

Performance Review

The share price edged higher in December ending the month 1.9% higher. The net asset value rose 11%, excluding the 1.4p dividend paid during the month, resulting in the discount widening to 15.6%.

For the calendar year the share price fell 32.0% and the net asset value declined 27.3%, these declines decrease to 30.3% and 25.6% respectively if dividends are included. In Sterling terms the MSCI World Index fell 19.4%, the MSCI Japan Index dipped 3.7% and the MSCI Asia ex Japan Index declined 35.2% over the year.

The weakness of Sterling over the year understates the extent of destruction – the MSCI World Index and the MSCI Asia ex Japan Index suffered their worst declines on record, as did the Yen denominated Topix Index.

Interim Results

The biggest disappointment - and contributor to the net asset value decline - was the savage de-rating of a number of our Asian small cap holdings. Ownership of any smaller cap issue in the market rout of the past fourteen months has been a major mistake as the chart below illustrates (the regular index is the green line, small caps the black line). We will certainly discover over the course of 2009 whether the battering received by these small caps in 2008 reflected simply a sharp rise in risk aversion or a fundamental collapse in the earnings prospects of these businesses. In this respect we have been encouraged by the excellent results announced yesterday by Malaysian rubber glove manufacturer Top Glove (first quarter to Nov 08).

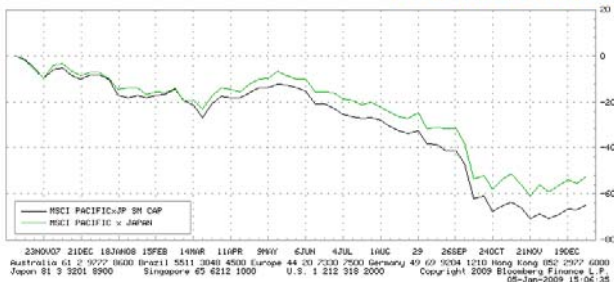
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Range 1/7/2007 - 31/2/09 Period Weekly 61 Wk. Period

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Securities	Crcny	Prc	Aprr	Total Ret	Difference	Annual Eq
1 MSCI World Index	USD	-66.39 %		-64.32 %	-12.04 %	-58.56 %
2 MSCI Pacific Index	USD	-54.90 %		-52.28 %		-46.87 %
3						

(* = No dividends or coupons)



While we continue to focus on stock picking there is, however, no getting away from the truly dreadful macroeconomic releases of late. Provisional data suggests that the Singapore economy contracted by 3.1% q-o-q seasonally adjusted in the 4Q - the biggest drop since records began in 1976.

Key Data (as at 31st December 2008)

Share Price	111.50p
Net Asset Value	132.07p
Premium/(Discount)	(15.6%)
Shares Outstanding	20m
Market Capitalisation	£22.1m
Historic Yield	2.8%
Listed	London Stock Exchange
Bloomberg Ticker	ET/ LN <Equity>
ISIN	GB0031336919
Website	www.bdtinvest.com

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Investment Objective	To achieve long-term capital growth from a managed international portfolio of securities. The preservation of capital will be of primary importance to the investment objective.
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Management Fee	One per cent of the market capitalisation of the Company annually.
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Performance Fee	10% of any gain in the market capitalisation of the company that exceeds the 10% performance hurdle annually.
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Financial Year	31 st March
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Net Asset Value	Calculated weekly on Friday's closing prices and published the following Monday or Tuesday.
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Korean exports declined 19% and 17.4% y-o-y in the final two months of 2008. Taiwan's November export orders fell 27% y-o-y overall, orders from China fell 44% y-o-y. Japan's industrial production fell 16.2% y-o-y in November. CLSA's economics team are currently forecasting a contraction in 2009 GDP in five of the ten regional economies under coverage with only China (5.5%) and India (5.3%) likely to expand in any significant way. Negative growth in the developed world appears a certainty as household saving ratios rise at the expense of consumption as the trend of deleveraging spreads.

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