

Benchmark

MSCI Golden Dragon Index (Total).

Investment objective

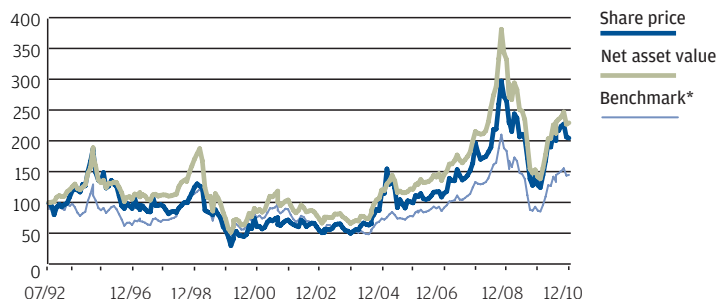
Long term capital appreciation through investments primarily in equity securities of companies with substantial assets in, or revenues derived from, the People's Republic of China, Hong Kong, Taiwan and Macau.

Fund statistics

Fund manager	Emerson Yip
Listed	New York Stock Exchange
Total Assets (as at 28/02/10)	USD 91.06m
Launch date	16th July 1992
Dividends (Ex-dividend date)	USD 0.062 (3rd December 2009)

Performance data

(as at 28/02/10)



Cumulative performance

(as at 28/02/10)

	1 mth	3 mths	2010 YTD	1 year	3 years	5 years	10 years
Share price	-0.8%	-8.6%	-10.1%	65.1%	20.3%	78.7%	177.5%
Net asset value	0.6%	-4.3%	-7.5%	65.0%	8.3%	66.3%	101.3%
Benchmark*	0.7%	-4.0%	-6.9%	69.6%	11.7%	64.2%	57.4%

Rolling 12 month performance

(as at 28/02/10)

	2010/2009	2009/2008	2008/2007	2007/2006	2006/2005
Share price	65.1%	-46.6%	36.4%	25.5%	18.4%
Net asset value	65.0%	-52.7%	38.7%	29.7%	18.4%
Benchmark*	69.6%	-49.1%	29.5%	26.7%	16.0%

* Customized benchmark - MSCI Golden Dragon Index (GDR)
 Prior to 1-Mar-2001, 25% TWII, 20% BNPPCI, 50% MSCI HK, 5% HSBC;
 Prior to 1-Mar-1999, 60% HK SE All Ordinaries, 30% CLSA China B, 10% Taiwan SE Weighted;
 Prior to 1-Jan-1997, Peregrine Greater China Index

Top 10 holdings

(as at 28/02/10)

Holding	%
China Mobile Ltd	4.9
Taiwan Semiconductor Manufacturing	4.4
China Construction Bank Corp	4.3
Industrial & Commercial Bk of China	4.1
CNOOC Ltd	4.0
Hon Hai Precision Industry Co Ltd	3.4
China Life Insurance Co Ltd	3.3
Bank of China Ltd	3.1
Tencent Holdings Ltd	2.8
China Shenhua Energy Co Ltd	2.7

Fund information

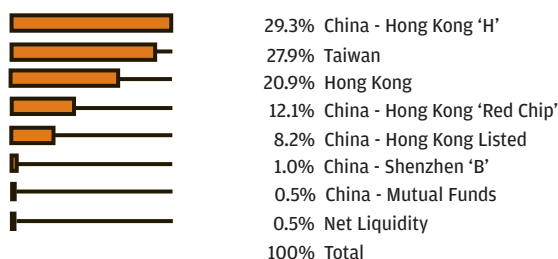
Share price	USD 12.39
NAV per share	USD 14.12
Discount (-) / Premium Current	-12.3%
Shares in issue	6,447,637

Fund codes

Bloomberg	JFC US
ISIN	US46614T1079
Sedol	2471392

Portfolio

(as at 28/02/10)



Portfolio review

(as at 28/02/10)

The Greater China markets finished flat in a month of volatile trading, as jitters about the solvency of the Greek government dominated global financial news headlines. Both the MSCI Hong Kong and MSCI China indices rose due to a benign interest rate environment and a bounce in property stocks from oversold levels, as investors concluded that governmental tightening measures may not cause as hard a landing as previously feared. The MSCI Taiwan Index corrected, as investors fretted about both financial company exposure to European debt and manufacturing companies facing labor shortages in China due to the speed of economic recovery. The Fund performed in-line with its benchmark against this backdrop.

Market outlook

(as at 28/02/10)

Governmental participation in markets has quickly morphed from a key positive catalyst in 2009 (as governments stepped in to stabilize and stimulate markets) to a key negative catalyst in 2010 (as government policy exits and solvency are called into question). That said, most indicators point to a global economic recovery, with particular strength in Asian economies, taking place against a backdrop of inexpensive valuations and continued, albeit milder, earnings upgrades across Greater China markets. Consequently, the Fund continues to be positioned for a growth environment, particularly in China, with overweight positions in cyclicals including commodities, transport and technology.

Further information

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Source: J.P. Morgan, Reuters, Bloomberg

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