



MONTHLY REPORT AND FACTSHEET FOR JANUARY 2013

NET ASSET VALUE

Net Assets: \$14.7 millions

NAV/Share: \$40.07

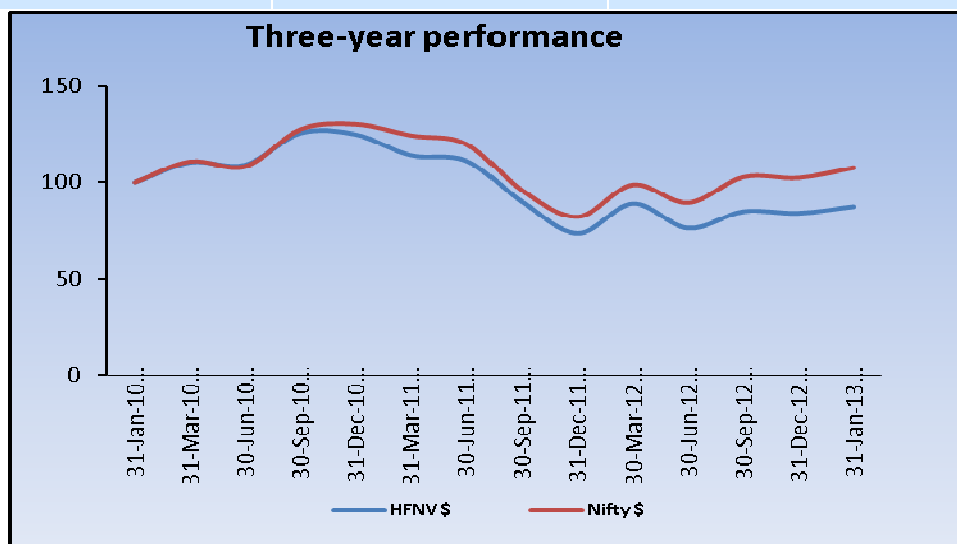
ASSET ALLOCATION

India: 96.1%

Cash: 3.9%

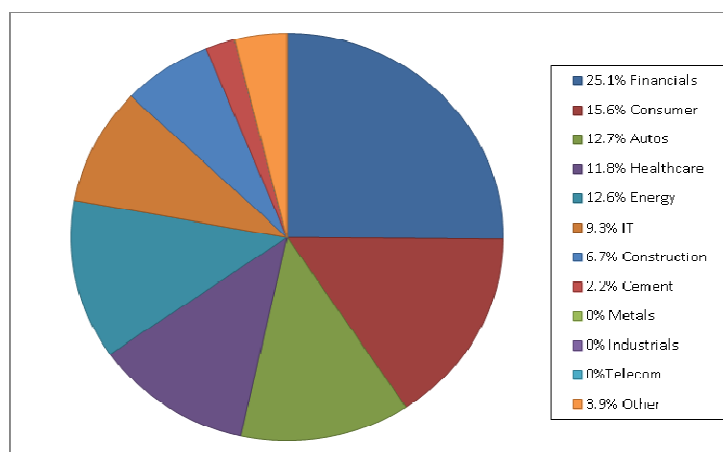
PERFORMANCE (net of fees and charges)

Period	Fund %	Benchmark %
One Month	4.0	5.0
Year-to-date	4.0	5.0
One Year	0.4	7.6
Three Years	-11.4	7.5



Sources: CACEIS: NAV to NAV in \$; NSE India: S&P CNX defty

INDUSTRY CONCENTRATION JANUARY 31



Top Ten Holdings %

HDFC Bank	8.2
Nestle India	6.8
Larsen & Toubro	6.7
ICICI Bank	6.1
Pidilite Inds.	5.9
Balkrishna Inds.	5.7
Kotak Bank	5.2
Infosys	5.0
Torrent Pharma	4.5
TCS	4.3
Total	58.4
Number of Holdings	24
% Invested in Nifty	56.2

FUND INFORMATION

Investment Objective:	Long-term growth through investing in listed companies in India and neighbouring countries
Benchmark:	S&P CNX "NIFTY" Index in US Dollars
Listings:	NYSE Euronext Fund Service, Amsterdam The London Stock Exchange
Managed by::	Himalayan Fund N.V.
Administrator:	Caceis Netherlands NV
London Broker:	Arden Partners plc
Base Currency:	USD
Inception Date:	June 1990
Investment Advisory Fee:	1.5%
Share Type:	Accumulation

OPERATIONAL DETAILS

Valuation:	Weekly	Dealing:	Euronext: Weekly (NAV) LSE: Daily (bid/offer)
Subscription Fee:	0.35% (to Fund)(Euronext)	Redemption Fee:	0.35% (to Fund)(Euronext)
ISIN Code:	NL0000464154	Sedol	0454038-GB
LSE TMID	HYF	Website:	www.himalayanfund.nl

COMMENTARY

Market Context:

The year started with evidence of a major asset reallocation by investors from fixed-income to equity investments, on the strength of which the MSCI All World Index advanced by 4.5%. Returns were higher in developed than emerging markets but India saw the Nifty advance by 5% in US Dollar terms, helped by continuing FII flows and a slight currency appreciation.

Performance:

Himalayan Fund generated a return of 4% in January, under-performing its benchmark by 1%. The market breadth continues to narrow and makes it very difficult for managers to outperform. Analysis of individual stock contributions to Nifty movement during the month shows that only four stocks made a significant contribution in points' terms; we hold two of the four. Five stocks subtracted significant points' value, of which we hold four. We monitor a group of six other funds and note that we are performing better than five over the short term.

Nine of our holdings representing 41% of our portfolio outperformed the index in January; eight stocks, representing 35% of the portfolio had negative returns and 7 stocks had positive returns less than the index. Our top performers for the month were: ONGC (+30.6%), Infosys (+23.9%), Magma Fincorp (+16.7%) and TCS (+10.5%). Performance was dragged down mostly by Hindustan Unilever which lost 9.8% when they announced good results but introduced a new royalty plan which will pressurize profit growth over a number of years. Other notable losers were: Balkrishna Industries (-3.9%), HDFC Bank (-2.4%), Nestle India (-2.1%) and Bajaj Auto (-2%).

We took advantage of a brief recovery in Hindustan Unilever to exit our position and held the cash as the market softened over month-end.

Outlook:

The results season was tailing off by month-end and at that time, we had positive earnings surprises outweighing negative in the portfolio. The Union Budget brings politics into the frame as the dominant influence in February; the portfolio will be adjusted to take account of politically exposed stocks and sectors but overall, the market expects a fiscally conservative outcome.

Please note that the value of investments and the income derived from them may fluctuate and an investor may not receive back the amount originally invested. Past performance is not necessarily indicative of future performance and the value and any income arising from this fund may go down as well as up. Where an investment is denominated in a currency other than your base currency, exchange rates may have an adverse effect on the value or income of that investment.