



MONTHLY REPORT AND FACTSHEET FOR FEBRUARY 2015

NET ASSET VALUE

Net Assets: \$12.2 millions

NAV/Share: \$54.69

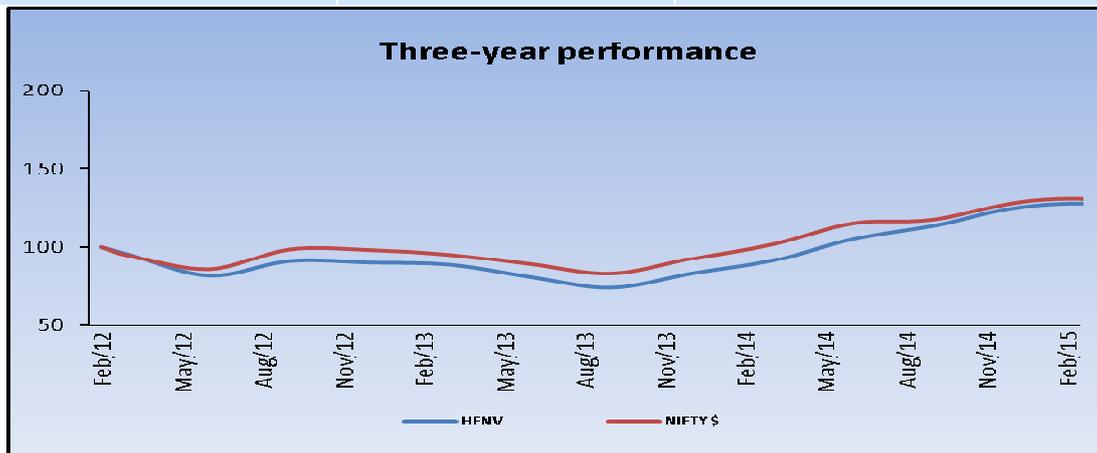
ASSET ALLOCATION

India: 98.6%

Cash: 1.4%

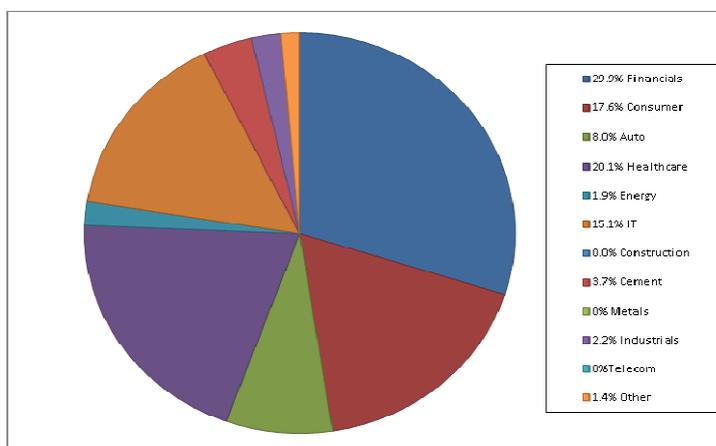
PERFORMANCE (net of fees and charges)

Period	Fund %	Benchmark %
One Month	0.8	1.0
One Year	52.3	42.5
Two Years	45.8	37.6
Three Years	27.9	31.1



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

INDUSTRY CONCENTRATION FEBRUARY 28



Top Ten Holdings %

Pidilite Inds	11.9
LUPIN	10.4
Torrent Pharma	9.7
Kotak Bank	9.5
HDFC Bank	7.1
TCS	6.7
ICICI Bank	6.2
Infosys	4.9
Balkrishna Inds.	4.3
Ultratech Cement	3.7
Total	74.4
Number of Holdings	21
% Invested in Nifty	57.3

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
SRRI 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:	www.himalayanfund.nl

COMMENTARY

Market Context:

Markets mostly trod water in February: the MSCI All-country World index added just 0.1% for the month. Asia was the brightest spot overall, with the Far East index adding 2.3% and the Pacific index adding 1.7%. Europe, added less than 1% as the Greek stand-off continued to weigh. In India, the Nifty added 1% in US dollar terms, with currency appreciation contributing 0.8%. The broader MSCI India index gained 1.8%.

Performance:

The Fund's portfolio gained 0.8% in USD dollar terms in February, underperforming our benchmark by twenty basis points and the MSCI India by 1%. The Fund continues to outperform its benchmark over one, and two years.

February was dominated by the tail end of a weak reporting season and anticipation of the Union Budget, which was delivered on the last day of the month, necessitating an unusual Saturday market opening. Seven of our holdings outperformed the market, the best return coming from Supreme Industries (+11.8%). Next best was Lupin with +10.4% as a spate of USFDA approvals came through. The IT sector responded to a positive outlook, with TCS advancing by 8% and Infosys by 7.4%. Some of the banks did well, with new holding Axis Bank adding 9.3% in a few days and stalwart Kotak Mahindra rising 5.9%. On the downside, the Auto sector suffered, with Bajaj Auto losing 9.8% on demand weakness and Balkrishna losing 7.4% due to weak export markets and currency appreciation. Magma Fincorp dropped 9.2% on weak demand for auto finance. ONGC dropped 7.3% on uncertainty about subsidy-sharing prospects as did VST Industries due to negative sentiment on cigarette sale.

Ahead of the Union Budget, we exited ITC and VST in anticipation of duty hikes and reinvested the liquidity in financials, initiating Axis Bank and adding to ICICI Bank.

Outlook:

The post-budget action will largely be seen in March; the duty hikes on cigarettes and subsequent repo rate cut validated our switch from FMCG into banks. We are now closer to neutral in both financials and IT and less overweight in Consumer Goods. March will probably be influenced by external liquidity factors: the next step in monetary easing may be well into the next quarter. Meanwhile we will be watching the progress of legislative action and waiting for the fourth quarter results in April.

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.