

Selected Asian Portfolio

30 July 2010



Morningstar Rating™
Source of Star Rating: Morningstar HK

Unit Price
US\$49.23

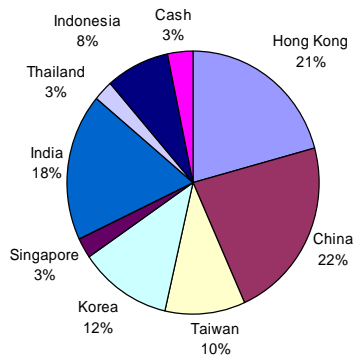
Fund in figures (NAV to NAV, with dividend reinvested)

Cumulative Performance % in US\$

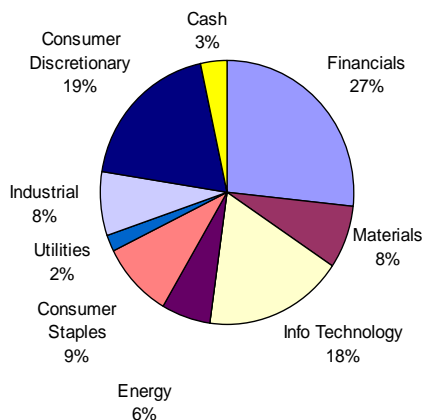
(NAV in US\$)
Source: BNY Mellon, Bloomberg

	Jul 10	YTD	1 yr	3 yr	5 yr
Selected Asian Portfolio	7.59%	-6.68%	-0.59%	-13.68%	78.58%
MSCI Daily TR AC FE ex-Japan ¹	6.45%	1.69%	13.40%	-7.77%	64.98%

Sector Weighting



Country Weighting



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 equities rose in July, as better than expected earnings announcements and waning nervousness over the European debt crisis rallied share prices.
- Asian markets are expected to maintain a steady climb during the second half of the year, due to better liquidity and macro indicators providing better clarity for investors.

Fund Review

Asian markets closed higher in July, on the back of better than expected earnings results and policy relaxation in China. The Fund rose 7.6% during the month, outperforming the benchmark, which rose 6.5%. The outperformance was led by positive returns in construction materials, property developers and domestic retailers. Securities that had underperformed during 1H10 rebounded, contributing positively to the Fund's performance.

Beijing continues to promote reforms to rebalance the country's economic engines. China's GDP expanded 10.3% YoY in 2Q, a moderate drop from the previous quarter. The People's Bank of China and the Hong Kong Monetary Authority also reached a supplementary memorandum of cooperation to offer basic RMB accounts and more yuan-denominated financial products to be developed in Hong Kong. The announcement further internationalises the RMB while strengthening Hong Kong as the premier offshore RMB market.

Macro indicators continued to signal a growing economy, with May's industrial production expanding 11.5%, the 8th consecutive month of double-digit growth. Investor confidence improved during July and the BSE index rallied to near a two-year high.

The Korean Kospi closed 7.0% higher over the month, while the economy expanded 7.2% YoY during the second quarter. The economic reading was driven by a boost in manufacturing and robust export figures, lending support to the view that the central bank may raise interest rates again to curb inflation.

Cross-strait relations continue to improve between Taiwan and China, after the mainland authorized BOC Hong Kong to offer yuan cash settlement services to Taiwan banks. Strong demand for electronic products and smart phones remains a positive catalyst for Taiwan's growth, although overseas shipments have begun to slightly taper off.

Risk appetite appears to have improved, as sentiment believes that China's serious efforts to tighten lending have peaked. The Fund continues to hold strong conviction in long-term plays including urbanisation, as well as metals, hospitality, and software names.

Market Review

CHINA/HK

China's equity market rebounded as investors bet that further tightening measures from the government were unlikely. The Shanghai composite rose 10.1% during the month.

INDIA

The RBI raised its interest rate for the fourth time since March. Higher interest rates will likely continue to be used to combat the economy's rising inflation, which is being driven by higher income growth and a surging domestic economy.

KOREA

Korea's GDP jumped 7.2% during the second quarter from a year ago, driven by a boost in manufacturing and robust export figures. During the month, the Bank of Korea also joined other Asian countries to raise its interest rates amid rising inflationary pressure.

TAIWAN

Cross-strait relations with China continue to improve after the mainland authorized BOC Hong Kong to offer yuan cash settlement services to Taiwanese banks.

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Fund Details

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

Manager	Hamon Asset Mgmt. Ltd.
Fund Manager	Hugh Simon
Launch date	22/11/1989
Authorisation	SFC approved
Bloomberg Code	HAMSAPI HK
Dealing	Every Wednesday
Subscriptions	Before 4pm (Hong Kong time) on the relevant Dealing Day
Redemptions	Before 4pm (Hong Kong time) on the relevant Dealing Day
Minimum Initial Investment	US\$5,000
Base Currency	USD
Share class	US dollar
Financial Year End	September

Important Information:

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Investment involves risk. Past performance is not indicative to future performance. The value of investments and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. 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. Portfolio holdings are subject to change at any time without notice. This information is provided for illustrative purposes only and should not be construed as a recommendation to purchase or sell any security.

Changes in the rates of exchange may affect the value of investments. Certain portfolios can invest in overseas securities which may also generate profits overseas and pay dividends in foreign currencies, which means that they may be exposed to changes in currency rates.