



# Pangolin Investment Management

## Pangolin Asia Fund March 2013 NAV

As at the 29<sup>th</sup> of March 2013 the NAV of the Class A shares of the Pangolin Asia Fund was US\$364.05 net of all fees and expenses, up 3.76% from US\$350.86 in February. Please see the table at the end of this letter for further detail.

As of today, the fund is about 78% invested with the split being approximately as follows:

Indonesia	22%
Malaysia	39%
Singapore	24%
Thailand	15%

No names I'm afraid but some details of the individual holdings are always available to investors on request.

### Overview

It was quite an exciting month – if fund management can ever be described as exciting. We had a crazy fortnight in Thailand with the market falling 7.6% one week before recovering 5.6% the next. Our one stock in that market fell about 20% before recovering and the fund's NAV had a 6% swing during the month.

Apparently it was something to do with algorithms, whatever they are.

Live fast, die young. Who needs sex, drugs or rock 'n' roll when you've got emerging markets?

### Malaysia

Parliament has been dissolved and the election date will be announced soon. If the opposition win we might see major change in Malaysia. If not, expect more of the same.

Whatever the result, people who actually do things for a living (unlike rockers and fund managers) will still have to get out of bed every morning and try to produce something and sell more than the bloke down the road. And whoever wins, I expect business conditions in Malaysia to remain favourable to those who wish to do just that.

### Outlook

This is what regional markets and the US have done in the first 3 months.

Return (in USD)

Period	Dow	S&P 500	JSE	KLSE	STI	SET	PSE	MSCIex.JP	PAF
Jan 2013	5.8%	5.0%	2.1%	-5.2%	2.3%	8.6%	8.4%	1.6%	1.2%
Feb 2013	1.4%	1.1%	8.5%	1.2%	-0.4%	4.8%	7.7%	-0.2%	2.2%
Mar 2013	3.7%	3.6%	2.5%	1.9%	0.9%	2.9%	1.5%	-2.1%	3.8%
<b>YTD (2013)</b>	<b>11.3%</b>	<b>10.0%</b>	<b>13.5%</b>	<b>-2.3%</b>	<b>2.8%</b>	<b>17.1%</b>	<b>18.5%</b>	<b>-0.7%</b>	<b>7.3%</b>

Will Malaysia ever catch up and will it be soon? The possibility is that the overvaluation in other places will lead to a sell off before Malaysia ever really gets noticed.

Not that that would matter. If it remains cheap we'll probably just buy some more.



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We're not only scratching around in Malaysia. I'm currently in Bangkok for the third time in as many weeks (and no, her name isn't Tong Ting) seeing companies. As I've said before, in strong markets, such as we have now, it is hard to get what we want at the price we want. And in the size we want. It doesn't stop us looking though.

James Hay  
9<sup>th</sup> April 2013.

*I don't like to discuss stocks publicly but I am always happy to talk to existing investors and those interested in the fund. If you have any questions, concerns, ideas, or just fancy an argument, please get in touch.*

Year	Details	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	Nav	343.47	350.86	364.04										7.29%
	% chg	1.23%	2.15%	3.76%										
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	196.87	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	157.9	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	94.9	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 71.00%  
 Annualised return 16.77%

## By Sector

