



MONTHLY REPORT AND FACTSHEET FOR MARCH 2014

NET ASSET VALUE

Net Assets: \$10.8 millions

NAV/Share: \$39.08

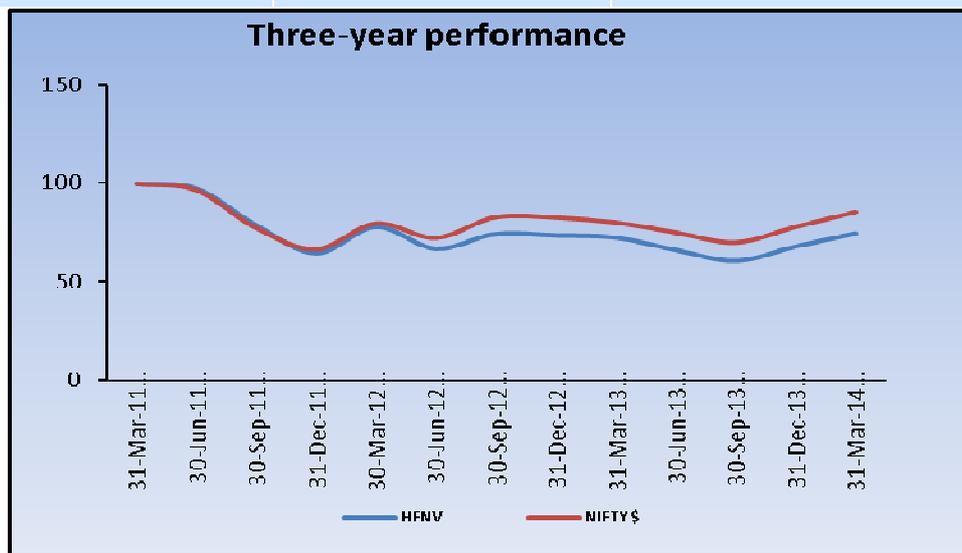
ASSET ALLOCATION

India: 91.8%

Cash: 8.2%

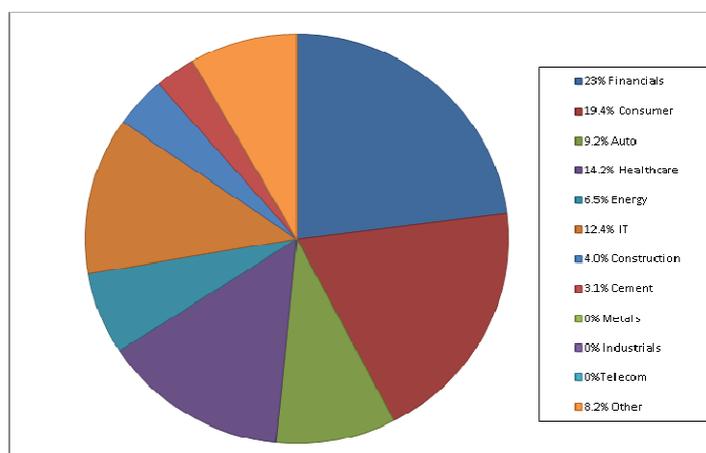
PERFORMANCE (net of fees and charges)

Period	Fund %	Benchmark %
One Month	8.8	10.6
Three Months	9.7	9.8
One Year	3.0	6.9
Three Years	-25.2	-14.6



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

INDUSTRY CONCENTRATION MARCH 31



Top Ten Holdings %

Pidilite Inds	9.7
HDFC Bank	8.7
LUPIN	7.3
Kotak Bank	7.3
Torrent Pharma	6.9
TCS	6.3
Balkrishna Inds.	6.2
INFOSYS	6.1
Nestle India	5.1
ICICI Bank	4.8
Total	68.3
Number of Holdings	20
% Invested in Nifty	44.7

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:

In March, equity markets became a bit risk-averse again, lacking decisive evidence of sustainable GDP growth in the US even as the Fed cut its monetary stimulus again. Investors also looked for policy action in China to restore growth. The MSCI World Index was basically flat for the month, with MSCI Europe down 1.3% and MSCI Pacific ex-Japan ahead by 2%. Politics took a hold in emerging markets, as optimism about changes in government in Indonesia and India drew strong portfolio inflows. Indonesia rose by 5.3% but India topped that with the Nifty rising by 10.2% in USD terms. The broader MSCI India added 8.6%. The Rupee appreciated by 2.8% on the strength of the inflows.

Performance:

Our portfolio added 8.8% in March, underperforming the benchmark by 1.4%, though outperforming the MSCI India index by 0.2%. Our relative performance is level with both the Nifty and MSCI Indices for the first quarter. We had twelve stocks which outperformed the benchmark, the best-performing stock being Balkrishna Industries which rose 25.4%. The next best performer was ICICI Bank (+23.8%), as private sector banks continued to do better than their public sector peers; next was Ultratech Cement with 23.4%, followed by Nestle India which rose by 20.7% after a negative month in February. Larsen & Toubro added 19.1%. On the negative side, our IT and Healthcare stocks were in the red and their relatively heavy weights took a toll on performance: Infosys lost 10.9%, TCS 2.7%, Lupin 2.7% and Torrent Pharma 1.8%. These four would have been marked down because of the effect of a strengthening Rupee on their export earnings.

We took profits by trimming Nestle, Larsen & Toubro and Balkrishna Industries during the month, we will use the settlement proceeds to add new positions in due course.

Outlook:

Fundamental considerations may appear to have gone out the window in the election euphoria but the Indian market remains good value in historic terms: the current Nifty price/earnings ratio of about 14-15 times is in line with the long-term average. Acceleration of GDP growth may depend on a new government but the Q4 reporting season may also provide earnings support for the market. The outlook is for a short-term political boost, followed by some multiple expansion driven by government policy action and an increasingly effective central bank.

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.