6% in August. India welcomed the late monsoon rains, as the BSE Index rallied late in the month, easing speculation over fears of a smaller crop production.

We believe the summer correction across the region is healthy, providing good buying opportunities for long term growth in Asia. Positive data will continue to support Asia's domestic growth, with recovery in the US providing an additional catalyst for Asia's recovery.

Market Review

CHINA/HK

China's PMI expanded for the 6th consecutive month at its fastest pace in 16 months, suggesting the 8% GDP growth is within reach. Shanghai and Shenzhen composites fell 21.8% and 19.1% respectively, the worst performers in Asia.

INDIA

Late monsoon rains were welcomed, as more favorable weather eased concerns over shortages in agricultural production. India's 2Q GDP rose 6.1%, while manufacturing output rose for the 5th straight month.

KOREA

South Korea's consumer confidence index hit 114 in July, the highest reading since September of 2002. A relatively weak Won made Korean products more competitive, as exports exceeded imports for the 6th consecutive month.

TAIWAN

Taiwan's deadly typhoon and political trouble put pressure on the equity market, with the Taiex falling 3.9%. However, there should not be any long-term macroeconomic effects for the market's recovery.