



## MONTHLY REPORT AND FACTSHEET FOR JANUARY 2015

### NET ASSET VALUE

Net Assets: \$12.8 millions

NAV/Share: \$54.23

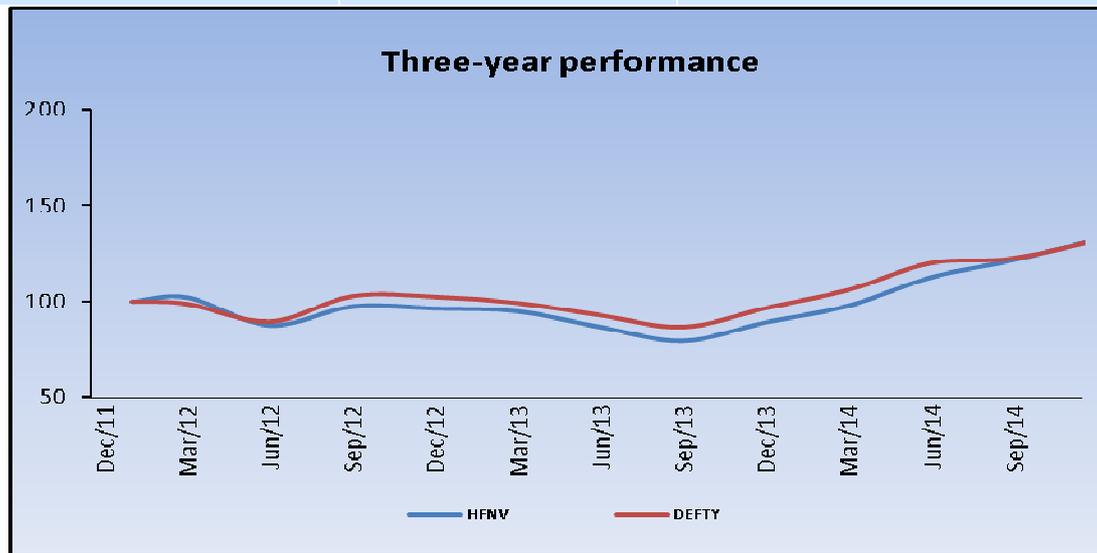
### ASSET ALLOCATION

India: 93%

Cash: 7%

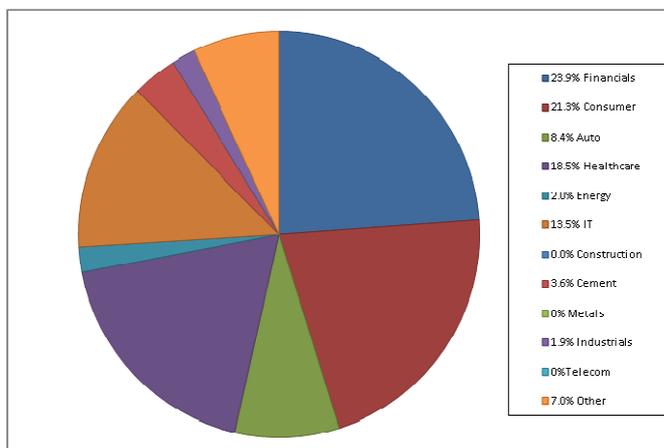
### PERFORMANCE (net of fees and charges)

Period	Fund %	Benchmark %
One Month	6.3	9.0
One Year	59.1	46.3
Two Years	35.3	25.8
Three Years	35.9	35.4



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

### INDUSTRY CONCENTRATION JANUARY 31



### Top Ten Holdings %

Pidilite Inds	11.5
Torrent Pharma	9.4
LUPIN	9.0
Kotak Bank	8.6
HDFC Bank	6.8
TCS	6.0
ICICI Bank	4.6
Balkrishna Inds.	4.4
Infosys	4.3
Bajaj Auto	3.9
<b>Total</b>	<b>68.5</b>
Number of Holdings	21
% Invested in Nifty	50.6

## 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:	Euronext Fund Services, Amsterdam The London Stock Exchange
Managed by::	Himalayan Fund N.V.
Administrator:	Caceis Bank Amsterdam Branch
London Broker:	Arden Partners plc
Base Currency:	USD
Inception Date:	June 1990
SRRRI Category	6
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:	<a href="http://www.himalayanfund.nl">www.himalayanfund.nl</a>

## COMMENTARY

### Market Context:

January was a difficult month for equity markets. The prospect of war in the Ukraine combined with elevated political risk for the EU due to the Greek election late in the month made for choppy stock exchanges. Negative aspects of a low oil price on the outlook for business investment also weighed heavily. The MSCI World Index lost 1.9% in the month with the major markets of the US, EU and UK all in the red for the month by 0 to 3%. India was a notable exception, as sustained foreign inflows drove the Nifty up by 9% in USD terms, including 1.7% of Rupee appreciation. The broader MSCI India index gained 7.9% during the month.

### Performance:

**The Fund's portfolio gained 6.3% in USD dollar terms in January, underperforming our benchmark by 2.7% and the MSCI India by 1.6%. The Fund is outperforming its benchmark over one, two and three years.**

Only six of our holdings outperformed the benchmark during the month as quarterly earnings reports were very mixed. The top performer was Ultratech Cement, with a jump of 19.6%; next was Agro Tech Foods (+15.8%), closely followed by HDFC Bank (+15.4%). Nestle (+13.5%) and Lupin (+13.1%) were close behind and Infosys contributed 10.7% following its earnings announcement which included optimistic guidance. On the downside, Torrent Pharma, one of heavyweights in our favoured Healthcare sector returned -0.8%. TCS (-0.9%) also suffered as earnings expectations relative to rival Infosys were adjusted downwards. South Indian Bank was also in the red for the month on disappointing results. We are holding this stock for the medium term on improved prospects following the arrival of a new CEO. Otherwise, our mid-cap holdings were weaker across the board. We sold some stock near month-end to generate liquidity and to fund adjustments to strategy: we trimmed Balkrishna as it recovered from its sharp fall late last year. We took some profit on two of our best performing stocks in 2014: Kotak Mahindra Bank and Pidilite Industries. They remain two of our heaviest weighted holdings nonetheless.

### Outlook:

The governor of the RBI surprised the market with a 25 basis point cut in the repo rate in January, acting outside the policy review cycle, as he had predicted. Whatever else happens, including the Union Budget at the end of February, monetary easing will probably support the market for the next couple of years, so long as the inflation scenario remains benign.

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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.