

Aberdeen New Thai Investment Trust PLC



Investment objective

To provide a high level of long-term, above-average capital growth through investment in Thailand.

Benchmark

Stock Exchange of Thailand Index (currency adjusted).

Cumulative performance (%)

	as at 31/07/10	1 month	3 months	6 months	1 year	3 years	5 years
Share Price	223.3p	7.2	17.5	34.2	61.4	24.0	114.3
Diluted NAV ^A	256.0p	0.6	11.2	30.0	53.0	42.2	123.2
SET Index		3.1	10.5	33.4	60.3	55.2	129.7

Discrete performance (%)

Year ending:	31/07/10	31/07/09	31/07/08	31/07/07	31/07/06
Share Price	61.4	6.6	(27.9)	40.3	23.2
Diluted NAV ^A	53.0	8.1	(14.0)	29.4	21.3
SET Index	60.3	14.5	(15.5)	33.8	10.6

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. NAV returns based on NAVs with debt valued at par. Source: Aberdeen Asset Managers Limited, Factset and Morningstar.

^A Excluding current year revenue.

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

The SET index posted its highest monthly gain since December 2007 in July, supported by increased confidence in the economic outlook. Foreign inflows lifted the market, with net buying worth 6.88 billion baht. June economic data remained largely robust: exports surpassed expectations, rising 46% year-on-year, while imports increased 38%. Tourist arrivals rebounded by 13.7% from a year earlier to reach 7.5 million visitors during the first half. Meanwhile, consumer confidence strengthened for a second month in June. As a result, the Finance Ministry upgraded its full-year growth forecast to 5-6%. Although inflation remained subdued, the Bank of Thailand raised interest rates by 0.25-percentage points to 1.50%, its first rate hike in two years.

Meanwhile, following May's fatal protests in Bangkok, a superficial calm has returned to the country, with many provinces still under a state of emergency, and as the government continues to round up 'red-shirt' leaders under emergency detention legislation.

Portfolio review

During the month, we took profits in Hana Microelectronics and Siam Makro following strong share price rises. We introduced property developer LPN Development instead, which focuses on mid to low-end housing, on the back of an attractive valuation and solid fundamentals.

Fund managers' report continues overleaf

The risks outlined overleaf relating to gearing, emerging markets, single countries 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

	%
Siam Makro	7.1
Siam Cement	6.7
PTT Exploration and Production	6.4
BEC World	6.0
Kasikornbank	5.9
Thai Reinsurance	5.1
Hana Microelectronics	5.0
Bangkok Insurance	4.7
Siam Commercial Bank	4.2
Big C Supercenter	3.6

Total **54.7**

Total number of investments **33**

Sector allocation (%)

	Trust Weight	Benchmark Weight
Banks	13.5	19.9
Retail	12.3	4.7
Insurance	11.2	1.8
Energy	9.9	27.3
Building & Furnishing Materials	9.7	7.2
Printing & Publishing	9.0	0.1
Electrical Products & Computers	6.8	1.3
Auto Components	6.2	0.7
Finance & Securities	5.1	0.9
Property Development	4.8	6.1
Packaging	2.7	0.4
Food & Beverages	2.6	5.6
Transportation	2.2	3.4
Water	2.1	n/a
Health Care	1.5	1.3
Other	0.0	19.3
Cash	0.4	n/a
Total	100.0	100.0

Source: Aberdeen Asset Managers Limited and Bloomberg. Benchmark may not add up to 100 due to rounding.

Portfolio characteristics

Three years to 31 July 2010 (£)

	Trust	Benchmark
Annualised Statistics		
Rate of return	12.5	15.8
Standard deviation	26.4	30.7
Tracking Error	9.1	-
Information Ratio	(0.5)	-
Monthly Statistics		
Max return	24.6	22.2
Min return	(21.1)	(25.6)
Average return	1.3	1.6
Regression Statistics		
Beta	0.8	1.0
Correlation to index	1.0	1.0

Source: Aberdeen Asset Managers Limited and Russell Mellon Analytical Services. Market Proxy: Thai SET. Risk-free proxy is Interbank 3 months Rate.

Further information

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Receive the factsheet of your choice by email as soon as they are available by registering at www.invtrusts.co.uk/ITemail

All sources (unless indicated): Aberdeen Asset Managers Limited 31 July 2010.

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Fund managers' report – continued

In general, our holdings reported robust second-quarter results: Siam Cement was aided by its paper business and volume growth from its new chemicals complex; PTT Exploration and Production benefited from increased sales volume and prices, while Phatra Securities and Siam City Cement also saw improved earnings. Meanwhile, Kasikornbank, Siam Commercial Bank and TISCO Financial expect loan growth to meet full-year targets. In other news, Toyota Motor's plan to invest up to four billion baht to expand capacity bodes well for parts suppliers Goodyear (Thailand) and Thai Stanley Electric.

Outlook

The rebound in exports combined with government spending across the economy has provided solid earnings growth. Recent political violence may have unsettled some foreign investors, but generally the country's fundamentals appear strong, hence the central bank's upward revision of growth forecasts. Notably, our holdings have posted very positive earnings growth, underlining their resilience. As such, we remain comfortable with their long-term prospects.

Key information

Calendar	
Year end	28 February
Accounts published	May
AGM	July
Dividend paid	July
Launch date	December 1989
Fund manager	Asian Equities Team
Total expense ratio	1.8%
Annual management fee	1.0%
Premium/(Discount)^B	(12.8)%
Yield	2.3%
Gearing^C	4.3%
Assets	
Gross assets	£m 48.8
Debt	2.0
Prior charges	nil
^B Based on Diluted NAV	
^C Gearing is expressed as a percentage of gross assets, which includes current year revenue, divided by shareholders' funds.	
Capital structure	
Ordinary shares	17,856,601
Subscription shares	3,574,824
Allocation of expenses and interest	
Capital	0%
Revenue	100%
Trading details	
Bloomberg/Epic/Reuters code	ANW
Market Makers	CANA, CNKS, CSCS, HSBC, WINS
Stockbroker	Collins Stewart

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 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.
- 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.
- Exposure to a single country market increases potential volatility.
- 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.

Other Important Information:

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