

GAM Star China Equity – USD

Equity - Asia-Pacific

USD UCITS (FSA Recognised) / ISA eligible (Distributor Status) / Price as at 31 Aug 2012 USD 15.7664 (Acc) 15.5922 (Inc)

S&P
CAPITAL IQ

Silver
FUND GRADING

September 2012

GAM

Fund description

Investment strategy:	Asia-Pacific
Investment objective:	Capital appreciation.
Investment style:	A portfolio focusing on quoted equity and equity related securities of companies with assets in, or revenues derived from, China and Hong Kong. A fundamental stock-picker with a macro overlay.
Currency hedging:	May be employed to protect against exchange rate risk.

Manager commentary as at 31 Aug 2012

Little has happened since ECB President Mario Draghi made bold comments about the eurozone crisis at the end of July. Having said that, global equity markets, as reflected by the MSCI World index and the S&P 500, staged a stealth rally and moved up by more than 2% in August (both in US dollar terms). In Hong Kong, the government announced its latest round of measures to stabilise the property markets, which mostly involved increasing small parcels of quasi-public housing supply in the fringe areas of the city and increasing private-sector property supply in the medium term. All the measures announced thus far have focused on the supply-side and stopped short of limiting property purchase by foreigners, as some were expecting. In China, the soft versus hard-landing debate continues. Economic data from August remained largely weak, with both year-on-year export and import growth declining significantly to 1.0% and 4.7% respectively, while the trade balance in July was 21% below June's. Having said that, anecdotes from companies we have recently spoken to point to a stabilising economy. However, we must reiterate that the V-shaped recovery which some have been expecting is unlikely to happen. We anticipate that we are more likely to see a U-shaped recovery – a view which has slowly become the consensus over the last couple of weeks. It appears that markets are now pricing in a certain likelihood of QE3 in the near future, judging from the rebound in equities and commodities (especially gold and silver) following Bernanke's comments. However, sentiment remains very volatile and the positive mood could change quite quickly, given the long list of macro events and economic data announcements, in the next couple of weeks.

Manager



Michael Lai

Fund facts

Fund managed by Michael Lai
Fund type UCITS
Stock exchange listing Irish
Currency classes EUR, GBP, USD classes are available
Base currency of the class USD
Inception date of the fund 9 Jul 2007
Inception date of the class 9 Jul 2007
Fund size USD 1,222.8m
Class size USD 843.4m
Min investment of the class USD 10,000
Subsequent minimum subscriptions USD 5,000
Dividend policy Net income will be distributed annually. Reporting fund status received.
Dealing day Any business day
Purchase fee Up to 5.00%
Investment manager and sponsor fees* 1.35%
TER 1.59% as at 31 Dec 2011
Bloomberg Acc GAMCOAU ID Inc GAMCUOI ID
Reuters Acc SCHUA.FND Inc SCHUI.FND
ISIN Acc IE00B1W3WR42 Inc IE00B1W3WS58
SEDOL Acc B1W3WR4 Inc B1W3WS5
Valoren Acc 3191966 Inc 3191944
Authorised for public sale in Austria, Belgium, Chile, Finland, France, Germany, Hong Kong, Ireland, Italy, Luxembourg, Macau, Netherlands, Norway, Singapore (Institutional & Accredited Investors only), Spain, Sweden, Switzerland, Taiwan (Authorised by FSC for sale to the retail public) and United Kingdom
Data sources GAM, MSCI, Financial Times

Fund performance and risk analysis

Performance from 9 Jul 2007 to 31 Aug 2012



Performance summary as at 31 Aug 2012

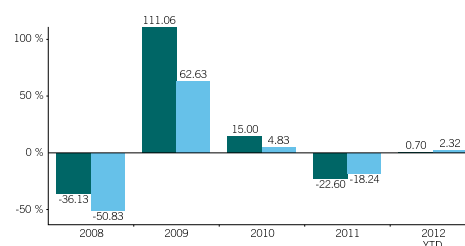
	Fund %	Equity Index %
1 month return	1.76	-3.13
3 months' return	-0.19	0.43
12 months' return	-9.72	-7.98
Return since inception	57.66	-10.47
Annualised return since inception	9.25	-2.13

The fund does not include the security of capital which is characteristic of a deposit with a bank or building society.

Standardised past performance to 31 Aug 2012

August-August (%)	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
GAM Star China Equity – USD	-12.84	30.56	41.75	-1.29	-9.72
MSCI China Index in USD	-20.03	0.76	9.44	-0.12	-7.98

Performance history to 31 Aug 2012



Key to charts and tables:

Fund: GAM Star China Equity – USD; Equity Index: MSCI China Index in USD; Cash Index: Average USD 1 Month Deposit Rate

Historical monthly returns

%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2012	10.85	7.73	-7.65	2.61	-10.85	0.88	-2.77	1.76	-	-	-	-	0.70
2011	-0.28	-1.13	0.24	3.40	-0.11	-4.32	-0.58	-11.10	-17.72	16.25	-8.95	2.94	-22.60
2010	-4.77	4.63	8.58	-0.43	-10.30	-0.16	6.22	-1.83	12.96	3.86	-1.45	-1.11	15.00
2009	-7.31	-1.92	11.44	12.41	20.23	1.04	14.59	-5.52	11.01	15.86	4.83	4.52	111.06
2008	-15.82	4.27	-10.80	12.74	0.39	-9.84	-2.22	-6.22	-11.34	-13.69	4.39	9.12	-36.13
2007	-	-	-	-	-	-	5.25	4.22	25.92	17.61	-16.28	-4.06	30.48

*Excludes administration and custodian fee - please see Prospectus for further details on fees.

Contact details

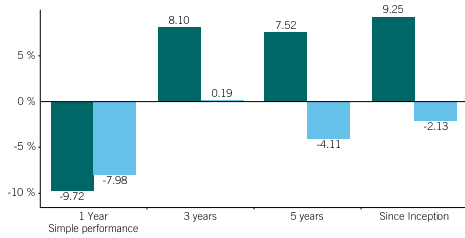
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For daily updates on this fund and a glossary of terms see www.gam.com. Access may be subject to certain restrictions.

Past performance is not indicative of future performance. Performance is shown net of fees.

Fund performance and risk analysis, continued

Compound annual growth rates as at 31 Aug 2012



Risk summary as at 31 Aug 2012

	12 months		5 years	
	Fund	Equity Index	Fund	Equity Index
Maximum drawdown (%)	-17.72	-16.82	-54.96	-64.83
Annualised standard deviation (%)	32.20	30.58	32.75	33.03
Sharpe Ratio*	-0.31	-0.27	0.19	-0.16

*Risk free rate is Average USD 1 Month Deposit Rate

Relative summary as at 31 Aug 2012

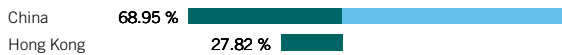
	Relative to Equity Index	
	12 months	5 years
Alpha (%)	-0.11	0.94
Beta	1.03	0.93
Correlation	0.98	0.94

Key to charts and tables:

Fund: GAM Star China Equity – USD; Equity Index: MSCI China Index in USD

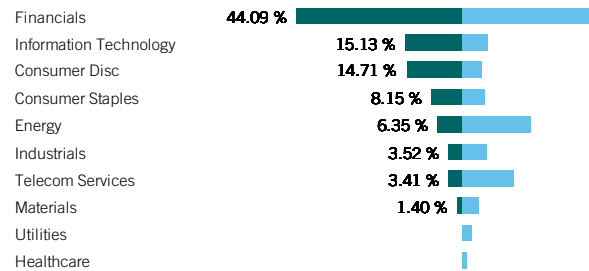
Asset allocation

Geographic breakdown vs Equity Index as at 31 Aug 2012



Net current assets 3.23 %

Industry breakdown vs Equity Index as at 31 Aug 2012



Net current assets 3.23 %

Currency exposure as at 31 Aug 2012

Name	% of Fund
US Dollar	100.0

Top 10 holdings as at 31 Aug 2012

Name	Industry	% of Fund
Tencent Holdings	Information Technology	6.9
Lenovo	Information Technology	5.8
Wharf	Financials	5.1
Ping An Insurance-H	Financials	4.7
Dongfeng Motor-H	Consumer Disc	4.3
China Life Insurance-H	Financials	4.1
BOC Hong Kong Holdings	Financials	4.0
CNOOC	Energy	4.0
Hengan International Group Company	Consumer Staples	3.7
Chongqing Rural Commercial-H	Financials	3.7
Total		46.3

Source: GAM unless otherwise stated (Performance is shown net of fees, on a NAV to NAV basis). This material is confidential and is intended solely for the use of the person or persons to whom it is given or sent and may not be reproduced, copied or given, in whole or in part, to any other person. It is not an invitation to subscribe and is by way of information only. Nothing contained herein constitutes investment, legal, tax or other advice nor is it to be solely relied on in making an investment or other decision. The fund is a sub-fund of GAM Star Fund plc. GAM Star Fund plc is an umbrella fund with segregated liability between sub-funds. GAM Star Fund plc is authorised as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) and is a recognised scheme under the Financial Services and Markets Act 2000. 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