

Selected Asian Portfolio

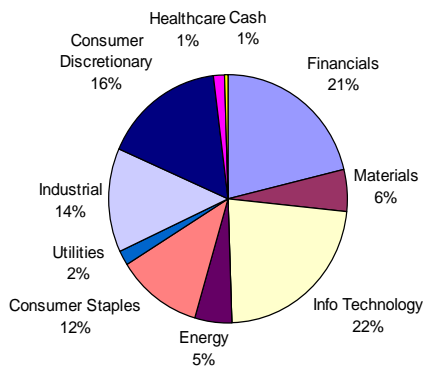
31 March 2010



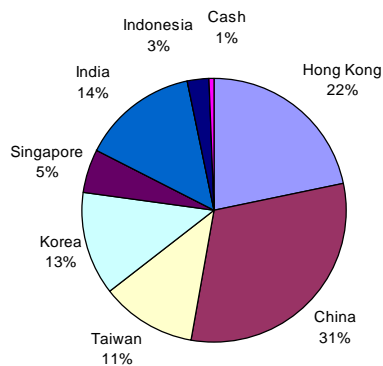
Morningstar Rating™
Source of Star Rating: Morningstar HK

Unit Price
US\$51.91

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

	Mar 10	YTD	1 yr	3 yr	5 yr
Selected Asian Portfolio	3.79%	-1.60%	83.48%	18.36%	99.06%
MSCI Daily TR AC FE ex-Japan ¹	6.99%	0.82%	68.95%	13.39%	80.68%

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 recovered in March after profit-taking.
- The current drought in Southwest China should have minimal impact to national food prices.
- Taiwan unveiled new guidelines to permit Chinese financials to invest into the island.

Fund Review

Asian markets recovered in March after a relatively weak performance during the first two months of the year. The Fund rallied 3.8%, underperforming the benchmark return of 7.0%, due to a modest correction in the Fund's US-listed Chinese companies and Indian related stocks. Nevertheless, a strong recovery was seen among tech names, particularly in DRAM and LED, while China/HK property and retail holdings have also rebounded.

In China, despite decent earnings growth announcements, the market was concerned over a possible US/China trade war, the rise of raw material prices and wages and overall inflation due to increases in food prices. The RMB debate between China and the US has reignited, which is expected to benefit B-shares due to opening of the capital account.

Aiming to achieve 9% GDP target for India's economy, the Finance Minister has offered several plans of action to increase domestic consumption in additional to rate cuts in personal taxation. The RBI also raised interest rates by 0.25% in a move to normalise monetary policies.

The Taiwanese market rose as sentiment turned positive following a stronger than expected US economy, decent Apple iPad pre-sales and a new round of ECFA negotiations. In Korea, the Kospi also finished higher, driven by continued demand from a global recovery.

During the month, the Fund rotated out from container shipping names and into regional bulk areas where prices are still trading at undemanding valuations. The Fund also increased its exposure in niche manufacturers, driven by expanding domestic China sales and a recovery in the West.

The upcoming ECFA negotiations and new product launch will serve as strong catalysts for the Taiwanese market. We remain confident towards our current holdings, particularly those sectors facing an over-demand, under-supply imbalance. We expect the Asian markets will continue to fare well on the back of good earnings announcements.

Market Review

CHINA/HK

The Chinese market performed less well compared to the region, with the Shanghai and Shenzhen composites up 1.9% and 3.3% respectively. The drought in Southwest China should have limited impact to the economy.

INDIA

During the Conference on Building Infrastructure: Challenges and Opportunities in New Delhi, the Indian government plans to raise infrastructure investment to US\$1trn over the next 5 years, during the 12th-Five Year Plan.

KOREA

The Kospi rallied in March as the Bank of Korea kept interest rates at 2% for the 12th consecutive month. Korea is also expected to be upgraded to developed market status by stock index provider MSCI this year.

TAIWAN

Exports expanded for the fourth straight month in February, fuelled by strong demand from China during the Lunar New Year holidays and the launch of new products including the Apple iPad.