

# Asian Pacific Fund

## Fund Objective

The aim of the Fund is to seek long term capital appreciation through investment in securities of Asia and Australasia (excluding Japan).

## Investment Manager

Scottish Widows Investment Partnership ("SWIP")  
Manager: Ian Vose

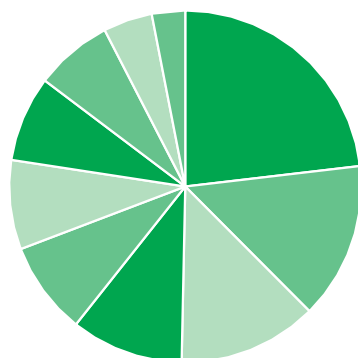
## Fund Performance

	30/06/09 to 30/06/10 (%)	30/06/08 to 30/06/09 (%)	30/06/07 to 30/06/08 (%)	30/06/06 to 30/06/07 (%)	30/06/05 to 30/06/06 (%)
Sterling (£)	30.05	-9.53	-3.25	28.06	18.20
Euro (€)	35.49	-15.31	-18.00	32.06	14.31
US dollar (\$)	17.41	-24.58	-3.61	39.84	20.32

Past performance should not be seen as an indication of future performance.

The figures show the performance growth over 5 years as discrete 12 month periods, on a mid price basis with gross income reinvested. Source: Financial Express. Sector is Lipper OS Far East - Excluding Japan

## Geographical Split (%)



■ Australia	23.14
■ Hong Kong	14.39
■ South Korea	12.80
■ Taiwan	10.34
■ China	8.55
■ India	8.20
■ Cash	7.87
■ Others	7.14
■ Singapore	4.51
■ Indonesia	3.06

## Largest Investments (%)

BHP Billiton	3.03
Samsung Electronics	2.26
Commonwealth Bank of Australia	1.97
Westpac Banking	1.83
iShares MSCI Far East Ex-Japan	1.77
Taiwan Semiconductor Manufacturing	1.50
Australia and New Zealand Banking Group	1.43
China Mobile	1.38
National Australia Bank	1.26
China Construction Bank	1.18

## Market Overview

- Equities in the Asia Pacific region, along with those in other global markets, suffered losses during the second quarter of 2010. The MSCI Asia Pacific (ex-Japan) index was down 5.4% in local currency terms.
- Sentiment was boosted in the Asia/Pacific region during April, after figures showed Singapore's Gross Domestic Product grew 32.1% on an annual basis during the third quarter of 2009. There was also upbeat economic news from South Korea, where unemployment fell at the sharpest rate in ten years.
- In May, the region went on to suffer its worst declines since October 2008. A variety of factors combined to drag down prices, including an Australian mining industry "super profit" tax and cross-border tensions between South Korea and its northern counterpart. Early in the month, the Reserve Bank of Australia increased its main interest rate to 4.5%. The move, which is the sixth increase in eight months, was widely expected.
- In Hong Kong, retail sales benefited from low unemployment and increased tourism. They surged 16% in April, compared to the same period a year earlier. In contrast, it was revealed in June that Singapore's retail sales fell for the third month in a row, on the back of declining demand in the automotive sector.



## Future Policy

- Investors have recently become more cautious about the outlook for global growth. This has caused an increase in deflationary pressures and increased concerns that corporate profit measures may be at a near-term peak.
- If growth slows further, another round of monetary stimulus cannot be ruled out. Against currently low valuation levels, this would prove to be supportive for equities.
- However, despite investors' fears, a return to recession is far from inevitable. Firstly, global economic growth has surprised on the upside, with annual Gross Domestic Produce for 2010 expected to be close to 5% - much faster than expected. This, admittedly, will be largely driven by emerging markets while developed markets will lag.

## General Information

Value of Fund as at 30th June 2010

£7.26m

Dealing Price as at 30th June 2010

£ 2.9350

€ 3.6080

\$ 4.4070

Current Yield as at 30th June 2010

0.44%

Distribution Dates

22nd November

XD Dates

1st October

Launch Date

1st May 1990

Minimum Investment

£1,000 or currency equivalent

Subsequent Investment

£50 or currency equivalent

Initial Charge

5%

Annual Management Charge

1.5%

Total Holdings

260

Sedol

0871789

ISIN

GB0008717893

## Contact Details

For further information about the  
**Lloyds TSB Offshore Funds Limited - Asian Pacific Fund**

call **+44 (0) 1534 845555**

email **[funds@lloydstsb-offshore.com](mailto:funds@lloydstsb-offshore.com)**

or go to **[www.lloydstsb-offshore.com/funds](http://www.lloydstsb-offshore.com/funds)**

The value of investments and the income from them can go down as well as up and cannot be guaranteed. An investment, in a currency other than the shareholder's own currency or in a fund that invests in securities denominated in currencies other than sterling, will be subject to the movement of foreign exchange rates. Consequently, investors may receive an amount greater or less than their original investment.

This document has been issued by Lloyds TSB Offshore Fund Managers Limited (the "Manager"), registered office address P.O. Box 160, 25 New Street, St Helier, Jersey, Channel Islands, JE4 8RG and approved by Lloyds TSB Private Banking Limited, Registered Office: 25 Gresham Street, London EC2V 7HN. Registered in England and Wales no. 2019697. Authorised and regulated by the Financial Services Authority under number 122626. Lloyds TSB Offshore Fund Managers Limited and Lloyds TSB Offshore Funds Limited (the "Fund") which are incorporated in Jersey, have been authorised by the Jersey Financial Services Commission under the Collective Investment Funds (Jersey) Law, 1988.

The commentary contained in this document has been derived from sources, which we consider to be reasonable and appropriate. It may also include our views and expectations, which cannot be taken as fact.

The rules of the UK Financial Services Authority and the United Kingdom Financial Services Compensation scheme do not apply to the Fund and no cancellation rights apply, however, the Fund is recognised under Section 270 of the Financial Services and Markets Act 2000.

Messages sent by email may not be secure and may be intercepted by third parties. Please do not use email to send us communications which contain confidential information or instructions as we require these communications to be in writing. If you disregard this warning, you agree that you do so at your own risk and that you will not hold the Manager responsible for any loss that you suffer as a result. Telephone calls may be recorded and monitored.

Legislation or regulations in your home jurisdiction may prohibit you from entering into such a transaction with us. We reserve the right to make final determination on whether you are eligible for any products or services.

Lloyds TSB Offshore Holdings Limited has registered the business name of Lloyds TSB International in Jersey and has licensed it to Lloyds TSB Offshore Fund Managers Limited and Lloyds TSB Offshore Funds Limited.