

# Aberdeen Asian Smaller Companies Investment Trust PLC

## Investment Trust

Performance Data and Analytics to 30 September 2018

### Investment objective

The Company aims to maximise total return to shareholders over the long term from a portfolio made up predominantly of smaller quoted companies (with a market capitalisation of up to approximately US\$1.5 billion at the time of investment) in the economies of Asia and Australasia, excluding Japan by following the investment policy described below. When it is in shareholders' interests to do so, the Company reserves the right to participate in the rights issue of an investee company notwithstanding that the market capitalisation of that investee may exceed the stated ceiling.

### Comparative benchmark

The Company does not have a benchmark. The Manager utilises two general regional indices, the MSCI AC Asia Pacific ex Japan Index (currency adjusted) and the MSCI AC Asia Pacific ex Japan Small Cap Index (currency adjusted), as well as peer group comparisons for Board reporting. It is likely that performance will diverge, possibly quite dramatically in either direction, from these or any other indices. The Manager seeks to minimise risk by using in depth research and does not see divergence from an index as risk.

### Cumulative performance (%)

	as at 30/09/18	1 month	3 months	6 months	1 year	3 years	5 years
Share Price	1020.0p	(3.8)	(0.5)	0.0	(0.1)	51.7	16.4
Diluted NAV <sup>A</sup>	1191.4p	(3.5)	(0.4)	0.7	1.6	51.4	37.8
MSCI AC Asia Pacific ex Japan		(1.7)	(0.1)	2.4	5.2	70.1	65.7
MSCI AC Asia Pacific ex Japan Small Cap		(3.3)	(2.2)	(1.1)	3.2	51.0	48.5

### Discrete performance (%)

Year ending	30/09/18	30/09/17	30/09/16	30/09/15	30/09/14
Share Price	(0.1)	11.5	36.2	(27.5)	5.8
Diluted NAV <sup>A</sup>	1.6	10.0	35.4	(16.2)	8.6
MSCI AC Asia Pacific ex Japan	5.2	17.1	38.1	(8.2)	6.1
MSCI AC Asia Pacific ex Japan Small Cap	3.2	8.7	34.6	(7.9)	6.8

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis. Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value. Source: Aberdeen Asset Managers Limited and Morningstar. Past performance is not a guide to future results.

<sup>A</sup> Including current year revenue.

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### Morningstar Rating™



<sup>B</sup> Morningstar Rating™ for Funds  
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

### Ten largest equity holdings (%)

Hana Microelectronics	Thailand	3.5
AEON Credit	Malaysia	3.2
AEON Thana Sinsap	Thailand	3.2
Millennium & Copthorne	New Zealand	3.0
Bank OCBC	Indonesia	2.9
Bukit Sembawang Estates	Singapore	2.7
Dah Sing Financial	Hong Kong	2.6
M.P. Evans	United Kingdom	2.5
First Sponsor	Singapore	2.5
Tisco Financial	Thailand	2.5
<b>Total</b>		<b>28.6</b>

### Country allocation (%)

	Trust	Regional Index	Month's market change
Thailand	16.7	2.3	2.8
India	13.7	7.9	(9.4)
Hong Kong	13.1	9.1	(0.6)
Malaysia	12.6	2.3	(1.9)
Singapore	11.3	3.3	1.8
Indonesia	5.8	1.8	(1.9)
Philippines	5.6	0.9	(8.7)
New Zealand	3.7	0.6	(2.3)
Sri Lanka	2.9	-	-
United Kingdom	2.5	-	-
Taiwan	2.4	11.4	0.0
Denmark	1.9	-	-
Australia	1.8	17.5	(1.7)
Korea	1.1	13.9	0.1
Pakistan	0.8	0.1	(0.8)
China	0.3	28.9	(1.7)
Cash	3.8	-	-
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	

Month's market change represents the individual country returns calculated using the MSCI Index series (£). Market change is Total Return in GBP. Index may not add up to 100 due to rounding. Source: Aberdeen Asset Managers Limited and MSCI.

**Total number of investments** 83

All sources (unless indicated):  
Aberdeen Asset Managers Limited 30 September 2018.

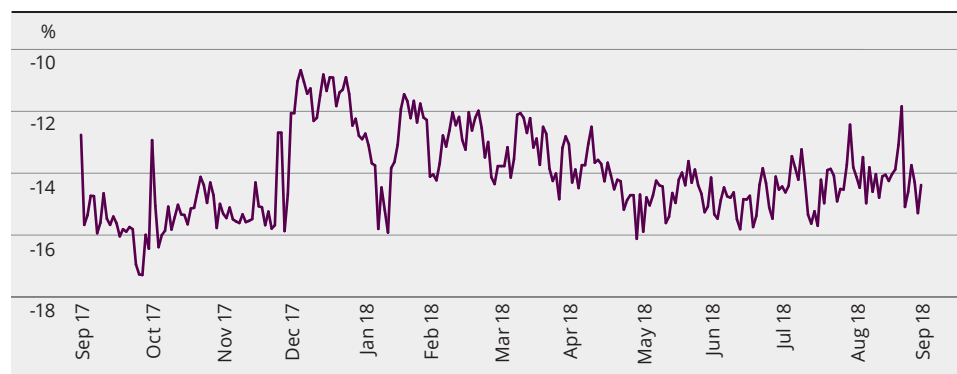
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### 1 Year Premium/Discount Chart (%)



### Fund managers' report

#### Market and portfolio review

Shares of Asian smaller companies retreated in September, pressured by concerns over emerging-market currency volatility, weakening global growth and tightening monetary conditions. The US Federal Reserve hiked rates for a third time in 2018. This sparked policy tightening across Asia, with the Philippines and Indonesia both raising their benchmark rates to defend their currencies.

Most markets ended lower, with India especially weak amid a falling rupee and fears of liquidity problems within the major non-bank financial sector. Thailand bucked the downtrend, as it rallied on healthy domestic fundamentals and royal approval of laws that enabled fresh elections.

In company news, Singapore developer Wheelock Properties will be delisted after parent group Wheelock and Company's stake exceeded 90%. The Hong Kong-based parent had earlier said its offer price of S\$2.10 a share for its privatisation bid of the property developer was final.

In portfolio activity, we exited Castrol India, given its weaker growth outlook and stretched valuations. We also took profits from AEON Thana Sinsap, Jollibee Foods, LPI Capital, Multi Bintang and Pacific Basin Shipping. We used the proceeds to top up Bank OCBC NISP, as the Indonesian lender continued to deliver healthy loan growth, backed by robust asset quality. We also added to Malaysian conglomerate Oriental Holdings, as it posted better-than-expected quarterly results, driven by improved earnings from its automotive, hotels and healthcare businesses.

#### Outlook

Politics and policy will likely continue to hold sway over Asian markets. Ongoing trade tensions has caused sentiment to turn cautious. Beijing's balance between deleveraging and sustaining growth could have wide-reaching implications. Upcoming elections in India

### Fund managers' report continues overleaf

The risks outlined overleaf relating to gearing, emerging markets, small companies and exchange rate movements are particularly relevant to this trust but should be read in conjunction with all warnings and comments given.

### Important information overleaf

<sup>c</sup> Expressed as a percentage of average daily net assets for the year ended 31 July 2017. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The Ongoing Charges figure can help you compare the annual operating expenses of different Companies.

<sup>d</sup> 1.0% of the average net asset value of the Company's net assets (gross assets less liabilities excluding the amount of any loan facilities or overdraft drawn down) over a 24 month period, valued monthly.

<sup>e</sup> Calculated using the Company's historic net dividends and month end share price.

<sup>f</sup> Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.

<sup>g</sup> The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

### Fund risk statistics

	3 Years	5 Years
Annualised Standard Deviation of Fund	10.93	11.30
Beta	0.73	0.73
Sharpe Ratio	1.45	0.73
Annualised Tracking Error	7.09	6.97
Annualised Information Ratio	(0.43)	(0.36)
R-Squared	0.67	0.71

Source: Aberdeen Asset Management, BPSS & Datastream, Basis: Total Return, Gross of Fees, GBP.

Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value (NAV) returns. In addition, the risk analytics figures lag the performance figures by a month.

### Key information

#### Calendar

Year end	31 July
Accounts published	October
Annual General Meeting	November
Dividend paid	December
Launch date	October 1995
Fund manager	Asian Equities Team
Ongoing charges <sup>c</sup>	1.16%
Annual management fee <sup>d</sup>	1.0%
Premium/(Discount) with debt at fair value	(14.4)%
Yield <sup>e</sup>	1.6%
Net gearing with debt at par <sup>f</sup>	9.2%
Active share <sup>g</sup>	98.7%

### AIFMD Leverage Limits

Gross Notional Commitment	2.5x
	2x

### Assets/Debt (£m)

Gross Assets	465.7
Debt (CULS + bank loan) at nominal value	54.2
Cash	16.4

### Capital structure

Ordinary shares	34,683,772
Treasury shares	7,031,512
Convertible Unsecured Loan Stock 2025 (CULS) at nominal value	£37,000,000

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### Fund managers' report – continued

and Indonesia may amplify political risks, while regional central banks need to defend their currencies amid rising commodity prices, tightening US monetary policy and a strengthening US dollar. However, many Asian economies are in better shape, while corporate fundamentals still appear resilient. Companies remain well-positioned to benefit emerging technological trends and growing demand for better-quality products and services. We are focused on ensuring that our portfolios comprise quality holdings that can tap into Asia's rich potential to deliver returns over the long term.

#### Allocation of management fees and finance costs

Capital	0%
Revenue	100%

#### Trading details

Reuters/Epic/Bloomberg code	AAS
ISIN code	GB0000100767
Sedol code	0010076
Stockbrokers	Panmure Gordon
Market makers	SETSmm

### Important information

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.

#### Risk factors you should consider prior to investing:

- The value of investments and the income from them can fall and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- The Company invests in the securities of smaller companies which are likely to carry a higher degree of risk than larger companies.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.
- Specialist funds which invest in small markets or sectors of industry are likely to be more volatile than more diversified trusts.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

#### Other important information:

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