



## Pangolin Asia Fund November 2022 NAV

As at the 30<sup>th</sup> November 2022 the NAV of the Class A shares of the Pangolin Asia Fund was US\$552.46 net of all fees and expenses, up 4.68% from US\$527.78 in October

As of today, the fund is about 97% invested, with the split being approximately as follows:

Singapore	8%
Malaysia	23%
Indonesia	69%

We don't disclose our names but some details are always available to investors (and those wishing to become investors) on request.

### Overview

To put things into some perspective, please see the tables below.

Return (in local currencies, except MSCI)									
Period	DOW	S&P 500	NASDAQ	JSE	KLSE	STI	MSCI Asia ex JP	MSCI-ASEAN	PAF
Nov-22	5.67%	5.38%	4.37%	-0.25%	1.95%	6.38%	18.69%	8.37%	4.68%
YTD 2022	-4.81%	-14.39%	-26.70%	7.59%	-5.02%	5.34%	-21.24%	-6.78%	-7.68%

Return (in USD)									
Period	DOW	S&P 500	NASDAQ	JSE	KLSE	STI	MSCI Asia ex JP	MSCI-ASEAN	PAF
Nov-22	5.67%	5.38%	4.37%	-1.10%	8.41%	10.69%	18.69%	8.37%	4.68%
YTD 2022	-4.81%	-14.39%	-26.70%	-2.45%	-10.99%	4.38%	-21.24%	-6.78%	-7.68%

% Change in Currency Vs USD			
Month	MYR	SGD	IDR
Nov-22	6.34%	4.05%	-0.85%
YTD 2022	-6.29%	-0.91%	-9.34%

This is always the part of the letter I find hardest, given that most months we do very little dealing. We've started to take the top off one of our holdings in recent weeks, whenever we've been bid for it. It's a small company which has performed so well it's probably sensible to limit it as a percentage of the fund. And that's all I'll say about it - other than it has a net cash balance sheet, a PE of around 6x and a dividend yield of 12%.

Our forecast dividend yield, weighted across the portfolio, is around 5%. This is the highest it's been since 2009. Another indicator of how cheap our companies are.

Malaysia has a new Government, led by Anwar Ibrahim. There is a lot of hope and expectation that he will stem corruption, government excess and institutional racism plus fix all that needs fixing. There's certainly a lot of low-lying fruit, but whether anything will really change remains to be seen. That he's in coalition with the old lot, who some might blame for all the current ills, doesn't necessarily augur well. We wish him luck. The Ringgit appreciated post-election and the stock market has many excellent companies trading below 10x earnings. If he has the fight to really make change happen, then this under-owned and unloved market might actually attract attention again.

The other story is recent USD weakness, something which is totally beyond our control. We don't hedge or try to guess which way things are likely to move, so we can take no credit if the fund looks better because of it. Our focus remains purely on investing in undervalued companies with the hope that subsequent share price performance will outweigh what has been, for the last eighteen years, a one-way street of dollar strength.



## Outlook

December the 1<sup>st</sup> was the fund's 18<sup>th</sup> birthday. We're grown-ups now. Yet a conversation with me or Vinchel today about the investment opportunity will not have changed much since December 2004.

In 1994, bored with sober afternoons, I founded the Kuala Lumpur Expatriate Christmas Lunch. At our zenith in the 1990s we had around 20 expat brokers. At last week's lunch, we had only one current broker (Steve Hagger) who has since retired! The rest of us are all ex-brokers. Malaysia has gone from a country with 20 expat brokers to zero and its regional index weighting from 24% to 1%.

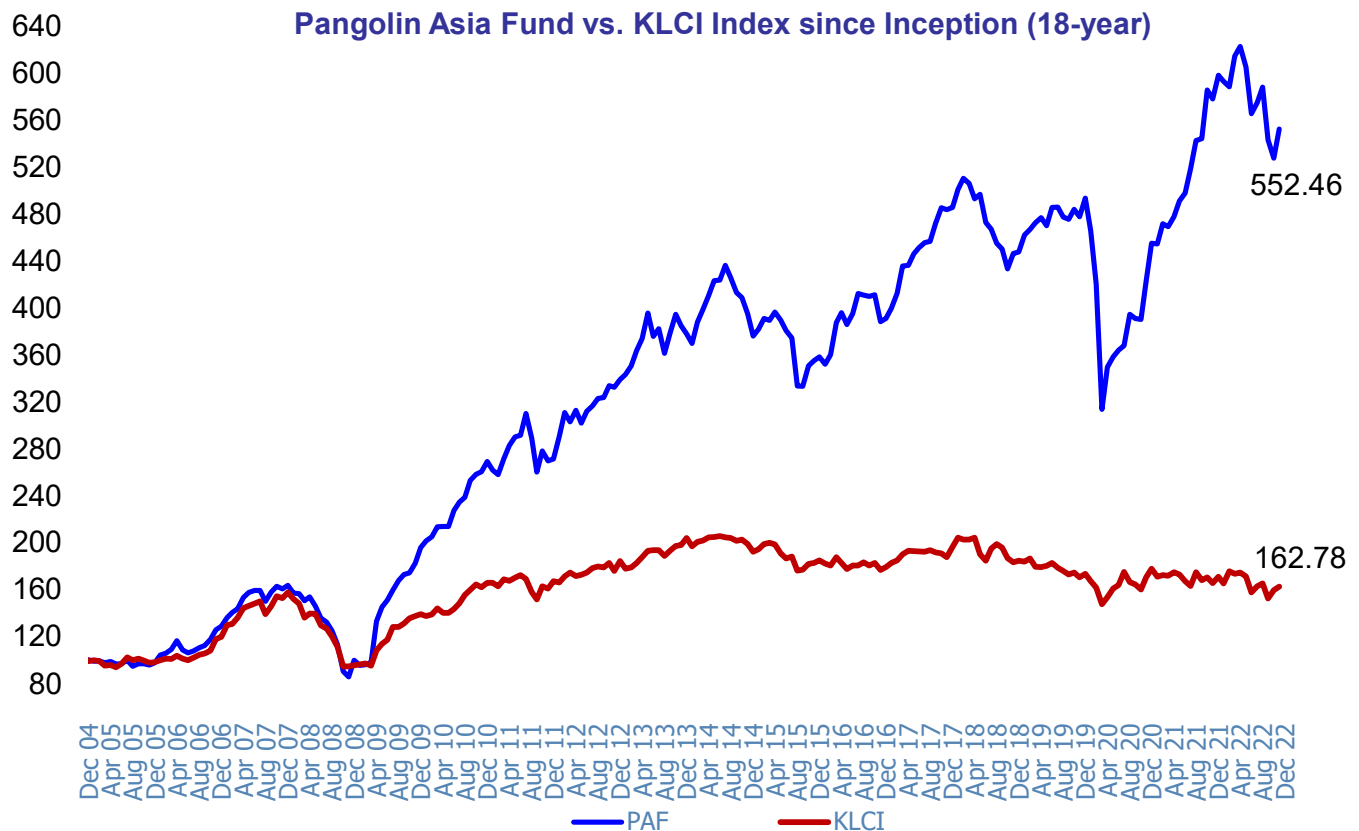
As most of you know, I've been banging on about the value here for years. I'm often asked what will be the catalyst to get things moving? Well, Anwar might provide the spark. Don't expect to see the initial buying from overseas investors. Look at DDI as closely as FDI. And whether the locals resume buying properties in KL again and start encouraging their offspring to return from overseas after completing their degrees. These things will signify a change in domestic confidence. That should translate into more local investing in the stock market. And once it starts moving, then we can assume that foreign funds will follow.

In the meantime, owning decent companies has provided reasonable returns despite a badly performing overall market. It would make sense to continue with this. There's unlikely to be less investor interest. And being invested before others arrive doesn't seem such a bad idea.

Merry Christmas,

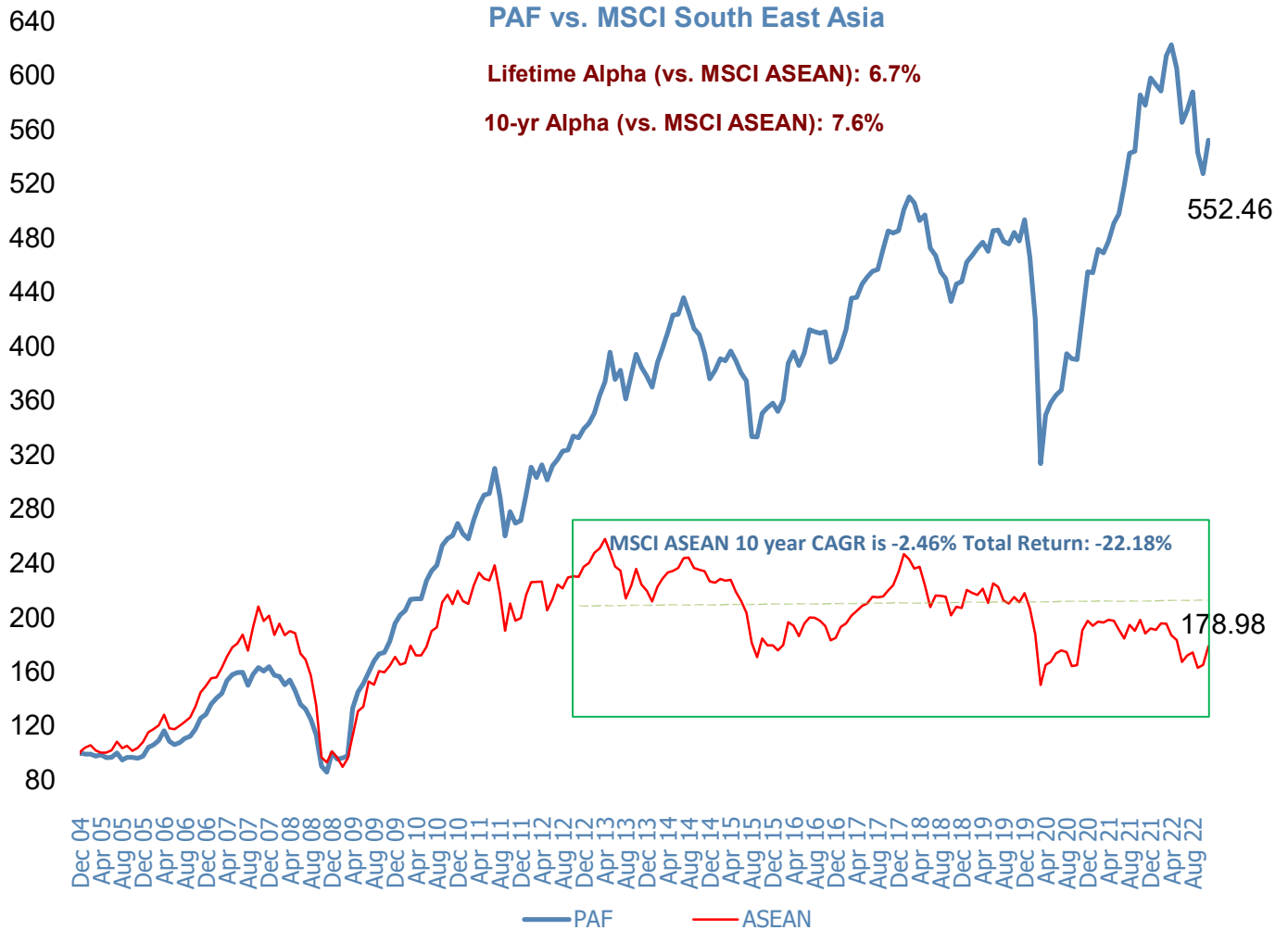
James Hay

7<sup>th</sup> December 2022





Eighteen years track record and annualised return of 10%





Year	Details	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	NAV	593.29	588.82	614.73	622.83	605.35	565.54	574.94	588.17	543.35	527.78	552.46		-7.68%
	% chg	-0.86%	-0.75%	4.40%	1.32%	-2.81%	-6.58%	1.66%	2.30%	-7.62%	-2.87%	4.68%		
2021	NAV	454.64	471.89	469.26	477.70	491.07	497.99	518.78	542.88	544.24	585.87	578.32	598.45	31.44%
	% chg	-0.15%	3.79%	-0.56%	1.80%	2.80%	1.41%	4.17%	4.65%	0.25%	7.65%	-1.29%	3.48%	
2020	NAV	465.73	420.43	313.82	349.63	358.55	364.26	367.99	394.82	391.21	390.47	422.87	455.32	-7.80%
	% chg	-5.69%	-9.73%	-25.36%	11.41%	2.55%	1.59%	1.02%	7.29%	-0.91%	-0.19%	8.30%	7.67%	
2019	NAV	462.51	467.10	472.67	477.00	470.36	485.78	486.12	477.67	475.87	484.37	477.85	493.85	10.21%
	% chg	3.21%	0.99%	1.19%	0.92%	-1.39%	3.28%	0.07%	-1.74%	-0.38%	1.79%	-1.35%	3.35%	
2018	NAV	501.11	510.62	506.32	493.22	497.19	472.82	467.29	455.31	450.29	433.40	446.46	448.11	-7.76%
	% chg	3.15%	1.90%	-0.84%	-2.59%	0.80%	-4.90%	-1.17%	-2.56%	-1.10%	-3.75%	3.01%	0.37%	
2017	NAV	400.08	412.81	435.93	436.54	446.18	451.43	455.76	457.12	472.10	485.61	483.86	485.79	24.18%
	% chg	2.27%	3.18%	5.60%	0.14%	2.21%	1.18%	0.96%	0.30%	3.28%	2.86%	-0.36%	0.40%	
2016	NAV	352.31	360.43	387.79	396.17	386.04	395.41	412.53	411.2	410.02	411.25	388.48	391.19	9.16%
	% chg	-1.69%	2.30%	7.59%	2.16%	-2.56%	2.43%	4.33%	-0.32%	-0.29%	0.30%	-5.54%	0.70%	
2015	NAV	382.31	391.18	389.48	396.82	389.67	380.77	374.61	333.73	333.52	350.84	355.19	358.38	-4.76%
	% chg	1.60%	2.32%	-0.43%	1.88%	-1.80%	-2.28%	-1.62%	-10.91%	-0.06%	5.19%	1.24%	0.90%	
2014	NAV	370.08	388.25	398.79	410.89	423.38	423.84	436.37	425.85	413.36	408.97	395.23	376.28	-0.52%
	% chg	-2.16%	4.91%	2.71%	3.03%	3.04%	0.11%	2.96%	-2.41%	-2.93%	-1.06%	-3.36%	-4.79%	
2013	NAV	343.47	350.86	364.04	374.14	395.94	375.98	382.69	361.54	378.56	394.53	384.87	378.24	11.48%
	% chg	1.23%	2.15%	3.76%	2.77%	5.83%	-5.04%	1.78%	-5.53%	4.71%	4.22%	-2.45%	-1.72%	
2012	NAV	290.78	311.15	303.35	313.01	301.88	312.18	316.87	323.01	323.75	334.08	332.63	339.29	24.85%
	% chg	7.00%	7.01%	-2.51%	3.18%	-3.56%	3.41%	1.50%	1.94%	0.23%	3.19%	-0.43%	2.00%	
2011	NAV	261.86	258.03	271.83	283.00	290.51	291.75	310.23	289.05	260.46	278.31	269.95	271.75	0.85%
	% chg	-2.82%	-1.46%	5.35%	4.11%	2.65%	0.43%	6.33%	-6.83%	-9.89%	6.85%	-3.00%	0.67%	
2010	NAV	201.91	205.09	213.68	227.44	213.93	227.45	234.62	238.78	253.28	258.37	260.53	269.47	37.58%
	% chg	3.08%	1.57%	4.19%	6.44%	-5.94%	6.32%	3.15%	1.77%	6.07%	2.01%	0.84%	3.43%	
2009	NAV	95.67	96.38	98.12	133.22	145.25	151.32	159.71	167.99	173.21	174.49	182.60	195.87	95.34%
	% chg	-4.59%	0.74%	1.81%	35.77%	9.03%	4.18%	5.54%	5.18%	3.11%	0.74%	4.65%	7.27%	
2008	NAV	157.49	156.55	150.63	154.03	146.18	136.23	132.58	125.09	113.55	90.36	85.98	100.27	-38.81%
	% chg	-3.89%	-0.60%	-3.78%	2.26%	-5.10%	-6.81%	-2.68%	-5.65%	-9.23%	-20.42%	-4.85%	16.62%	
2007	NAV	136.43	140.75	144.17	153.68	157.90	159.36	159.56	150.23	158.13	163.17	160.72	163.86	27.19%
	% chg	5.90%	3.17%	2.43%	6.60%	2.75%	0.92%	0.13%	-5.85%	5.26%	3.19%	-1.50%	1.95%	
2006	NAV	104.53	106.09	109.42	116.62	108.82	106.34	107.96	110.76	112.41	117.94	125.81	128.83	31.74%
	% chg	6.89%	1.49%	3.14%	6.58%	-6.69%	-2.28%	1.52%	2.59%	1.49%	4.92%	6.67%	2.40%	
2005	NAV	99.24	99.37	97.77	98.86	96.77	97.05	100.14	94.90	96.99	97.05	96.14	97.79	-2.57%
	% chg	-1.13%	0.13%	-1.61%	1.11%	-2.11%	0.29%	3.18%	-5.23%	2.20%	0.06%	-0.94%	1.72%	
2004	NAV	-	-	-	-	-	-	-	-	-	-	-	100.37	
	% chg	-	-	-	-	-	-	-	-	-	-	-	0.37%	

**Best monthly return** 35.77%  
**Worst monthly return** -25.36%  
**Maximum drawdown** -47.53%  
**% of positive months** 64.81%  
**Annualised return** 9.96%



## By Sector

