

Selected Asian Portfolio

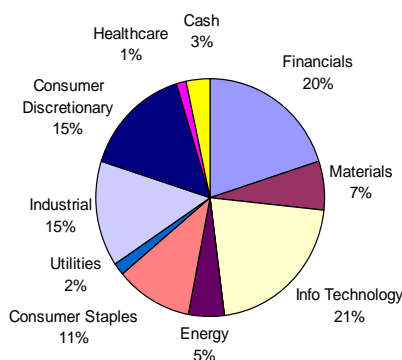
26 February 2010



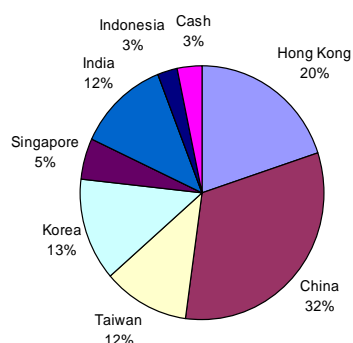
Morningstar Rating™
Source of Star Rating: Morningstar HK

Unit Price
US\$50.02

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

	Feb 10	YTD	1 yr	3 yr	5 yr
Selected Asian Portfolio	0.03%	-5.20%	105.20%	19.32%	83.65%
MSCI Daily TR AC FE ex-Japan ¹	0.40%	-5.76%	79.97%	8.29%	60.95%

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\$

	2009	2008	2007	2006	2005
Selected Asian Portfolio	90.43%	-58.84%	66.35%	36.27%	19.43%
MSCI Daily TR AC FE ex-Japan ¹	68.88%	-50.56%	36.49%	31.74%	21.33%

Highlights

- Asian markets saw some profit-taking over sovereign debt concerns in Europe.
- Inflation remains relatively tame in China.
- A positive Union Budget of India looks to cut fiscal deficit while generating more disposable income and infrastructure spending.
- Earnings results generally positive to support markets.

Fund Review

Asian markets swiftly rebounded following concerns over Europe's sovereign debt crisis and preliminary signals of monetary tightening in Asia. The Fund performance was flat during February, as profit taking was seen across tech names in Korea and Taiwan, while Chinese banks experienced selling pressure amid concerns over capital raising.

Markets are now focusing on the National People's Congress meeting in China to set the political and economic tone for the year. Among key issues, the Central government will institute further initiatives to strengthen rural development and drive domestic consumption, including reforms to expand healthcare coverage.

The release of the better-than-expected Union Budget of India rallied share prices at month end to close the BSE up 0.6%. The Budget report outlined measures to stimulate consumption and infrastructure development to maintain stable economic growth, while reducing the budget deficit to 5.5% next year from its current 6.9% level.

In Taiwan, the Taiex fell 3.1% during the month, as tech names saw selling pressure due to companies squeezing margins by offering higher seasonal wages to offset labour shortages. However Taiwan reported better than expected 4Q09 GDP growth of 9.2% YoY in January, on the back of stronger private consumption growth and better than expected trade figures.

The Bank of Korea left interest rates unchanged during their mid-month meeting. Exports rose from strong demand for semiconductors and flat panels displays to China.

Markets now await the upcoming National People's Congress meeting in March to set the political and economic tone for the year. Earnings results remain inline with analyst's expectations, while better order-book visibility and operating leverage bodes well for tech names. The Union Budget of India also supports a long-term growth catalyst, favouring the Fund's current position in divestment planning and infrastructure spending.

Market Review

CHINA/HK

China's PMI expanded at a moderate pace in February, suggesting signs of good growth and modest inflationary risks. The NPC meetings in March will provide guidance for any upcoming policy changes in China.

INDIA

The market rallied with the Union Budget's plans to reduce the fiscal deficit and create more disposable income for middle class.

KOREA

The Kospi was flat in February. The Bank of Korea kept interest rates at 2% for the 12th consecutive month. Borrowing costs will remain low to support the economy. The currency could strengthen.

TAIWAN

The Taiex fell 3.1% during the month, due to selling pressure in the tech sector and the tightening of Chinese monetary policies.