

## A very good year

Following on from an eventful 2011, which saw both a landslide election victory and the worst flooding in 50 years, Thailand's economy has recovered strongly during 2012. Reflecting this, the Thai equity market has also provided a strong performance during the last 12 months, with the Thai SET returning 39.5% (total return, sterling adjusted). Aberdeen New Thai (ANW) has beaten this benchmark, returning 55.7% and 60.3% in terms of NAV and price total return respectively. The outperformance of the Thai market versus regional peers (MSCI Asia ex-Japan Index) continues a very long trend and ANW remains at the top of its AIC Asia-Pacific peer group in terms of share price total return performance over one, three and five years. Thai equity market valuations are not as cheap as they have been historically, but the economy continues to recover well from the flooding and company earnings, and dividends, are growing.

12 months ending	Total share price return* (%)	Total NAV return* (%)	Total return SET Index* (%)	Total return MSCI AC Asia Ex-Japan* (%)	Total return MSCI World Index* (%)
11/01/10	45.0	55.2	69.6	110.0	26.9
11/01/11	59.5	51.9	60.4	24.1	13.1
11/01/12	0.8	6.0	5.7	(23.6)	(2.1)
11/01/13	60.3	55.7	39.5	18.0	12.5

Note: \*Twelve-month rolling discrete performance; NAV assumes full conversion of subscription shares at 200p.

### Investment strategy: Quality, SET-listed companies

The fund manager takes a long-term, buy-and-hold view. The investment process is a two-step, bottom-up strategy, which looks first at quality and then at valuation when assessing investment opportunities. Aberdeen only invests in companies where it has met management and undertaken its own research.

### Political and economic outlook: Improved political stability

Eighteen months on from Yingluck Shinawatra's Pheu Thai Party's landslide election victory the political climate remains settled. Despite headwinds facing many of Thailand's trading partners, the economy has recovered strongly during 2012 with the Thai equity market also putting in a strong performance. Government policies, such as a substantial increase in the minimum wage and corporation tax cuts, continue to be supportive of domestic demand and the manager remains focused on companies with domestic based earnings which he believes will continue to do well in the current environment. Although the market valuation is now more demanding, particularly among domestic growth stocks (versus cyclical or commodities) the structural growth drivers for Thailand remain favourable.

### Valuation: Discount below long-term averages

The discount based on the fully diluted NAV, currently at 10.3%, is below its three-and five-year averages of 13.7% and 13.3% respectively. It is currently trading at a small discount to the sector average despite the trust's longer-term performance record.

## Investment trusts

14 January 2013

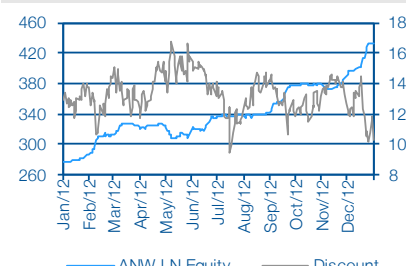
Price	434p
Market cap	£84m
AUM	£103.2m
NAV	511.09p*
Discount to NAV	15.1%*
NAV	483.73p**
Discount to NAV	10.3%**
Yield	1.8%

\* Adjusted for debt at market value, excluding income and assuming no further dilution from conversion of subscription shares. At 10 January 2012.

\*\* Adjusted for debt at market value, excluding income and assuming full dilution from conversion of subscription shares at 200p. At 10 January 2012.

Ordinary shares in issue	19.4m
Code	ANW
Primary exchange	LSE
AIC sector	Country Spec: Asia-Pacific

### Share price/discount performance



\* Positive values indicate a discount; negative values indicate a premium.

### Three-year cumulative perf. graph



52 week high / low: 434.00p 276.25p  
NAV\* high / low 492.09p 316.43p  
\* Assuming subscription shares converted in full at 200p.

### Gearing

Gross	3.0%
Net	2.4%

### Analysts

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[Edison profile page](#)

**Exhibit 1: Trust at a glance**

**Investment objective and fund background**

Aberdeen New Thai Investment Trust's investment objective is to provide shareholders with long-term, above-average capital growth through investment in Thailand. Its assets are invested in a diversified portfolio of securities – substantially in the form of equities or equity-related securities such as convertible securities and warrants – in companies spread across a range of industries quoted on the Stock Exchange of Thailand (SET).

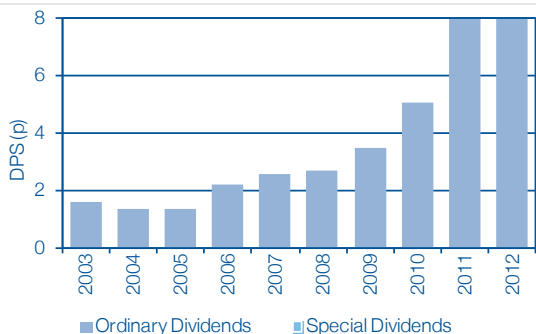
**Developments last quarter**

3 December 2012: 96,045 new ordinary shares issued in relation to subscription share conversion.  
6 November 2012: Interim report for the six months ended 31 August 2012 released.

Forthcoming		Capital structure		Fund details	
AGM	June 2013	Total expense ratio	1.54%	Group	AAM Asia Limited
Preliminary results	May 2013	Net Gearing	2.4%	Manager	Asian Equities Team
Year end	28 February	Annual mgmt fee	1.0% of net assets	Address	Bow Bells House, 1 Bread Street, London, EC4M 9HH
Dividend paid	July	Performance fee	None	Phone	0500 000 040
Launch date	December 1989	Trust life	Indefinite	Website	www.newthai-trust.co.uk
Wind-up date	See Pg. 7	Loan facilities	See Pg. 7		

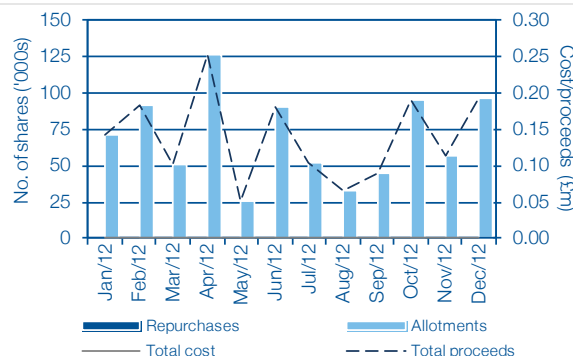
**Dividend policy and history**

One dividend annually, paid in June, using income from underlying investments. Level may vary accordingly.

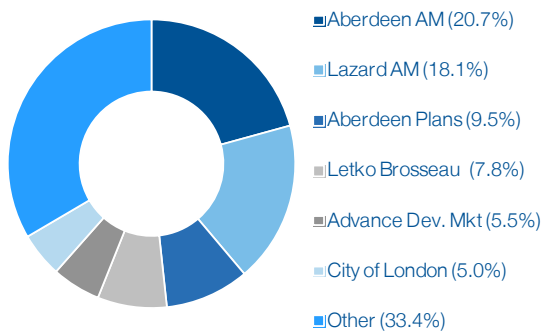


**Share buyback policy and history**

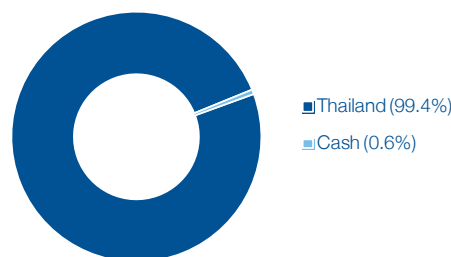
Renewed annually, the trust has authority to allot up to 10% and purchase up to 14.99% of issued share capital.



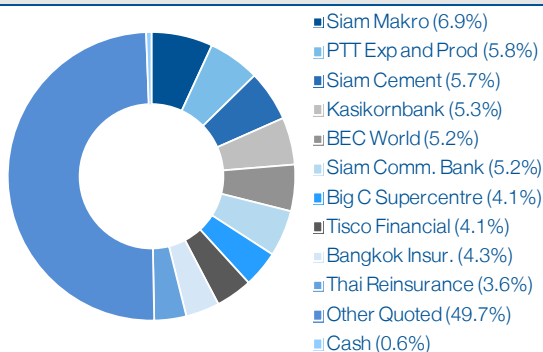
**Shareholder base (as at 31 December 2012)**



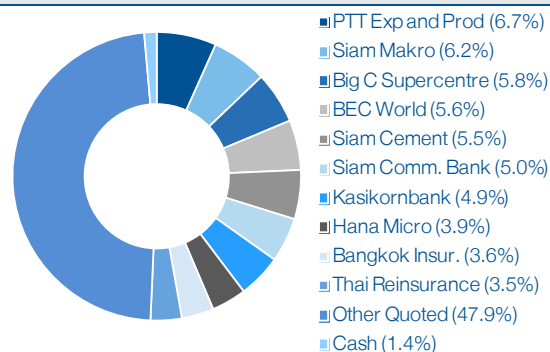
**Geographic distribution of portfolio (as at 30 November 2012)**



**Portfolio composition (as at 30 November 2012)**

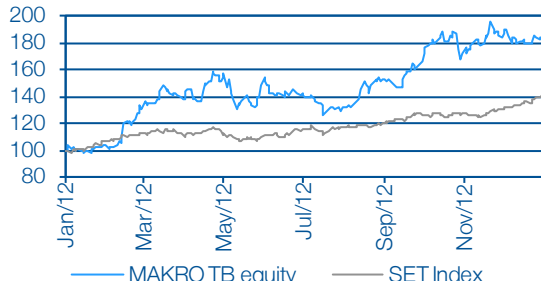
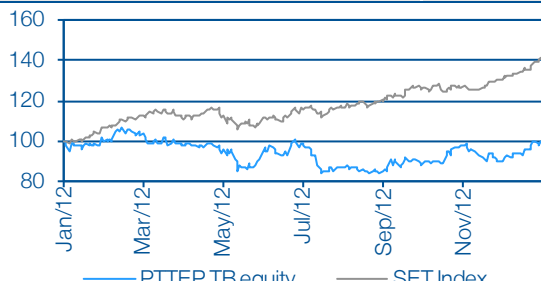
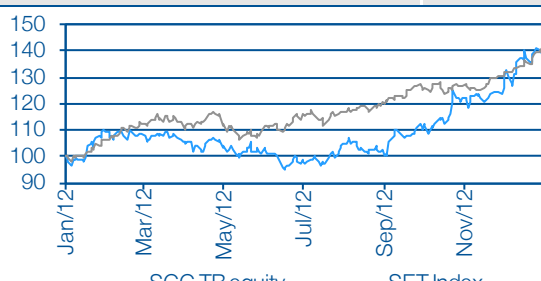
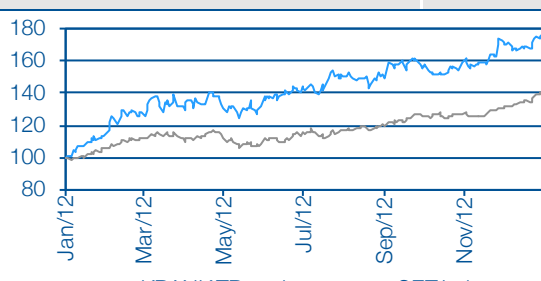
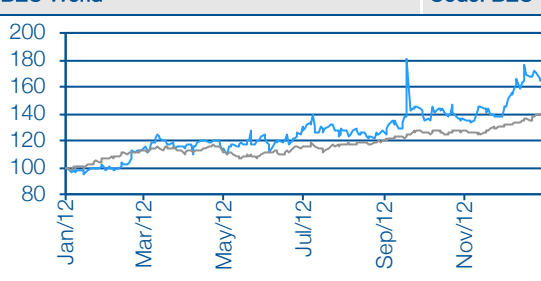


**Portfolio composition (as at 31 May 2012)**



Source: Aberdeen New Thai, Edison Investment Research

## Exhibit 2: Top five holdings at a glance

Siam Makro	Code: MAKRO TB	Market cap: THB108,480m (£2,222m)								
 <p>— MAKRO TB equity — SET Index</p>	<table border="1"> <tr> <td>Div Yield (trail. 12 months)</td> <td>2.38%</td> </tr> <tr> <td>Foreign Ownership Limit</td> <td>49%</td> </tr> <tr> <td>SET Industry/Sector</td> <td>Services/Commerce</td> </tr> <tr> <td>Website</td> <td><a href="http://www.siammakro.co.th">www.siammakro.co.th</a></td> </tr> </table> <p>Siam Makro operates wholesale cash-and-carry trade centers throughout Thailand. It has over 50 stores and sells a range of food and non-food items. The manager considers Makro is performing very well and that the introduction of the minimum wage has had little impact on costs. It continues to add new stores (3 to 4 pa) and has announced the formation of a Vietnamese business. As such, the manager believes Makro is well positioned to benefit from long-term consumption growth.</p>	Div Yield (trail. 12 months)	2.38%	Foreign Ownership Limit	49%	SET Industry/Sector	Services/Commerce	Website	<a href="http://www.siammakro.co.th">www.siammakro.co.th</a>	
Div Yield (trail. 12 months)	2.38%									
Foreign Ownership Limit	49%									
SET Industry/Sector	Services/Commerce									
Website	<a href="http://www.siammakro.co.th">www.siammakro.co.th</a>									
PTT Exploration & Production	Code: PTTEP TB	Market cap: THB666,957m (£13,660m)								
 <p>— PTTEP TB equity — SET Index</p>	<table border="1"> <tr> <td>Div Yield (trail. 12 months)</td> <td>3.33%</td> </tr> <tr> <td>Foreign Ownership Limit</td> <td>40%</td> </tr> <tr> <td>SET Industry/Sector</td> <td>Resources/Energy &amp; Utilities</td> </tr> <tr> <td>Website</td> <td><a href="http://www.pttep.com">www.pttep.com</a></td> </tr> </table> <p>PTT Exploration and Production (PTTEP) is a national petroleum exploration and production company. It has the second-largest market cap on SET. August 2012 saw PTTEP accept charges and a A\$510k fine relating to the 2009 Montara incident and the well is expected back on stream in Q1 13. A play on long-term volumes and gas prices, PTTEP has not kept pace with domestic consumption but it has an aggressive expansion plan and recently acquired assets in Mozambique.</p>	Div Yield (trail. 12 months)	3.33%	Foreign Ownership Limit	40%	SET Industry/Sector	Resources/Energy & Utilities	Website	<a href="http://www.pttep.com">www.pttep.com</a>	
Div Yield (trail. 12 months)	3.33%									
Foreign Ownership Limit	40%									
SET Industry/Sector	Resources/Energy & Utilities									
Website	<a href="http://www.pttep.com">www.pttep.com</a>									
Siam Cement	Code: SCC TB	Market cap: THB528,000m (£10,667m)								
 <p>— SCC TB equity — SET Index</p>	<table border="1"> <tr> <td>Div Yield (trail. 12 months)</td> <td>2.65%</td> </tr> <tr> <td>Foreign Ownership Limit</td> <td>25%</td> </tr> <tr> <td>SET Industry/Sector</td> <td>Services/Commerce</td> </tr> <tr> <td>Website</td> <td><a href="http://www.siamcement.com">www.siamcement.com</a></td> </tr> </table> <p>Siam Cement (SCC) is an industrial company with interests in chemicals, paper, cement and building materials. It is also a core ANW holding. The manager reports SCC experienced weakness in its petrochemical business during 2012, but that the building materials business has remained on track. The latter is still expected to benefit from the post flood reconstruction effort and, in the long term, from growth in its Myanmar operations.</p>	Div Yield (trail. 12 months)	2.65%	Foreign Ownership Limit	25%	SET Industry/Sector	Services/Commerce	Website	<a href="http://www.siamcement.com">www.siamcement.com</a>	
Div Yield (trail. 12 months)	2.65%									
Foreign Ownership Limit	25%									
SET Industry/Sector	Services/Commerce									
Website	<a href="http://www.siamcement.com">www.siamcement.com</a>									
Kasikornbank	Code: KBANK TB	Market cap: THB465,489m (£9,534m)								
 <p>— KBANK TB equity — SET Index</p>	<table border="1"> <tr> <td>Div Yield (trail. 12 months)</td> <td>1.29%</td> </tr> <tr> <td>Foreign Ownership Limit</td> <td>48.98%</td> </tr> <tr> <td>SET Industry/Sector</td> <td>Financials/Banking</td> </tr> <tr> <td>Website</td> <td><a href="http://www.kasikornbank.com">www.kasikornbank.com</a></td> </tr> </table> <p>Kasikornbank is Thailand's fourth-largest bank by total assets. It provides retail, wholesale and investment banking services and has Thailand's largest branch network (930-plus). Kasikornbank is one of two large bank holdings in the portfolio. Both weathered the financial crisis well and the manager reports that both saw a re-rating in their valuations during 2012 to reflect a more expansionary outlook for the Thai economy.</p>	Div Yield (trail. 12 months)	1.29%	Foreign Ownership Limit	48.98%	SET Industry/Sector	Financials/Banking	Website	<a href="http://www.kasikornbank.com">www.kasikornbank.com</a>	
Div Yield (trail. 12 months)	1.29%									
Foreign Ownership Limit	48.98%									
SET Industry/Sector	Financials/Banking									
Website	<a href="http://www.kasikornbank.com">www.kasikornbank.com</a>									
BEC World	Code: BEC TB	Market cap: THB129,000m (£2,642m)								
 <p>— BEC TB equity — SET Index</p>	<table border="1"> <tr> <td>Div Yield (trail. 12 months)</td> <td>3.10%</td> </tr> <tr> <td>Foreign Ownership Limit</td> <td>49%</td> </tr> <tr> <td>SET Industry/Sector</td> <td>Services/Media &amp; Publishing</td> </tr> <tr> <td>Website</td> <td><a href="http://www.becworld.com">www.becworld.com</a></td> </tr> </table> <p>BEC World (BEC) is a broadcasting and media company based in Thailand. Its interests include Thai TV channel 3, FM radio stations, internet and mobile media. Advertising revenues have continued to grow during 2012. The manager reports that c 60% of total advertising expenditure is on Free to Air TV in Thailand, of which BEC has a 30% market share. BEC has no debt and continues to payout 90% of its earnings as dividends.</p>	Div Yield (trail. 12 months)	3.10%	Foreign Ownership Limit	49%	SET Industry/Sector	Services/Media & Publishing	Website	<a href="http://www.becworld.com">www.becworld.com</a>	
Div Yield (trail. 12 months)	3.10%									
Foreign Ownership Limit	49%									
SET Industry/Sector	Services/Media & Publishing									
Website	<a href="http://www.becworld.com">www.becworld.com</a>									

Source: Aberdeen New Thai, Stock Exchange of Thailand, Thomson Datastream, Edison Investment Research

## Fund profile

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Launched in December 1989, and managed by Aberdeen's Asian Equities team, ANW is the only UK-registered investment trust to focus exclusively on Thai equities. While oversight is provided from Singapore, day-to-day management is undertaken by the Bangkok office, through which ANW has successfully navigated the economic and political turbulence of the region for more than 20 years.

## Thai equity outlook: Long term structural growth

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Investors have long been attracted to the structural growth opportunity provided by Asia. Many of the region's economies remain under-developed and offer potential for further catch-up in GDP per capita versus western economies. Thailand has experienced greater development than many of its peers, but in our view Thailand remains well positioned to benefit from long-term structural growth. Key factors are: 1) pro-business political parties, 2) a liberal investment regime that is supportive of both internal and external FDI, 3) a flexible manufacturing base increasingly focused on high value added products, 4) gains from economic growth are not highly concentrated which aids political stability, and 5) immigration from low wage countries (Burma, Cambodia, Laos) has helped to manage wage inflation. China, Thailand's largest trading partner, has seen a slowdown in economic activity and Asian economies, in general, have been impacted both by the protracted eurozone crisis and weakness in the US economy. However, the Chinese slow down arguably puts China on a more sustainable path and, with a broad shift to focusing on domestic consumption, Asian growth still compares favourably with that of developed markets. In common with many Asian economies, Thailand's government, corporate and household balance sheets are generally in good shape, with low levels of debt and generally strong savings rates. This affords the government some flexibility to provide economic support through less restrictive monetary and fiscal policies. The Thai political climate, turbulent for the last 15 years, has been settled for the last 18 months following Pheu Thai's landslide election victory. However, moves to return Thaksin Shinawatra to Thailand could have a destabilising effect.

## The fund manager: Asian Equities team

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### The manager's view, represented by Aditthep Vanabriksha (AV)

The manager continues to favour companies with domestic based earnings which he believes will do well in the current environment, particularly with government efforts to boost domestic consumption. The government raised the minimum wage by 40% in March but, to compensate and support the economy post the floods, reduced the corporation tax rate from 30% to 23%. A further reduction to 20% is proposed for 2013, which is expected to further support corporate profits, particularly given a broad focus on cost reduction during the last two years. Previous concerns that increased post flood government spend and tax cuts would be inflationary, leading to an interest rate rise in H212, were unfounded. In October, the Bank of Thailand announced a 0.25% interest rate cut to 2.75%, which surprised markets, citing that, with inflation contained and a weak global economic outlook, an interest rate cut was warranted to shore up domestic demand. AV considers the recent protests a failure but believes that proposed changes to amnesty laws, which would allow Thaksin Shinawatra to return as a free man, are a major issue, although the threat appears to be receding with the prime minister more visibly asserting herself. At present, the economy continues to recover well (The IMF estimates 2012 GDP growth at 5.6% vs 0.05% for 2011), corporate earnings and dividends are growing, and the political environment is settled. Thai equity market valuations are not as cheap as they have been historically. As at 31 December, ANW's portfolio was trading on 15x 2012 P/E, 2.7x price to historical book with a 2.7% dividend yield. However, the manager is positive on the long term fundamentals.

## Asset allocation

ANW has 39 equity investments, the majority of which are large-cap stocks listed on the SET. The top 10 holdings account for 49.7% of the portfolio, cash accounts for 0.6% of the portfolio, with the remaining 29 equity investments accounting for 49.7% of the portfolio. As displayed in Exhibit 3, there are significant deviations in asset allocation from the benchmark index, reflecting not only the actively managed nature of the trust, but also the underlying investment philosophy of the manager. As Exhibit 1 shows, apart from the 0.6% of the portfolio held as cash and fixed-income investments, the remaining 99.4% of the portfolio is fully invested in Thailand and, as such, the portfolio will be sensitive to the movements in Thailand's economic and political climate.

**Exhibit 3: Sector allocations as at 30 November 2012**

	Trust weight (%)	Benchmark weight (%)	Trust active weight (%)	Trust weight/ benchmark weight
Insurance	8.7	1.6	7.1	5.44
Media & publishing	7.9	2.2	5.7	3.59
Commerce	12.7	8.7	4.0	1.46
Finance & securities	4.9	0.9	4.0	5.44
Automotive	3.9	0.6	3.3	6.50
Construction materials	9.0	6.0	3.0	1.50
Electronic components	3.5	0.8	2.7	4.38
Packaging	1.2	0.3	0.9	4.00
Property fund	2.3	1.5	0.8	1.53
Healthcare services	1.8	2.8	(1.0)	0.64
Property development	5.8	7.4	(1.6)	0.78
Food & beverages	3.8	6.0	(2.2)	0.63
Transportation & logistics	0.6	3.1	(2.5)	0.19
Energy & utilities	16.4	20.1	(3.7)	0.82
Banking	14.5	18.7	(4.2)	0.78
Information & comm's tech	2.4	11.5	(9.1)	0.21
Other	0.0	7.7	(7.7)	0.00
Cash	0.6	0.0	0.6	N/A
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>	

Source: Aberdeen New Thai, Edison Investment Research

## Current portfolio positioning

The largest active underweight remains information and communications technology. ANW also remains underweight in banking, energy and utilities, transportation and logistics, food and beverages, property development and healthcare services. The energy and utilities underweight is a consequence of management's ongoing decision not to hold the state-owned oil group PTT. ANW's overweight allocations are in areas that will benefit from a continuing uplift in domestic economic activity. The largest active overweight remains insurance. Large relative overweights remain in insurance, automotive, finance and securities, electronic components, packaging and media and publishing. Including cash, ANW has a marginally more defensive allocation than the benchmark.

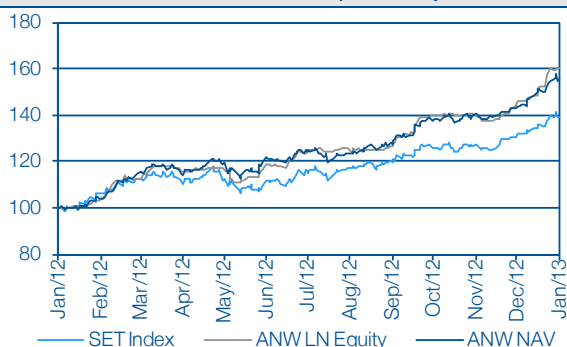
## Recent performance

As Exhibit 5 illustrates, ANW has outperformed the MSCI AC Asia Ex-Japan Index and the MSCI World Index, ANW in terms of both price and NAV total return, for all of the time periods provided. This reflects the long-term performance that Thailand has provided both relative to the rest of Asia ex-Japan and the broader global economy. Analysis of ANW's performance relative to its benchmark index, the Thai SET, in terms of NAV total return over the last five years shows two periods of broad underperformance: between January 2008 and June 2008 and between January 2009 and May 2011. Conversely, ANW has broadly outperformed the SET between June 2008 and January 2009 and from

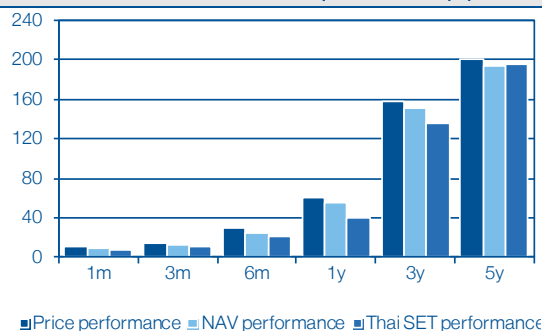
May 2011 to date. The manager attributes this underperformance to the decision not to hold state-owned oil group PTT, due to a range of concerns including corporate governance issues. The manager argues that as PTT represents a substantial proportion of the SET (c 20%) PTT's performance, which itself reflects oil demand, has tended to bolster or hamper ANW's relative performance. The evidence generally supports the manager's assertion with the oil price, and valuation of PTT rising during the periods of underperformance and vice-versa. Our analysis of ANW's relative performance to the SET, vs that of PTT shows a -0.80 correlation over the last five years.

**Exhibit 4: Investment trust performance**

**Price, NAV and benchmark total return perf., one year rebased**



**Price, NAV and benchmark total return performance (%)**



Source: Aberdeen New Thai, Datastream, Edison Investment Research

**Exhibit 5: Share price and NAV total return performance (sterling adjusted), relative to benchmarks**

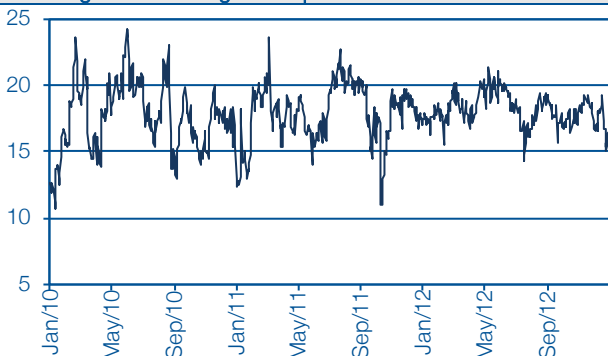
	1 month	3 months	6 months	1 year	3 years	5 years	10 years
Price relative to SET Index	4.0	4.0	8.8	20.8	21.0	4.8	133.0
NAV relative to SET Index	2.2	2.5	4.7	16.2	14.2	(2.7)	28.1
Price relative to MSCI AC Asia Ex-Jap Ind	3.7	4.7	15.3	42.3	145.7	174.2	578.4
NAV relative to MSCI AC Asia Ex -Jap Ind	2.0	3.3	11.1	37.7	138.9	166.7	473.5
Price relative to MSCI World Index	6.7	9.1	18.4	47.8	132.9	173.2	767.2
NAV relative to MSCI World Index	4.9	7.6	14.3	43.2	126.1	165.7	662.3

Source: Aberdeen New Thai, Thomson Datastream, Edison Investment Research

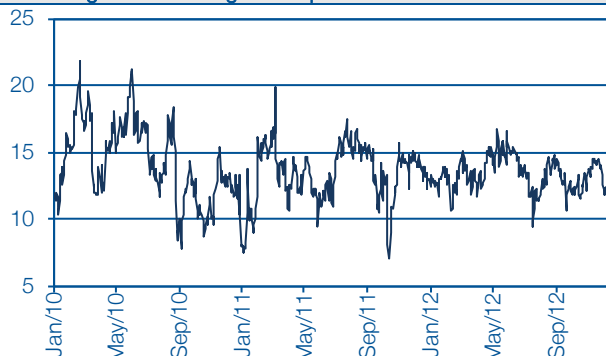
## Discount

**Exhibit 6: Discount through three years**

**Assuming all outstanding subscription shares remain unexercised**



**Assuming all outstanding subscription shares are exercised**



Source: Thomson Datastream, Edison Investment Research

An explicit commitment to maintain the discount at a particular level has not been provided, but it is assumed that the board would prefer to at least maintain the discount below the 15% threshold that may otherwise trigger a vote to put the trust into voluntary liquidation. As illustrated in Exhibit 1, ANW's repurchase authority has not been used during the last 12 months. However, ANW's subscription

shares have remained comfortably in the money allowing ANW to allot 850k shares raising £1.70m during the period. Exhibit 6 illustrates the discount through the last three years. The first graph uses par NAVs and assumes that any outstanding subscription shares remain unexercised. The second assumes dilution from the full exercise of all outstanding subscription shares at 200p. The second graph has more relevance to investors with the subscription shares in the money although, once all outstanding subscription shares are exercised, following the final subscription date of 31 January 2013, the dilution will be crystallised. Following the subscription share issue (November 2009) and commencement of the repurchase and allotment programmes, the undiluted NAV has widened while the diluted NAV has remained broadly constant. The discount, based on the fully diluted NAV, at 10.3% is below its three- and five-year averages of 13.7% and 13.3% respectively.

## Capital structure

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ANW has a conventional structure with two classes of security in issue, 25p ordinary shares and 1p subscription shares. For the latter the final subscription date is the 31 January 2013, at 200p, and there are 1.87m subscription shares outstanding. Since conversions began in January 2010, ANW has allotted 1.75m ordinary shares raising £3.5m. Following the final subscription, ANW will appoint a trustee, assuming the subscription shares are in the money, to exercise any outstanding subscription shares and sell the resulting ordinary shares for the benefit of the subscription share holders. However, the trustee may accept any alternative offer for the subscription shares if this is likely to raise greater proceeds. Net proceeds will be distributed by 31 March 2013. ANW's articles of association permit the use of gearing and, accordingly, ANW has a bank loan that is used for this. As at 30 April 2012, ANW had gross gearing of 3.0% and net gearing of 2.4% of net assets. The management fee, paid monthly in arrears, is 1.0% per annum of the net asset value of the trust valued monthly. There is no performance fee and the management contract can be terminated at a year's notice. The total expense ratio (TER) has fallen for at least eight consecutive years, although the year-on-year fall is negligible. It was 1.54% for the year ending 28 February 2012 (1.55% for the year ending 28 February 2011). While comparatively high, this reflects that ANW is a specialist trust, with costs spread across a relatively small asset base. However, the asset base continues to grow, which is reflected in the falling TER. Although the life of the trust is indefinite, if during the 12 weeks preceding the ANW's financial year end (28 February) the ordinary shares trade at an average discount in excess of 15% to NAV, a special resolution is put to shareholders at the AGM to put the trust into voluntary liquidation. During the 12 weeks preceding 28 February 2012, ANW traded at an average discount of 13.2%. As such, there was no resolution to put the trust into voluntary liquidation at this year's AGM.

## Dividend policy and record

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Assuming adequate profitability, a single dividend payment is made in July each year, with payments being made from income received during the period. During the past five years, the trust has increased its dividend by a total of 208%, an average yearly increase of 27.1% or 25.2% annualised. The board decided in 2010 that ANW would pay out substantially all of its earnings received during a year. The 2012 dividend of 8.0p provided no year-on-year increase in the dividend, although there was a 7.1% increase in revenue return per share between the periods – all derived from increased dividend income. The 2012 revenue return per share was 8.87p vs 8.28p for 2011. As at 31 August 2012 ANW had revenue reserves equal to 2.07x of last year's total dividend on an undiluted basis. However, the final conversion date for ANW's 1.95m outstanding subscription shares is 31 January 2013. These are comfortably in the money and will have a dilutive effect on revenue reserves. The full impact of the 2011 flooding and its consequent negative impact on revenue will be felt in the current financial year. Despite

this, we estimate that as at 31 August 2012 ANW has fully diluted revenue reserves per share of 14.57 or 1.82x last year's total dividend. As such, while ANW has sufficient reserves to maintain the dividend at 8.0p for the 2013 year, it is likely that this would require some dipping into revenue reserves. The extent to which the board feel comfortable with utilising ANW's revenue reserves is likely to determine the dividend level for 2013. If the board chooses to continue its policy of paying out substantially all of the dividend income received in the period, but chooses not to dip into revenue reserves, a dividend cut for 2013 appears to be likely, particularly given the increase in share capital expected from the final exercise of subscription shares at 31 January 2013. In addition a strong appreciation of sterling relative to the Thai baht could potentially affect the dividend level.

## Peer group comparison

As Exhibit 8 illustrates the AIC sector Country Specialist: Asia-Pacific is a relatively small peer group. There are seven constituents, and, while they all invest in Asia-Pacific assets, the economic and political environments they operate in can vary quite markedly. Within this peer group, ANW ranks first over the one-, three- and five-year periods in terms of share price total return.

Exhibit 7: Country Specialist: Asia-Pacific sector, as at 11 January 2012

Company	Share price total return on £100			Ongoing charges	(Disc)/ prem.	Net gearing (100=no gearing)	Five-year dividend growth (%)	Div. yield
	One year	Three years	Five years					
<b>Sector average</b>	<b>125.1</b>	<b>115.2</b>	<b>100.7</b>	<b>1.74</b>	<b>(10.8)</b>	<b>106</b>	<b>N/A</b>	<b>0.7</b>
<b>Aberdeen New Thai</b>	<b>160.3</b>	<b>257.6</b>	<b>300.8</b>	<b>1.55</b>	<b>(11.8)</b>	<b>104</b>	<b>23.8</b>	<b>1.8</b>
Fidelity China Special Sits	120.9	N/A	N/A	1.70	(0.2)	124	N/A	0.8
India Capital Growth	122.9	82.8	31.4	2.61	(18.9)	94	N/A	N/A
JPMorgan Chinese	126.0	101.9	117.1	1.44	(6.8)	111	26.2	1.1
JPMorgan Indian	111.4	93.8	78.4	1.51	(10.8)	99	N/A	N/A
New India	110.4	112.3	133.8	1.53	(10.9)	99	N/A	N/A
VinaCapital Vietnam Opps.	146.2	114.8	66.3	2.12	(29.3)	93	N/A	0.0

Source: The Association of Investment Companies

## The board

All directors are non-executive and most are independent of the manager. They are Keith Falconer (chairman), Peter Bristowe (senior independent director and director of Edison Investment Research), James Robinson FCA (independent director) and Hugh Young (director of ANW, Aberdeen Asset Management Asia and Aberdeen Asset Management Plc). Average length of service is 11.2 years.

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