



## MONTHLY REPORT AND FACTSHEET FOR MAY 2015

### NET ASSET VALUE

Net Assets: \$11.6 millions

NAV/Share: \$52.80

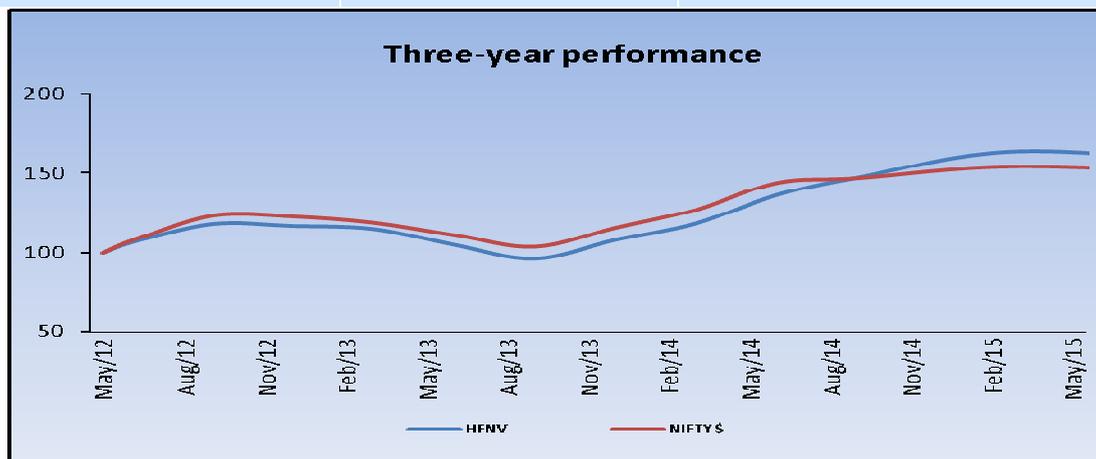
### ASSET ALLOCATION

India: 92.7%

Cash: 7.2%

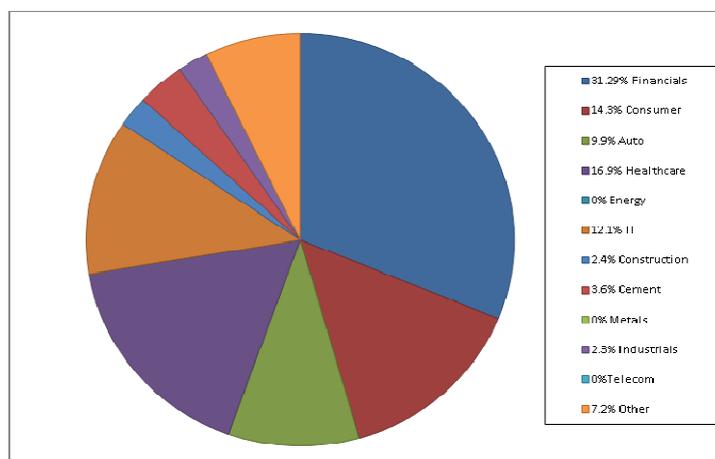
### PERFORMANCE (net of fees and charges)

Period	Fund %	Benchmark %
One Month	1.5	2.8
Year-to-date	3.5	1.1
One Year	25.7	8.0
Three Years	60.1	50.3



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

### INDUSTRY CONCENTRATION MAY 31



### Top Ten Holdings %

Kotak Bank	9.7
LUPIN	9.1
Pidilite Inds	8.9
Torrent Pharma	7.8
HDFC Bank	7.1
TCS	6.7
ICICI Bank	5.8
Balkrishna Inds.	5.8
Axis Bank	4.7
Bajaj Auto	4.0
<b>Total</b>	<b>69.6</b>
Number of Holdings	21
% Invested in Nifty	56.1

## 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:	<a href="http://www.himalayanfund.nl">www.himalayanfund.nl</a>

## COMMENTARY

### Market Context:

May was a varied month for equity markets as the MSCI All Country World Index fell by a modest 0.4%. Europe fell 1.4% as the Greek tragedy continued to affect markets. Emerging markets retreated by 4.2%, with China off by 4%. In developed markets, the US added 1.1% and Japan 1.25% while the UK fell by a half percent. In India, the Nifty bucked the Emerging Markets trend by adding 2.8% in US Dollar terms. The Rupee was basically flat over the month, in spite of some volatility.

### Performance:

**The Fund's portfolio added 1.5% in USD dollar terms in May, underperforming our benchmark by 1.3% and the MSCI India by 1.2%. At the end of May, the Fund continued to outperform its benchmark year to-date as well as over one and three years.**

May was a volatile month in terms of stock price movements as the Q4FY15 results season came to an end as an overall disappointment. Ten of our holdings outperformed the benchmark for the month but as the underperformers included some of our largest holdings, this affected the portfolio return for the month. The top performers were Bajaj Autos which gained 18.2%, HCL Tech, which was the best performer in the IT sector and gained 14.2% and Ultratech Cement, which added 10.7%. Magma Fincorp added 9.2% after private equity investors increased their holdings at a premium to market. And HDFC Bank added 5.7% as a reward for consistently good results. Balkrishna Industries lost 6.5%, Agro Tech Foods 5.8%, ICICI Bank 4.7% and top holding Pidilite Industries fell 3.2%. Pidilite reported profits growth of 10% while the overall gain for the Nifty was barely 1% but the market reacted negatively nonetheless.

We took profit in Torrent Power again in May and also trimmed Pidilite thus reducing two of our most concentrated holdings. At month end, we held more than 7% liquidity.

### Outlook:

Foreign investor selling continued through May though the momentum had slowed to a trickle by month-end and this was reflected in the stable exchange rate. The Budget session of parliament closed with two key reform bills carried over: GST and Land Acquisition both having been referred to committees for review. The June monetary policy review, followed by the timing and dispersion of the southwest monsoon will be the main determinants of market sentiment now.

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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.