

GAM Star Asia-Pacific Equity – USD

Developed Markets - Asia-Pacific

USD UCITS (FCA Recognised) / ISA eligible (Reporting fund status) / Price as at 30 Nov 2017 USD
15.6201 (Acc) 14.8012 (Inc)

December 2017



Fund description

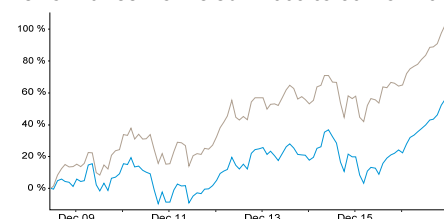
Investment strategy:	Asia-Pacific
Investment objective:	Capital appreciation.
Investment style:	Invests primarily in quoted securities in the Pacific Basin, seeking to exploit fundamental long-term value.
Currency hedging:	May be employed to protect against exchange rate risk

Manager commentary as at 30 Nov 2017

The strong run in Pacific equity markets continued in November. Performance was led by Tencent Holdings which rallied by 13.8% during the month driven by its better than expected Q3 earnings, excitement on its gaming pipeline and the listing of its digital content business. Other notable contributions came from Tokyo Broadcasting, Mitsubishi Corp and TDK which all reacted well to good quarterly earnings. Our holding in Aristocrat Leisure in Australia was a modest negative contributor, but on the whole stock selection continues to drive the outperformance of the fund. Australia lagged the regional gains held back by the materials and banking sectors. We are underweight Australia. At the risk of sounding like a stuck record market drivers have remained consistent for most of the year. Strong synchronised global growth and industrial production has driven strong earnings growth. The latest figures for Japan saw industrial production up 5.9% yoy. Even in Singapore industrial production is on its 15th month of expansion and the latest PMI was a strong 55.4. Year to date forward earnings estimates for the MSCI Pacific index have advanced 19.3% thus providing good fundamental support to this year's rally. At just under 15x forward PER the market still looks reasonable value to us. Furthermore balance sheets remain strong. We recently met with management of one of our equity holdings in Japan which is in line to report record earnings this year. This comes at a time when, in their words, "reducing debt beyond current levels is not a necessity". This bodes well for improving shareholder returns in our view. Elsewhere the Pacific ex Japan region looks reasonably valued as the gains have been underpinned by solid earnings momentum as Chinese growth has surprised on the upside. While growth might slow down next year we expect only a modest deceleration.

Fund performance and risk analysis

Performance from 8 Jun 2009 to 30 Nov 2017



Performance summary as at 30 Nov 2017

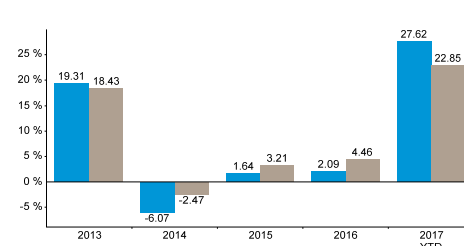
	Fund %	Equity Index %
1 month return	2.62	2.58
3 months' return	8.91	7.35
12 months' return	25.87	23.44
Return since inception of the class	56.20	102.65

Standardised past performance to 30 Nov 2017

November- November (%)	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017
GAM Star Asia-Pacific Equity – USD	22.72	-3.19	-0.82	3.46	25.87
MSCI Pacific Index in USD	23.23	-0.61	0.40	4.95	23.44

Please note that the standardised past performance represents the year to year comparison of the performance.

Performance history to 30 Nov 2017



Key to charts and tables:

Fund: GAM Star Asia-Pacific Equity – USD; Equity Index: MSCI Pacific Index in USD

IMPORTANT INFORMATION

- Investment involves risks. You should not only base on this marketing material alone to make investment decisions. You should read and understand the offering documents, in particular the "Investment Objectives and Policies" and the "Risk Factors" sections.
- The fund's investments are concentrated in the Asia-Pacific region. This may result in greater volatility than portfolios which comprise broad-based global investments. The fund may invest in emerging market equity which is subject to higher risks of liquidity, currency, economic, political and regulatory changes and thus posing additional risks to the fund. In addition, the fund may use financial derivative instruments such as covered warrants, index futures/options, currency options/forwards for efficient portfolio management purposes. These derivative instruments may expose the fund to leverage, counterparty and volatility risks, which may lead to a higher volatility of the fund and may result in large loss in the fund's assets.
- You should not invest in the fund unless the intermediary who sells it to you has advised you that the fund is suitable for you and explained how it is consistent with your investment objectives.

Manager



Michael Lai and Ben Williams

Fund facts

Fund managed by Michael Lai and Ben Williams
Fund type UCITS
Stock exchange listing Irish
Currency classes CHF, EUR, GBP, USD classes are available
Base currency of the class USD
Inception date of the fund 4 Jan 1988
Inception date of the class 8 Jun 2009
Fund size USD 29.7m
Class size USD 12.5m
Min investment of the class USD 10,000
Dividend policy Net income will be distributed annually. Reporting fund status received.
Dealing day Any business day. Redemption notice period is one business day before deal
Investment manager and sponsor fees* 1.35%
TER 1.86% as at 30 Jun 2017
Bloomberg
Acc GSAPUOA ID
Reuters
Acc SOTUA.FND Inc SOTUI.FND
ISIN
Acc IE0002988271 Inc IE0002988495
SEDOL
Acc 0298827 Inc B39TBK5
Valoren
Acc 924637 Inc 924636
Authorised for public sale in Austria, Belgium, Denmark (professional investors), Finland, France, Germany, Hong Kong, Ireland, Italy, Luxembourg, Macau, Netherlands, Norway (professional investors), Singapore (Institutional & accredited investors only), Spain, Sweden, Switzerland, Taiwan and United Kingdom
Data sources GAM, MSCI, Bloomberg

*Excludes administration and custodian fee - please see Prospectus for further details on fees.

Net income of the fund will be distributed annually. Dividend, if declared, will be paid for Income Shares annually and reinvested for Accumulation Shares.

Contact details

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For daily updates on this fund and a glossary of terms see www.gam.com. Access may be subject to certain restrictions.

Past performance is not indicative of future performance. Performance is shown net of fees.

Fund performance and risk analysis, continued

Risk summary as at 30 Nov 2017

	12 months		5 years	
	Fund	Equity Index	Fund	Equity Index
Maximum drawdown (%) ***	-1.37	0.00	-24.49	-16.95
Annualised standard deviation (%)	5.26	4.32	13.09	11.97
Sharpe Ratio*	4.73	5.19	0.65	0.78

*** The largest loss, peak to trough based on monthly data

* Risk free rate is Average USD 1 Month Deposit Rate

Relative summary as at 30 Nov 2017

	Relative to Equity Index	
	12 months	5 years
Alpha (%)	0.10	-0.07
Beta	1.04	1.03
Correlation	0.85	0.94

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Asset allocation

Geographic breakdown vs Equity Index as at 30 Nov 2017

Japan	63.33 %	67.43 %
Hong Kong	15.23 %	9.67 %
Australia	12.19 %	18.76 %
China	5.47 %	
Singapore	2.21 %	3.74 %
United States	1.01 %	

Net Current Assets 0.56 %

Industry breakdown vs Equity Index as at 30 Nov 2017

Industrials	23.81 %	16.99 %
Financials	23.71 %	21.36 %
Consumer Discretionary	20.48 %	15.45 %
Information Technology	12.38 %	8.98 %
Real Estate	8.52 %	7.48 %
Telecom Services	4.47 %	4.55 %
Materials	3.60 %	7.73 %
Healthcare	2.48 %	6.20 %

Net Current Assets 0.56 %

Currency exposure as at 30 Nov 2017

Name	% of Fund
Japanese Yen	63.7
Hong Kong Dollar	20.7
Australian dollar	12.3
Singapore Dollar	2.2
US Dollar	1.2

Top 10 holdings as at 30 Nov 2017

Name	Industry	% of Fund
Toyota Motor	Consumer Discretionary	4.7
Tencent Holdings	Information Technology	4.0
ORIX	Financials	3.5
East Japan Railway	Industrials	3.4
Mitsubishi	Industrials	3.3
MS&AD Insurance Group Holdings	Financials	3.1
Toyota Industries	Consumer Discretionary	3.0
Mitsubishi UFJ Financial Group	Financials	2.9
Itochu	Industrials	2.7
Sumitomo Electric Industries	Consumer Discretionary	2.6
Total		33.2

Source: GAM unless otherwise stated (Performance is shown net of fees, on a NAV to NAV basis). Performance stated herein refers to dividend re-invested. Performance is calculated on a total return basis in the currency of the Class. US/HK dollar-based investors are therefore exposed to fluctuations in the exchange rate. Investment involves risks. Please refer to the offering document for details including the risk factors, in particular those associated with investments in financial derivatives instruments. Past performance information presented is not indicative of future performance. Please note that the price of shares and the income from the Fund may go down as well as up and the price will depend on fluctuations in financial markets outside GAM's control and also may be affected by changes in rates of exchange. Investors may not get back the amount invested. Financial derivatives instruments may be used for the purpose of meeting the investment objective of the Fund; and such investment policies and portfolio management techniques may lead to a higher volatility to the net asset value of the Fund. In Hong Kong, the Fund has been authorised by the Securities and Futures Commission (the "SFC"). The SFC's authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. This document has not been reviewed by the SFC. This document is issued by GAM Hong Kong Limited. Holdings and allocations are subject to change. Reference to a specific security is not a recommendation to buy or sell that security. Nothing in this document should be construed as a solicitation, offer or recommendation to acquire or dispose of any investment or to engage in any other transaction. Nothing contained herein constitutes investment, legal, tax or other advice nor is it to be solely relied on in making an investment or other decision. From time to time data providers reload and adjust historic data. These changes may have an impact on benchmarks. If you would like further information on any changes please contact GAM.