



Pangolin Asia Fund April 2016 NAV

As at the 29th of April 2016 the NAV of the Class A shares of the Pangolin Asia Fund was US\$396.17 net of all fees and expenses, up 2.16% from US\$387.79 in March.

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	15%
Malaysia	31%
Indonesia	32%
Thailand	22%

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

Overview

To put the month 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	PAF
Apr 2016	0.5%	0.3%	-0.1%	-2.6%	-0.1%	-0.2%	-1.0%	2.2%
YTD 2016	2.0%	1.0%	5.3%	-1.2%	-1.5%	9.1%	0.5%	10.5%
12 months	-0.4%	-1.0%	-4.9%	-8.0%	-18.6%	-8.0%	-20.5%	-0.2%

Return (in USD)								
Period	DOW	S&P 500	JSE	KLSE	STI	SET	MSCI ex JP	PAF
Apr 2016	0.5%	0.3%	0.4%	-2.7%	0.1%	0.5%	-1.0%	2.2%
YTD 2016	2.0%	1.0%	10.1%	8.6%	3.9%	12.3%	0.5%	10.5%
12 months	-0.4%	-1.0%	-6.5%	-16.1%	-19.8%	-13.2%	-20.5%	-0.2%

% Change in Currency Vs USD				
Month	MYR	SGD	IDR	THB
Apr 2016	-0.1%	0.3%	0.4%	0.6%
YTD 2016	10.0%	5.5%	4.6%	3.2%
12 months	-8.7%	-1.5%	-1.6%	-5.4%

Outlook

If we own good businesses in a fast growing part of the world, the outlook should remain favourable.

As mentioned on the cover, I have persuaded Dr Chong Ju Lian to write an article on the Malayan pangolin. Please see below.

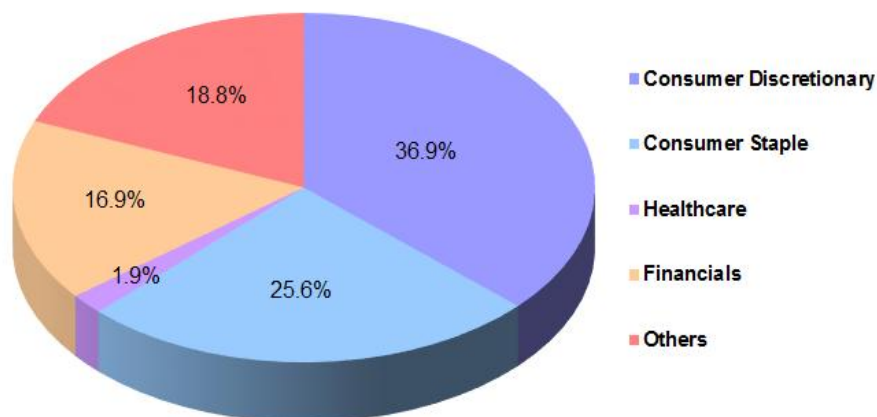
James Hay
9th May 2016



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									10.54%
	% chg	-1.69%	2.30%	7.59%	2.16%									
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 66.42%
Annualised return 12.82%

By Sector





The Fascinating Malayan Pangolin

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Due to its unique physical appearance, the Pangolin or the Scaly Anteater has been variously described as a walking pine cone, a reptile and even as a prehistoric dinosaur. This is since the upper parts of the pangolin are covered by *scutes* or sharp scales, and interestingly, it is the only mammal in the world to have scales.

The word 'Pangolin' is believed to be derived from the Malay word 'Pen Gulling', 'Gulling' or 'Penguling' which means rolling ball, and refers to its ability to roll itself into a ball when threatened. The pangolin is of the Order Pholidota, under a single family, Manidae and has evolved into eight extant unique species namely the Thick-tailed Pangolin (*Manis crassicaudata*), the Philippine Pangolin (*M. culionensis*), the Sunda / Malayan Pangolin (*M. javanica*), the Chinese Pangolin (*M. pentadactyla*), the African White-bellied Pangolin (*Phataginus tricuspis*), the Giant Ground Pangolin (*Smutsia gigantea*), the Temminck's Ground Pangolin (*Smutsia temminckii*) and the Black-bellied Pangolin (*Uromanis tetradactyla*).

Worldwide, the eight extant pangolin species roams only two continents namely Africa and Asia. Four species are found in Africa namely the African White-bellied Pangolin (*Phataginus tricuspis*), the Giant Ground Pangolin (*Smutsia gigantea*), the Temminck's Ground Pangolin (*Smutsia temminckii*) and the Black-bellied Pangolin (*Uromanis tetradactyla*) while Asiatic pangolin species consists of the Malayan Pangolin or Sunda Pangolin (*Manis javanica*), Thick-tailed Pangolin or Indian Pangolin (*Manis crassicaudata*), Palawan Pangolin (*Manis Culionensis*), and the Chinese Pangolin (*Manis pentadactyla*).

The Malayan Pangolin or Sunda Pangolin (*Manis javanica* Desmarest) is found in South-East Asian countries namely Malaysia (Peninsular Malaysia and Borneo), Indonesia, Thailand, Singapore, Vietnam, Laos PDR, Brunei and Cambodia. This species is known to inhabit various habitats such as primary and secondary forest, rubber and oil palm plantation, and orchards, and also has been recorded from sea level up to 1700m on Mount Kinabalu, Malaysia.

The Malayan pangolin is the only pangolin species found in Malaysia and Singapore. Akin to other pangolin species, this armadillo-like fauna exclusively feed on ants and termites, and can consume some 20,000 ants per night, which highlights the pangolin's important ecological role as a pest control and a main player in the nutrient cycle. Locally known as Tenggiling, the species shares unique physical features with other pangolin species such as overlapping thick and sharp scales on its body to protect it from predators such as tigers, pythons, and the clouded leopard, a conical-shaped head with long snout, small eyes protected by thick eyelids, slender mouth which lack teeth, a long and sticky tongue to collect prey which are ants and termites, sharp and powerful fore-feet claws which are used to tear apart and penetrate ant nests and termite mounds, climbing trees and excavating holes; a prehensile tail and a specialized stomach for grinding food.

The Malayan Pangolin is a nocturnal animal and is inactive during daytime. It generally leads a solitary life in various habitats; namely forest, orchards, oil palm and rubber plantation, and even near human settlements. For the Malayan Pangolin, its den may consists of various underground burrows, tree hollows, tree branches and even cavities in rocks. Its nocturnal, secretive and solitary behaviour means this species is rarely encountered by humans.

Due to illegal poaching and habitat loss, the Malayan pangolin is in peril and have been classified as endangered species and as a totally protected species in Malaysia. In addition, a consistent and an increasingly high international demand for virtually all the Malayan pangolin body parts for traditional medicine and as exotic fare on the black market fuels the ever-increasing illegal poaching of pangolins in Malaysia. Furthermore, pangolins do not survive well in captivity.



PANGOLIN INVESTMENT MANAGEMENT

According to the International Union for Conservation of Nature and Natural Resources (IUCN), the Malayan Pangolin is classified as an endangered species as its population is decreasing worldwide. Studies have shown that the populations are decreasing due to destruction of habitat, illegal poaching due to lack of awareness among local people and illegal trading to fulfil high demand of the international market particularly in China, low fecundity rate and their reclusive behaviour. This is despite its unworldly appearance, the species is consumed as a special delicacy and exotic food especially in China and Vietnam. Additionally, most consumers were influenced by the superstitious belief that the pangolin meat, scales, blood and skin have potential to cure illness such as amenorrhea, rheumatism, arthralgia, asthma and others.

In recent years, the scenario has worsened and urgent conservation efforts are needed. Despite rapid declining rates of pangolin populations worldwide especially in Asian countries, there is not much population and ecology research conducted on these species. Few studies of the Malayan pangolin have been carried out because of the difficulty of finding and observing the species. It is mostly nocturnal, sparsely distributed and only rarely seen by humans. With insufficient data on the Malayan pangolin, conservation efforts are narrow and limited. Most of the efforts are focused only on law enforcement. Consequently, the conservation programs are challenging and somehow fruitless due to very limited and sparse information regarding the species. Without immediate and proper action, this unique fauna might be extinct in the near future.

The Malayan pangolin (Photo credits: Chong Ju Lian)



A rolled up pangolin (Photo credits: Chong Ju Lian)





A pangolin den in a hollow log (Photo credits: Muhammad Hafiz)



A Malayan pangolin den in living tree hollow



Expert climber (Photo credits: Chong Ju Lian)





A new born pangolin (Photo credits: Muhammad Hafiz)



A pangolin encountered in the secondary forest (Photo credits: Muhammad Hafiz)





Wrapped pangolin (Photo credits: Chong Ju Lian)



Confiscated pangolin (Photo credits: Muhammad Hafiz)

