

OLDFIELD PARTNERS LLP

OVERSTONE EMERGING MARKETS EQUITY FUND

MARCH 2010 NEWSLETTER 17

Fund Summary

1 st April 2010			
NAV of fund	US\$50.5m		
A share unit price	US\$187.99		
I Share unit price	US\$118.53		
Performance			
	A Shares	I Shares	MSCI Emerging Markets (NDR)
March	+9.4%	+9.5%	+8.1%
2010 to date	+7.8%	+7.9%	+2.4%
2009	+77.9%	-	+78.5%
2008*	-1.4%	-	-0.3%
Since inception*	+89.2%	-	+82.2%
Since inception**	-	+18.6%	+11.2%

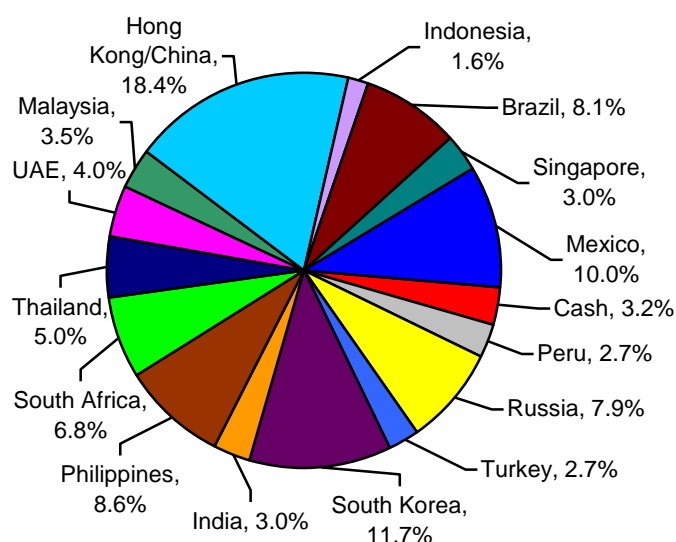
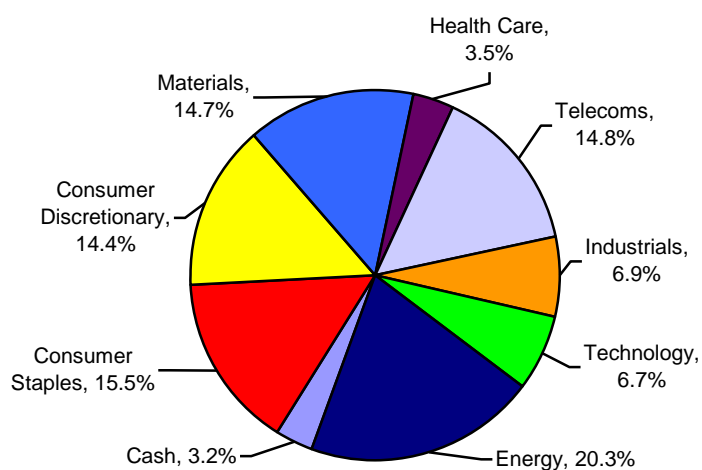
Source: Oldfield Partners LLP, MSCI ©, Bloomberg and Northern Trust Fiduciary Services (Ireland) Ltd.
 Performance is calculated net of all fees and expenses and on a total return basis, inclusive of all distributions to unit holders.
 * The fund commenced on 3rd November 2008.
 ** Inception October 2009.

Top Five Holdings *

Stock	Portfolio Weighting	Monthly Performance (local terms)**
Gazprom	7.9%	+4.9%
Samsung Electronics	6.7%	+9.9%
First Pacific	6.5%	+20.6%
Yue Yuen Industrial	5.8%	+16.6%
Corp GEO SAB	5.6%	-0.5%

Source: Oldfield Partners LLP and Bloomberg.
 * As at end of period
 ** Total return inclusive of dividends.

Sector and country breakdown as at 31st March 2010



Source: Oldfield Partners LLP

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Commentary

Equity markets globally came back to life in March, and emerging markets participated in the rally. It was one of the better monthly performances for emerging markets. Looking at our best performers in the portfolio so far in 2010 it is notable that the more stable earnings type of companies have made the greatest contribution to returns – such as **Universal Robina** (Philippino consumer foods), **Top Glove** (Malaysian latex gloves), **Thai Beverage** (Thai alcoholic beverages) and **Yue Yuen** (Chinese athletic shoe manufacturer).

The top two performers by contribution over the month were DP World (Dubai ports) and First Pacific (Hong Kong holding company). **DP World** rose with the local market on the back of a debt restructuring proposal for Dubai World and Nakheel. We feel as we move through the mini-crisis in Dubai that the underlying fundamentals and balance sheet of DP World are sufficient to see it through. In its annual results management highlighted it is 'seeing signs of positive recovery' and its significant exposure to emerging market trade should remain a positive. DP World is targeting a dual listing on the London market in the summer, which should raise the visibility of the stock. **First Pacific** is a holding company in Hong Kong, which holds investments in Philippine Long Distance Telephone (PLDT) and Indofood in Indonesia. The stock trades at a 55% discount to its net asset value, which we feel remains excessive relative to its history and prospects. **Top Glove** (Malaysian latex gloves) is also worthy of note having put in a solid performance over the month, and has risen over three fold from the share price low in 2008.

The bottom two performers by contribution over the month were Chaoda Modern (Chinese agriculture) and Buenaventura (Peruvian gold miner). **Chaoda Modern** had solid first half results, with sales and diluted earnings per share increasing 13% over the prior year period. Chaoda has slowed the rate of growth in the acquisition of new land, which should start to show through in free cash flow, but has a strong debt free balance sheet should it wish to resume growth. The stock trades on a price earnings ratio of 7. **Buenaventura** reflected the subdued performance of the gold price over the month and a strike by Peruvian miners over wages. We had reduced the weighting in the portfolio towards the end of last year.

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Fund Information as at 1st April 2010			
Currency	US\$	Investment Manager	Oldfield Partners LLP
Liquidity	Daily dealing	Administrator	Northern Trust Fiduciary Services (Ireland) Ltd
Benchmark	MSCI Emerging Markets (Net Dividends Reinvested)	Custodian	Northern Trust Custodial Services (Ireland) Ltd
Management Fees	A shs = 1.25% I shs = 0.9%	Auditor	Deloitte
TER	A shs = 1.56% I shs = 1.21%	Admin & Custody Fees	0.18% on the first US\$75m 0.155% on the next US\$75m 0.14% on the next US\$150m 0.11% thereafter
Minimum Investment	The equivalent of €250,000	A shares ISIN	IE00B3DDVH01
		A shares sedol	B3DDVH0
Legal Advisers	Arthur Cox	I shares ISIN	IE00B4N0BT09
		I Shares sedol	B4N0BT0

Overstone Emerging Markets Equity Fund is a sub-fund of Overstone Fund plc, which is incorporated in Ireland and approved by the Irish Financial Services Regulatory Authority. Six other sub-funds exist under the Overstone Fund plc umbrella; Overstone Global Equity Fund was launched on 1st June 2005, Overstone European Equity Fund was launched on 3rd October 2005, Overstone Opportunity Multi Fund was launched on 1st November 2005, Overstone Global ex US Equity Fund was launched on 1st June 2006, Overstone Japanese Equity Fund was launched on 1st October 2007, Overstone Smaller Companies Fund was launched on 1st October 2007.

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