



### Pentad Asian Equity

|                                       |                  |                   |
|---------------------------------------|------------------|-------------------|
| <b>Current Price (April 1st 2008)</b> |                  | <b>\$ 14.6542</b> |
| <b>Fund Statistics</b>                | <b>Benchmark</b> | <b>Fund</b>       |
| 1st Quarter Performance               | -7.66%           | -13.70%           |
| 12 Month's Return                     | -6.96%           | 4.04%             |
| APR Since Launch                      | 8.31%            | 9.80%             |
| <b>Sharpe Ratio</b>                   |                  | <b>0.60</b>       |

\*Benchmark is 35% MSCI Pacific, 35% MSCI Far East, 30% CSFB Tremont Index

#### Market Commentary

Concerns about the extent of the financial crisis in the US, slowing global economic growth and inflation pressures pushed international equity markets to a painful start in 2008. The MSCI World Index dropped 8.95% in dollar terms during the first quarter and the Standard & Poor's 500 index suffered its worst first quarter in five and a half years. Central banks struggled to improve liquidity in financial markets to deal with record write-downs and mortgage-related losses.

Japanese stock markets had their worst first quarter in 18 years amid write downs for subprime linked assets by banks and signs of economic slowdown. The Nikkei 225 Stock Average fell almost 14% in the period, as corporate profit expectations came under pressure. Asian stock markets were also hit by the uncertainty about the effect the slowdown in the US economy could have on world economies. The MSCI Asia Pacific Index lost 10.32% in the first quarter in dollar terms.

Australia and New Zealand were also affected by the current market turbulence. Central banks in both countries had to fight to balance slowing economic growth with increasing inflationary pressures. As a result, equity markets lost ground and fixed income markets gained.

#### Fund Commentary

Pentad Asian Equity dropped 13.70% in the first quarter. The Fund was particularly hit by its exposure to the Indian market, where stocks posted their worst first quarter since it was created in 1979. JF Asset Management India, which represents around 17% of the total holdings, fell 27.54% in the period. The only positive performance by the underlying funds came from Ishares MSCI Taiwan which gained 5.13%. Even after the recent drop, the Fund's APR since inception is currently at 9.80%, outperforming its benchmark APR of 8.31%. Going forward, the Fund Manager will take a defensive strategy which will help prevent further losses, and also allow the fund to benefit from the recent market recovery.

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