

# Aberdeen All Asia Investment Trust PLC



## Investment objective

To generate capital growth from a concentrated portfolio of companies domiciled, operating or generating revenue in the Asia Pacific region including Japan.

## Benchmark

MSCI All Countries Asia Pacific (including Japan) index (in sterling terms).

## Cumulative performance (%)

	As at 31/12/09	1 month	3 months	6 months	1 year	3 years	5 years	Since AAM takeover 10/11/06
Share Price	246.8p	9.1	8.7	23.1	49.1	18.1	58.0	16.8
NAV <sup>A</sup>	284.0p	5.6	3.0	27.5	39.7	20.9	68.2	24.4
MSCI AC Asia Pacific		4.1	1.3	20.3	22.7	11.8	58.6	16.6

## Discrete performance (%)

Year ending:	31/12/09	31/12/08	31/12/07	31/12/06	31/12/05
Share Price	49.1	(30.8)	14.4	(9.2)	47.5
NAV <sup>A</sup>	39.7	(25.0)	15.4	(2.3)	42.4
MSCI AC Asia Pacific	22.7	(19.2)	12.7	2.5	38.4

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.

Source: Aberdeen Asset Managers, Factset and Morningstar.

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

Disclosure: Since 10/11/2006; Aberdeen All Asia Investment Trust has been managed by Aberdeen Asset Management ('AAM').

Historical performance (cumulative and discrete) are based on prices and net asset values under Gartmore Investment Limited to 9/11/2006; thereafter AAM.

Past performance is not a guide to future performance. The value of shares may go down as well as up and an investor may not get back the amount invested.

## Fund managers' report

### Market Review

Asian markets rose in December as economic data continued to improve across most of the region. Among the best performing markets were Taiwan and Korea, with their exports posting the first increase in more than a year.

China's recovery continued to gather pace in November on the back of brisk bank lending, while India posted a strong rebound in industrial activity, despite shrinking farm output caused by the poor monsoon.

Inflation accelerated in China, India and Thailand. Most central banks kept interest rates at record lows but Australia raised rates for a third consecutive month.

In policy news, Beijing stepped up measures to curb real estate speculation and reduce overcapacity in several industries. In India, policymakers plan to help finance infrastructure spending from the sale of shares in three state-owned power companies.

*Fund managers' report continues overleaf*

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

## Ten largest equity holdings

	Country	%
Oversea-Chinese Banking Corp.	Singapore	3.8
Canon	Japan	3.6
Samsung Electronics Pref.	Korea	3.6
QBE Insurance	Australia	3.2
Jardine Strategic	Hong Kong	3.0
Rio Tinto	Australia	2.9
Swire Pacific 'B'	Hong Kong	2.8
Takeda Pharmaceutical	Japan	2.8
United Overseas Bank	Singapore	2.8
Standard Chartered	Hong Kong	2.7

**Total** 31.2

**Total number of investments** 53

## Country allocation (%)

	Trust	Regional Index	Month's market change <sup>c</sup>
Japan	20.8	40.7	2.4
Hong Kong	16.6	4.6	3.8
Singapore	16.3	2.9	7.2
India	12.5	4.7	5.2
Australia	7.3	16.6	3.4
Korea	6.1	8.0	10.1
China	4.4	11.2	2.1
Thailand	4.2	0.8	9.1
Malaysia	3.9	1.7	2.3
Taiwan	3.7	7.1	10.3
Philippines	1.8	0.3	4.4
Indonesia	0.0	1.2	7.4
New Zealand	0.0	0.2	5.7
Cash	2.4	n/a	n/a

**Total** 100.0 100.0

<sup>c</sup> Represents the individual country returns calculated using the MSCI Index series (£). Market change is Total Return in GBP. The Regional Index may not add up to 100 due to rounding.

## Portfolio characteristics

Three years to 31 December 2009 (£)

	Trust	Regional Index
<b>Annualised statistics</b>		
Rate of return	6.5	3.8
Standard deviation	22.8	21.0
Tracking error	6.9	-
Information ratio	0.4	-
<b>Monthly statistics</b>		
Max return	14.2	15.8
Min return	(13.3)	(12.1)
Average return	0.7	0.5
<b>Regression statistics</b>		
Beta	1.0	1.0
Correlation to index	1.0	1.0

Source: Aberdeen Asset Managers Ltd, Russell/Mellon Analytical Services. Market Proxy: MSCI AC Asia PacificRisk Free Proxy: Sterling 3 months Interbank Rate.

## Further information

Private investors 0500 00 00 40

Institutional investors Ian Massie

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Website [www.all-asia.co.uk](http://www.all-asia.co.uk)

Receive the factsheet of your choice by email as soon as they are available by registering at [www.investments.co.uk/ITemail](http://www.investments.co.uk/ITemail)

All sources (unless indicated): Aberdeen Asset Managers Limited 31 December 2009.

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## Fund managers' report – continued

### Portfolio Review

During the month, we top-sliced ABB India following recent relative strength. Against this, we added to China Mobile.

In corporate developments, Singapore banks Oversea-Chinese Banking Corporation and United Overseas Bank do not have significant exposure to Dubai World. In Japan, Canon is making good progress on its €730 million bid for Dutch printer manufacturer Océ. Korea's Samsung Electronics reshuffled its top management in an ongoing reorganisation to streamline operations.

### Outlook

Looking ahead, Asian markets may continue to rise, although it will be harder to make headway, given the strong performances posted in 2009. Recent corporate earnings growth has been driven by one-off factors, such as cost-cutting and inventory restocking, and a more fundamental improvement in profitability will be required if the rally is to be sustained. On the other hand, rising fiscal indebtedness will pressure governments of developed economies in the West to withdraw stimulus support, increasing the risk of policy mistakes. With the inherent imbalances in the global economy still not addressed, the likelihood of a global correction appears to have been carried over into 2010. In such an environment, we see our stock-picking approach as especially relevant. Our well-managed holdings are financially sound, and should emerge stronger, whatever the current headwinds.

## Key information

<b>Calendar</b>	
Year end	31 March
Accounts published	June
AGM	July
Dividend paid	July
Launch date <sup>D</sup>	October 1998
<sup>D</sup> Previously managed by Gartmore Investment Limited	
<b>Fund manager</b>	Asian Equities Team
<b>Total expense ratio</b>	1.5%
<b>Annual management fee</b>	0.75%
<b>Premium/(Discount)</b>	(13.1)%
<b>Yield</b>	1.0%
<b>Gearing<sup>E</sup></b>	6.9%
<b>Assets</b>	
Gross assets	£m 48.1
Debt	3.1
Prior charges	nil
<sup>E</sup> Gearing is expressed as a percentage of gross assets, which includes current year revenue, divided by shareholders' funds.	
<b>Capital structure</b>	
Ordinary shares	15,732,367
<b>Allocation of expenses and interest</b>	
Capital	0%
Revenue	100%
<b>Trading details</b>	
Reuters/Epic/Bloomberg code	ABAA
Stockbroker	J.P. Morgan Cazenove
Market makers	CANA, CAZR, WINS

## Important information

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

- In common with most investment companies, investment trusts 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 a relatively small movement, down or up, in the value of a trust's assets will result in a magnified movement, in the same direction, of that NAV.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency of your country of residence strengthens against the currency in which the underlying investments of the Trust are made, the value of your investment will reduce and vice versa.
- The value of shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- There is no guarantee that the market price of shares in the Trust will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of investment trust shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread.
- The Trust 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. In some circumstances the underlying investments may become illiquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in emerging markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise putting the value of your investment at risk.

### Other Important Information:

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