



Pangolin Asia Fund July 2016 NAV

As at the 29th July 2016 the NAV of the Class A shares of the Pangolin Asia Fund was US\$412.53 net of all fees and expenses, up 4.33% from US\$395.41 in June.

Please see the table at the end of this letter for further detail.

As of today, the fund is about 90% invested with the split being approximately as follows:

Singapore	14%
Malaysia	34%
Indonesia	32%
Thailand	20%

We don't disclose our names but some details are always available to investors on request.

Overview

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

Return (in local currencies, except MSCI Asia Ex-Japan)									
Period	DOW	S&P 500	JSE	KLSE	STI	SET	MSCI ex JP	MSCI-ASEAN	PAF
July 2016	2.8%	3.6%	4.0%	-0.1%	1.0%	5.5%	4.6%	2.4%	4.3%
YTD 2016	5.8%	6.3%	13.6%	-2.3%	-0.5%	18.3%	5.4%	11.5%	15.1%

Return (in USD)									
Period	DOW	S&P 500	JSE	KLSE	STI	SET	MSCI ex JP	MSCI-ASEAN	PAF
July 2016	2.8%	3.6%	4.9%	-1.0%	1.2%	6.4%	4.6%	2.4%	4.3%
YTD 2016	5.8%	6.3%	19.5%	3.0%	5.1%	22.3%	5.4%	11.5%	15.1%

% Change in Currency Vs USD				
Month	MYR	SGD	IDR	THB
July 2016	-0.9%	0.6%	0.7%	1.0%
YTD 2016	5.6%	5.9%	5.2%	3.6%

One of our newer Malaysia holdings has soared in the past month. One of our maxims is “never confuse politics with investing”. 1MDB gets worse and worse (for more read the excellent Guardian article on the subject at https://www.theguardian.com/world/2016/jul/28/1mdb-inside-story-worlds-biggest-financial-scandal-malaysia?CMP=Share_AndroidApp_WhatsApp) but we have made more money in Malaysia than anywhere else this year. It might have horrible politicians and slowing GDP growth, but the valuations more than make up for it.

Outlook

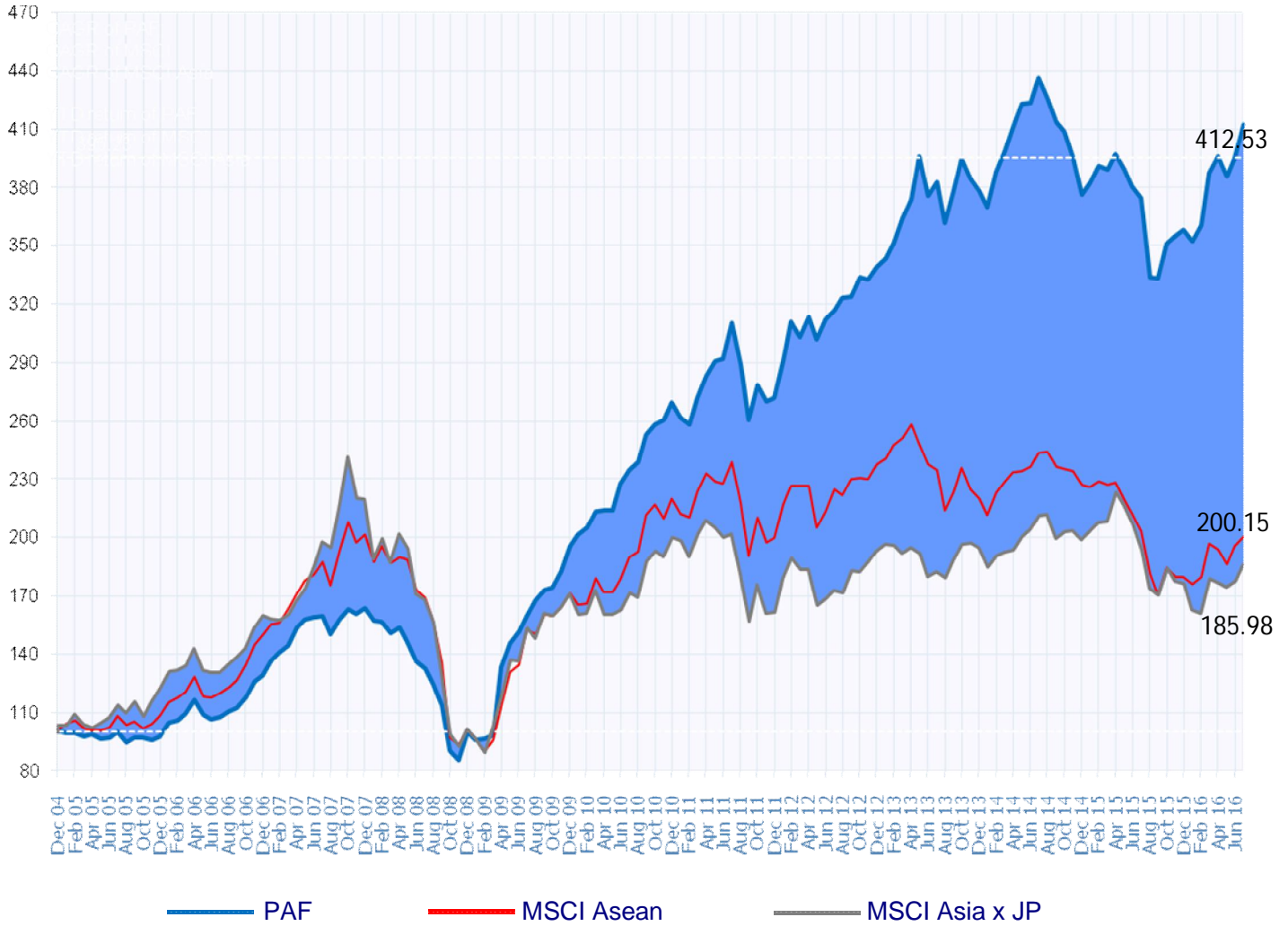
I'm on holiday so you're not getting a proper newsletter this month (I wouldn't mind a few book recommendations please). Someone asked me for our performance against our relevant benchmark. As you know, we don't invest with an eye on any benchmark; we just buy what we think is undervalued and keep it.

The below chart shows our performance relative to MSCI ASEAN and Asia ex-Japan. Use this information as you see fit but please don't start asking why we under- or outperformed in any year or anything. The only thing I'll add is that we did underperform in the rip-roaring bull market to 2007, but then in that kind of market we are unlikely to be in the “hot stuff”.



All our numbers since inception are below. If you want relative performance against anything else, please chart it yourself.

PAF vs MSCI South East Asia





	MSCI ex JP	MSCI ASEAN	PAF
YTD 2005	19.3%	7.1%	-2.6%
YTD 2006	30.1%	38.0%	31.7%
YTD 2007	37.1%	34.7%	27.2%
YTD 2008	-53.6%	-49.7%	-38.8%
YTD 2009	68.3%	68.8%	95.3%
YTD 2010	17.0%	28.3%	37.6%
YTD 2011	-19.2%	-9.1%	0.8%
YTD 2012	19.4%	19.0%	24.9%
YTD 2013	0.7%	-7.5%	11.5%
YTD 2014	4.6%	6.6%	-0.5%
YTD 2015	-11.3%	-20.8%	-4.8%
YTD 2016	5.4%	11.5%	15.1%

3yr CAGR	0.6%	-5.2%	2.5%
5yr CAGR	-1.6%	-3.5%	5.9%
Annualized	5.5%	6.1%	12.9%

Since Inception 2004

Amazing what difference an extra 6% annualised makes.

Conclusion: don't invest in indices.

James Hay
9th August 2016

I don't like to discuss stocks publicly but I am always happy to talk to existing investors and those interested in investing. The Pangolin Asia Fund is most suitable for investors who are happy when markets falling. Remember, markets can go up as well as down.



Year	Details	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2016	NAV	352.31	360.43	387.79	396.17	386.04	395.41	412.53						15.11%
	% chg	-1.69%	2.30%	7.59%	2.16%	-2.56%	2.43%	4.33%						
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 -20.42%
Maximum drawdown -47.53%
% of positive months 66.43%
Annualised return 12.92%

By Sector

