

FIDELITY
South East Asia (OEIC)

OBSR Fund Rating
AA / Silver



Key Information

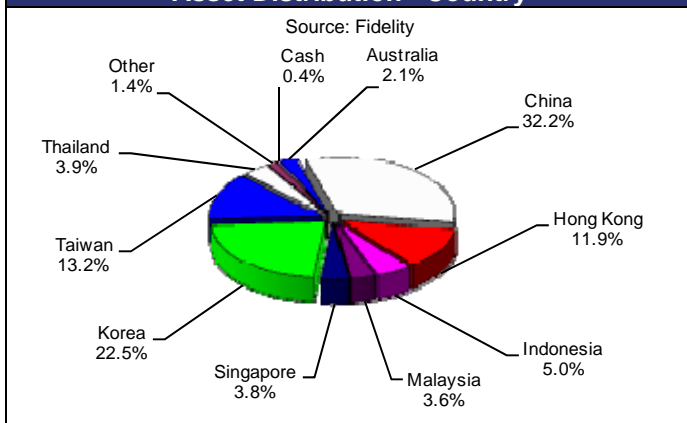
Launch Date	13 October 1984	
Fund Size	£2182.0m	
Type of Shares Available	Accumulation	
Distribution Date	30 April	
Distribution Yield	n/a	
ISA	Yes	
ISA Transfer	Yes	
Standard Fund Management Charges	Initial	3.50%
	Annual	1.50%

Classification

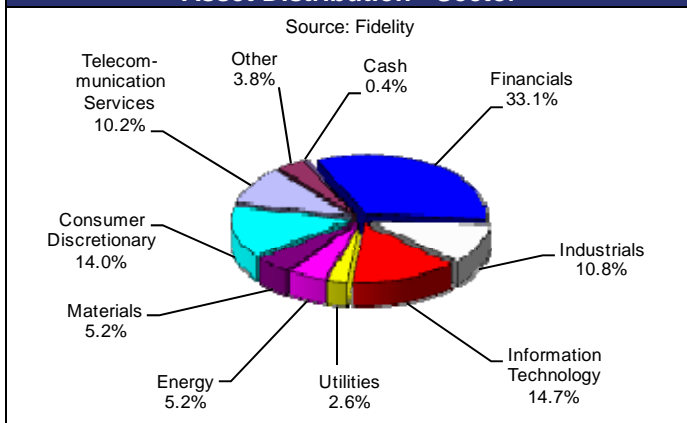
Sector	Asia Pacific Ex Japan
Market Cap / Style	Large Cap Bias / Blend
Benchmark/Index	MSCI AC Far East Ex Japan
Management/Investment Style	
Fund Manager	Allan Liu (August 2003)

Offers investors exposure to a portfolio of Asian equities, managed by an experienced manager based in the region. The portfolio will have a bias towards larger cap and more liquid investments.

Asset Distribution - Country



Asset Distribution - Sector



Top Ten Holdings

	%
Samsung Electronics	4.5
Taiwan Semiconductor Manufacturing	3.8
Hyundai Motor	3.4
Industrial & Commercial Bank of China	2.7
China Construction	2.5
Kia Motors	2.2
CNOOC	1.9
Telstra	1.9
Hong Kong Exchanges & Clearing	1.9
Hyundai	1.8
Concentration (Top 10)	26.6

Source: Fidelity

Investment Objective & Methodology

The fund aims to achieve long-term capital growth through investment primarily in the stock markets of the Pacific Basin, with the exception of Japan.

The fund is managed by Allan Liu, who is based in Hong Kong. He joined Fidelity in 1987, initially as an analyst, and progressed to portfolio management in 1990. He is supported by a team of sector analysts, many of whom are based locally in the region.

The emphasis is on bottom-up stock selection with some consideration to top-down conditions. Like his colleagues at Fidelity, the manager enjoys a fair amount of management freedom, is benchmark aware, but not benchmark driven and is an experienced market practitioner. The in-house analysts are used as a source of ideas, although the manager does much of his own research and keeps in touch with external contacts. Stock selection and the day-to-day decisions made in the fund are determined by the manager, but the in-house analysts will inform him of news flows on his holdings. There is a bias towards growth companies as the manager is seeking attractively-priced stocks with above-average earnings growth potential relative to the sector or the market. Nonetheless value opportunities are also considered. Stock selection tends to be based on fundamentals and the preference is for companies with quality management, a globally competitive edge, strong finances and positive cash flow. Any shorter-term and momentum-driven ideas are generally played at the margin. The manager uses a range of valuation measures, trying to analyse a stock in many different ways, (plus different measures work better for some sectors). Particular attention is paid to the free cash flow generation of a company as it is less open to accounting manipulation. New ideas compete with existing holdings and sell decisions are triggered by a stock's rich valuation relative to its growth potential.

The number of holdings ranges from 150 to over 200. This is partly due to the amount of assets he is managing using this strategy, partly for flexibility in manoeuvring and partly because, if the assets are growing, he does not want to hold a concentrated number of large positions. Sector, country and market capitalisation positioning is driven mainly by bottom-up stock selection. Investments are typically in mid and large-cap companies and in general the manager is more preoccupied with liquidity than scaling his bets relative to the stocks' market-cap weightings. Cash is not employed strategically.

www.obsrfundratings.co.uk

Data as at 31 December 2011
Last Updated January 2012