

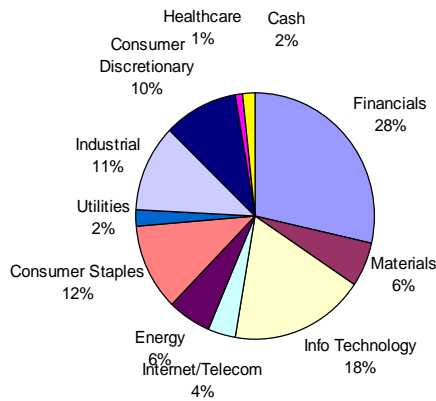
# Selected Asian Portfolio

## 30 June 2009

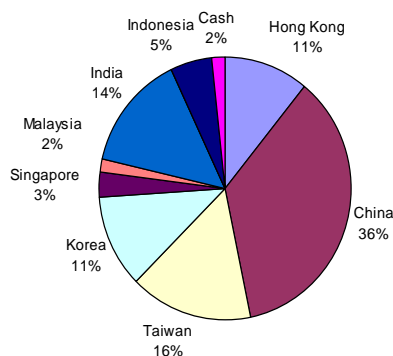
★★★  
Morningstar Rating™  
Source of Star Rating: Morningstar HK

Unit Price  
US\$43.98

### 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)

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

	Jun 09	YTD	1 yr	3 yr	5 yr
<b>Selected Asian Portfolio</b>	<b>0.26%</b>	<b>58.74%</b>	<b>-8.78%</b>	<b>34.74%</b>	<b>106.26%</b>
MSCI Daily TR AC FE ex-Japan <sup>1</sup>	-0.26%	33.42%	-19.25%	10.53%	70.79%

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

### Highlights

- The Asian equity markets were mostly flat in June.
- Improved economic data can be seen in China.
- Union Budget of India should boost growth in July

### Fund Review

The equity markets took a breather and finished mostly flat throughout the month of June. Crude oil climbed 4.61% to close at \$70.84 USD per barrel following militant attacks in the Nigerian oil facilities. The Selected Asian Portfolio finished the month rising 0.3%, outperforming the MSCI index slightly, which fell 0.3%. The Chinese market continued to perform well, supported by improved economic data. The Fund's property stocks and B share exposure contributed positively to the outperformance.

India continues to be a major driver for the Fund despite consolidation before the month's end. The Union Budget of India will likely allocate more money toward education, health care and job creation in the agricultural sector, which employs 60% of the country's population of more than a billion.

Taiwan's economy shows 2H09 growth potential on warming cross-strait relation with China, as the Island plans to open up 64 sectors in manufacturing, 25 in services and 11 public infrastructure projects to Chinese investors.

Indonesia's JCI index gained 6.59% in USD terms in June despite a consolidation in the regional markets. Looser monetary restrictions and lower mortgage rate should benefit property and banking sectors, while moderate inflation should be welcomed by consumers.

Looking ahead to 3Q09, we expect the economy to continue its recovery path. In Asia, China and India will lead the recovery by strong domestic consumption and infrastructure spending. These measures will support commodity prices, thus benefiting commodity rich countries such as Indonesia. Besides China, India, and Indonesia, we remain positive in Taiwan on warming cross-strait developments with the Mainland.

### Market Review

#### CHINA/HK

The World Bank raised its forecast for China's economic growth to 7.2%, acknowledging the country's stimulus boost is working. China's fourth consecutive 50 plus PMI score reflects gains in new business and improvements in economic sentiment. Chinese banks in HK rallied after the announcement of the RMB settlement scheme.

#### INDIA

Re-elected Prime Minister Singh and the Union Budget of India in July should act a catalyst of economic growth, allowing Dr. Singh to pursue economic reform without relying on the support of opposition.

#### KOREA

The Kospi fell 1.8% in the month of June, as foreigners remain net buyers, supported by a cheaper Won which depreciated 2.87% in June. Market awaiting for 1H earnings and 3Q guidance.

#### TAIWAN

The Taiex fell 7.2% in June, but gained 27.6% during 2Q09 on speculation that warming cross-strait relations with China will aid the economy. MOU between China and Taiwan is expected to be signed in 3Q09.