

New Star Asian Opportunities Fund

Irish authorised OEIC, UCITS III compliant

Quarter ended 31 March 2008

www.newstaram.com The fund is a sub-fund of New Star Global Investment Funds Plc.



Ian Beattie,
Fund manager



Lucy Bernays,
Fund manager

Executive summary

- The New Star Asian Opportunities Fund fell 17.37%* in dollar terms during the first quarter of 2008 while the MSCI Asia excluding Japan Total Return Index lost 14.35%*.
- Volatility was high as a result of fear of contagion from the Western financial crisis, high level of liquidity and leveraged short term players.
- Asia Pacific growth drivers remained intact, with corporate balance sheets strong.
- Fund's underperformance partly a result of profit taking following strong gains. Small and medium-sized companies in Hong Kong and China were weak, often due to who owned them rather than operational factors.
- Market selection was positive: overweight Thailand and underweight China and India offsetting some weakness in Taiwan. Cash position also positive.
- Thailand also positive, with new government policies expected to boost domestic demand.
- Investment themes included relatively under-gearred Asian financial sector and property sector across South East Asia.
- Early signs of calm returning to stockmarkets, a trend that should suit fund's positioning.
- Fund maintains focus on high-quality companies, seeking to benefit from increasingly attractive valuations.

Contact:

International Investment
Services

Phone: +353 1 475 8000

Email: dublin@newstaram.com

Prepared for professional
advisers, professional investors
and financial institutions only.

* Data source: © 2007 Morningstar Inc. All rights reserved, performance in fund's base currency, net of fees, gross income reinvested.

New Star Asian Opportunities Fund

Quarter ended 31 March 2008



Fund statistics



Ian Beattie

Lucy Bernays

NAV (per share)

US\$ class: US\$14.98

£ class: £15.44

*£ share class hedge against the US\$ removed 21.02.08

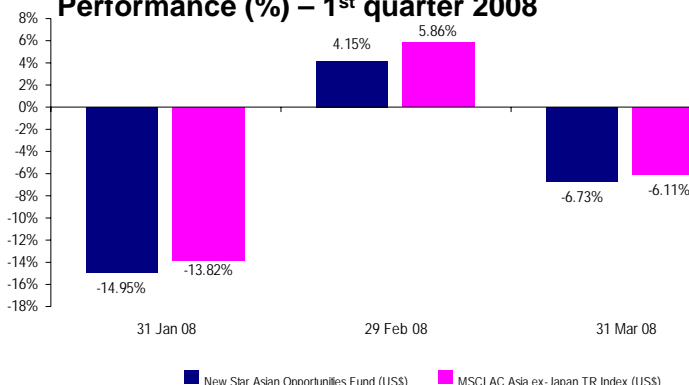
Fund size US\$42.1m

Fund rating:



All information in this factsheet refers to the US\$ retail share class. The £ share class is currently closed to new investors.

Performance (%) – 1st quarter 2008



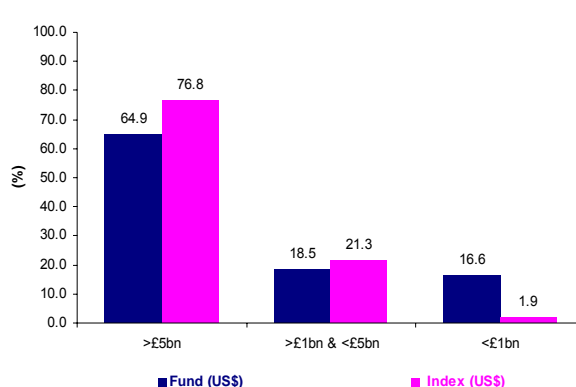
Performance overview

	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Year to date	1 year	3 years	2007	2006	2005	2004	2003	Since launch
US\$ class	-17.37	1.07	14.45	15.74	-17.37	10.62	74.63	39.86	32.74	15.76	20.29	58.50	199.54
£ class	-18.50	1.28	14.10	15.57	-18.50	8.85	71.38	39.32	30.67	18.12	22.42	61.53	208.83
MSCI AC Asia ex-Japan TR Index (US\$)	-14.35	0.83	18.80	16.09	-14.35	19.12	95.23	40.52	33.70	23.20	17.70	47.00	212.55

Top 10 holdings

At 31-01-2008	(%)	At 29-02-2008	(%)	At 31-03-2008	(%)
▼ HANG LUNG GROUP	3.00	▲ SHENZHEN INVESTMENT	2.68	▲ SAMSUNG ELECTRONICS	3.48
▼ SUN HUNG KAI PROPERTIES	2.99	▲ CNOOC	2.54	▲ TAIWAN SEMICONDUCTOR	2.90
▼ BANK OF EAST ASIA	2.87	▲ CHINA MOBILE	2.47	▼ CNOOC	2.52
▼ REXCAPITAL	2.62	▼ RELIANCE	2.46	▲ CATHAY FINANCIAL	2.51
▲ SAMSUNG ELECTRONICS	2.56	▲ TAIWAN SEMICONDUCTOR	2.44	▼ CHINA MOBILE	2.42
▼ RELIANCE INDUSTRIES	2.53	▼ SAMSUNG ELECTRONICS	2.39	▼ SHENZHEN INVESTMENT	2.35
▲ ICICI	2.47	▼ REXCAPITAL	2.32	▲ CHINA LIFE INSURANCE	2.32
▼ CHINA MOBILE	2.39	▲ CATHAY FINANCIAL	2.23	▲ RIO TINTO	2.27
▼ RELIANCE COMMUNICATIONS	2.33	▲ RIO TINTO	2.18	▲ LG CORP	2.25
▲ TAIWAN SEMICONDUCTOR	2.32	▼ RELIANCE COMMUNICATIONS	2.16	▲ HANG LUNG PROPERTIES	2.15
Total of Top Ten	26.08	Total of Top Ten	23.87	Total of Top Ten	25.17
Total holdings	89	Total holdings	87	Total holdings	84
Cash in portfolio	-3.50%	Cash in portfolio	-2.08%	Cash in portfolio	0.97%

Market capitalisation



Attribution by country

For the quarter ended 31-03-2008	Fund (%)		Index (%)		Contribution			Total return (%)
	Weight	Return	Weight	Return	Currency selection	Market selection	Stock selection	
Total	100.00	-17.18	100.00	-14.31	-0.12	1.53	-4.28	-2.87
Australia	5.17	-12.96	--	--	0.16	-0.09	0.00	0.07
Canada	0.00	-25.00	--	--	0.00	0.00	0.00	0.00
China	5.20	-25.51	22.28	-23.69	-0.46	2.08	-0.11	1.50
Hong Kong	33.28	-26.70	13.51	-18.89	-0.18	-0.49	-3.04	-3.71
India	9.67	-30.98	11.90	-26.99	0.02	0.34	-0.43	-0.07
Indonesia	3.13	-14.40	2.67	-6.46	0.02	0.15	-0.29	-0.12
Korea	12.81	-16.89	20.88	-12.74	0.46	-0.58	-0.48	-0.59
Malaysia	2.78	-10.61	3.91	-9.33	-0.01	0.05	-0.04	0.00
Pakistan	--	--	0.25	11.36	0.01	-0.06	0.00	-0.06
Philippines	1.08	-18.62	0.78	-16.95	-0.01	0.00	-0.02	-0.03
Singapore	6.25	-7.17	6.27	-7.43	0.00	0.03	0.00	0.03
Taiwan	11.69	2.47	15.40	5.29	-0.13	-0.44	-0.24	-0.81
Thailand	3.35	14.32	2.15	3.37	0.05	0.12	0.37	0.54
Vietnam	0.77	-33.10	--	--	-0.01	-0.14	0.00	-0.15
Others	4.39	-9.38	--	--	-0.04	0.17	0.00	0.13
Accruals	0.05	-366.43	--	--	0.00	0.09	0.00	0.09
Cash	0.38	0.23	--	--	-0.01	0.30	0.00	0.28

Attribution by sector

For the quarter ended 31-03-2008	Fund (%)		Index (%)		Contribution		
	Weight	Return	Weight	Return	Sector selection	Stock selection	Total return (%)
Total	100.00	-17.18	100.00	-14.32	-0.38	-2.47	-2.86
Consumer Discretionary	7.22	-23.61	3.48	-9.21	0.19	-1.05	-0.86
Consumer Staples	3.96	-8.79	6.30	-10.09	-0.08	0.06	-0.02
Energy	8.76	-20.15	9.31	-23.60	0.12	0.30	0.41
Financials	43.96	-19.01	29.88	-16.77	-0.37	-0.99	-1.36
Healthcare	--	--	0.50	-9.62	-0.02	0.00	-0.02
Industrials	13.42	-21.01	14.07	-17.88	0.01	-0.47	-0.47
Information Technology	8.91	-3.59	15.45	-5.36	-0.54	0.16	-0.39
Materials	6.25	-14.54	8.05	-14.25	0.06	-0.08	-0.02
Telecommunications	5.75	-19.47	9.24	-11.22	-0.09	-0.44	-0.53
Utilities	1.34	-9.24	3.72	-13.38	-0.02	0.05	0.03
Accruals	0.05	-366.43	--	--	0.09	0.00	0.09
Cash	0.38	0.23	--	--	0.28	0.00	0.28

New Star Asian Opportunities Fund

Quarter ended 31 March 2008



Fund statistics

	Alpha	Beta	Tracking error*	Correlation	Sharpe ratio*	Standard deviation (%)	Av P/E multiple**	Av dividend yield (%)**
Fund (US\$)	-0.01	0.98	4.29	0.97	1.05	18.49	18.32	2.28
Index (MSCI AC Asia ex-Japan TR US\$)	0.00	1.00	--	1.00	1.09	18.45	16.99	2.42

All data since inception unless otherwise indicated

* Annualised figures

**Weighted average over three years

Return statistics

	Fund (US\$)	Index (MSCI AC Asia ex-Japan TR US\$)
Weekly		
Average (%)	0.44	0.43
Median (%)	0.50	0.59
Skew	11.08	-0.19
Kurtosis	164.93	1.75
Monthly		
Average gain (%)	5.60	5.02
Average loss (%)	-3.99	-4.13
Gain to loss ratio	1.40	1.22
Positive months (%)	62.69	65.67
Negative months (%)	37.31	34.33
Up months (%)	88.64	
Down months (%)	86.96	
Cumulative/Since Inception		
Up capture (%)	77.62	
Down capture (%)	89.20	

Glossary

Average return – An arithmetic mean of returns.

Median – The midpoint of the range of numbers that are arranged in order of value.

Skew – Characterises the degree of asymmetry of a distribution around its mean.

Positive skewness indicates a distribution with an asymmetric tail extending toward positive values. Negative skewness indicates a distribution with asymmetric tail extending toward more negative values

Kurtosis – A statistical measure used to describe the distribution of observed data around the mean, often referred to as the "volatility of volatility". It characterises the relative peakedness or flatness of a distribution compared with the normal distribution. Positive kurtosis indicates a relatively peaked distribution. Negative kurtosis indicates a relatively flat distribution.

Average gain – arithmetic mean of the periods with a gain.

Average loss – arithmetic mean of the periods with a loss.

Gain to loss ratio – ratio of average gain in a gain period divided by average loss in a losing period.

Positive months – The percentage of months with positive returns among all the months over a given period.

Negative months – The percentage of months with negative returns among all the months over a given period of time.

Up months – A measure of the number of periods that a fund was up, when the benchmark was up, divided by the number of periods that the benchmark was up. A larger ratio indicates better performance.

Down months – A measure of periods that the fund was down, when the benchmark was down, divided by the number of periods that the benchmark was down. The smaller the ratio, the better.

Up capture – measure of the investment's compound return when the benchmark was up, divided by the benchmark's compound return when the benchmark was up. The greater the value, the better.

Down capture – measure of investment's compound return when the benchmark was down, divided by the benchmark's compound return when the benchmark was down. The smaller the value, the better.

Fund at a glance

Fund aim: To achieve long-term capital growth principally through investments in Asian companies (excluding Japan).

Investment style

- Bottom-up stock selection combined with a top-down process of geographical asset allocation; free to deviate from index weighting;
- Focus on countries with improving political and economic risks;
- Follows Economic Value Added (EVA) methodology.

International Investment Services

Phone: +353 1 475 8000

Email: dublin@newstaram.com

Launch date	16.08.2002	NAV publications	FT, Morningstar, www.newstaram.com
Base currency	US dollar	ISIN	USD: IE0031946100 GBP: IE0031946324
Minimum investment and holding	US\$5,000 or £3,500	Bloomberg	NSGAOPD ID
Management fee	1.75% per annum	Sedol	3194610
Subscription fee	Up to 5.25%	Registration	UK, Ireland, France, Spain, Italy, Switzerland, Netherlands, Denmark, Sweden, Finland, Hong Kong, Singapore †
Redemption/switching fees	Nil	† recognised	
Valuations	Daily		
Subscriptions/redemptions	Daily		

Past performance is not necessarily a guide to future performance. This document is for professional advisers, professional investors and financial institutions only and is not to be relied upon by private investors. Data source (except risk characteristics, market capitalisation and attribution): © 2007 Morningstar, Inc. All Rights Reserved, performance data in fund's base currency, net of fees, gross income reinvested. Source for ex-post risk characteristics, MAS RPU. Source for market capitalisation: Style Research. All data since inception unless otherwise indicated. Source for attribution: MAS RPA; attributions are based on total return gross of fees. The value of the investments in the fund are subject to market fluctuations and may fall as well as rise. In addition, the value of investments of the fund may increase or decrease as a result of changes in exchange rates between currencies. Full details of the fund including risk factors can be found in the prospectus; this and the simplified prospectus are available upon request via the contact details above. For your protection, calls are recorded and may be monitored. The manager of the fund is New Star Investment Funds (Ireland) Limited. The fund custodian is State Street Custodial Services (Ireland) Limited. New Star Global Investment Funds Plc is authorised by the Irish Financial Services Regulatory Authority (Irish Financial Regulator). Issued by: New Star Asset Management (Bermuda) Ltd.

New Star Asian Opportunities Fund

Quarter ended 31 March 2008



Quarterly overview

Asian equities were weak and volatile during the first three months of 2008, with regional markets suffering from fears of contagion from the Western financial crisis. The falls were initially sharp in markets that rose strongly in 2007 as investors took profits in response to mounting concerns about the possibility of a sustained US recession. Having made strong gains in 2007, Hong Kong-listed stocks bore the brunt of the selling. There was a relief rally in February, with some regional equity markets enjoying double-digit gains, notably Taiwan. The respite was, however, short-lived and stock market weakness returned in March, when India lost 12.68% and China and Indonesia fell almost as steeply.

While equities in Asia excluding Japan suffered over the quarter, this was a result of the financial crisis in the West and fear of its secondary impact on Asia. The fundamental growth drivers for Asia Pacific remained intact at the quarter end, while corporate balance sheets were strong. High levels of liquidity and low levels of debt in the region provided further support. The stockmarket weakness took valuations down to more reasonable levels and selective buying opportunities began to occur. The questions remain how severe the US slowdown will be and how much resilience will emerging markets display.

Performance

The New Star Asian Opportunities Fund fell 17.37% in dollar terms during the quarter while the MSCI Asia excluding Japan Total Return Index lost 14.35%.

The fund's underperformance was disappointing. There were, however, early signs in late March that calm was returning to stock markets, a shift that should suit the fund's positioning. The fund seeks to invest in quality companies with attractive long-term growth prospects. This is based on bottom-up stock analysis combined with a process of top-down geographical asset allocation.

While many of the fund's holdings benefited from strong demand from international investors in 2007, they suffered from profit-taking as the mood shifted in the first three months of 2008. The fund's small and medium-sized company holdings in Hong Kong and China were among those to slip after previously making strong gains. Financial and property stocks in these countries were negatively affected by investor caution about the sectors.

We awaited election results before adding to Taiwan and this cost us some performance but this initial cautious approach meant when we did move, we acted confidently and decisively.

The fund's overweight exposure to Thailand was also positive over the quarter. Support for the domestic economy came from the proposed economic policies of the newly-installed government. These are expected to boost domestic demand by reviving confidence and stimulating private investment and consumption. In turn, stronger domestic demand should help cushion the Thai economy from the effects of slower exports. Whilst rising oil prices have hurt Thailand, it remains a substantial food exporter. The fund's holding in Preuksa Real Estate, Siam Commercial Bank and Minor International made positive contributions over the quarter.

Outlook

Asian companies have low debt levels. The financial sector also has little gearing relative to the troubled Western financial sector. Being at the opposite end of the credit cycle, Asian banks also have opportunities, which should help maintain momentum even if the global economy slows.

The property sector across South East Asia also offers opportunities, with house prices attractive relative to wages. Urbanisation continues apace, with demand increasing for residential and commercial property. In addition, the dollar-linked currency regimes of many of the region's economies mean that interest rate cuts by the US Federal Reserve are imported. In already buoyant economies, the looser monetary policy adds further support to property. A healthy real estate market generally supports the wider economy, particularly the financial and consumer discretionary sectors.

At a country level, Taiwan appears more attractive. Potential support is provided by the political gains of the Kuomintang, which may open doors for business, trade and tourism between China and Taiwan. Valuations were relatively low and the Taiwan market appeared less vulnerable to profit taking than its neighbours. Over the quarter, the fund's underweight position was moved significantly closer to the benchmark weighting.

Investors have been focused on the US for indications about the extent of the recession and the subsequent impact on global economic growth. The resilience of emerging markets to a severe US slowdown is as yet untested and investors wait to gauge the ability of developing nations to pick up the mantle of global growth.

We believe Asia appears relatively well-placed to withstand the Western financial crisis, providing this does not result in an overly deep or prolonged recession. The strength of corporate balance sheets and high levels of liquidity should provide support. Volatility is, however, likely to continue in the near term, with the growth prospects of Western markets in doubt. In these conditions, the fund will focus on high-quality companies and seek to take advantage of increasingly attractive valuations.