



MONTHLY REPORT AND FACTSHEET FOR AUGUST 2013

NET ASSET VALUE

Net Assets: \$9.4 millions

NAV/Share: \$29.05

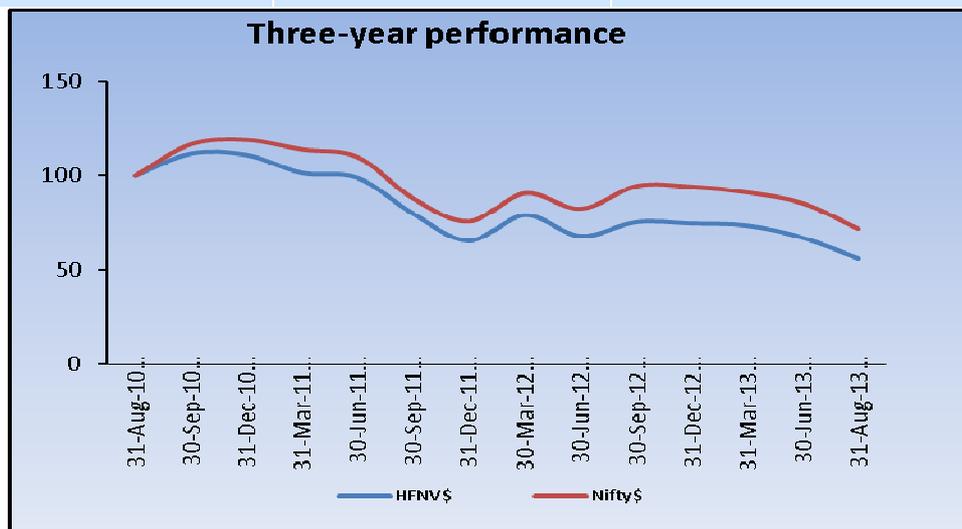
ASSET ALLOCATION

India: 97%

Cash: 3%

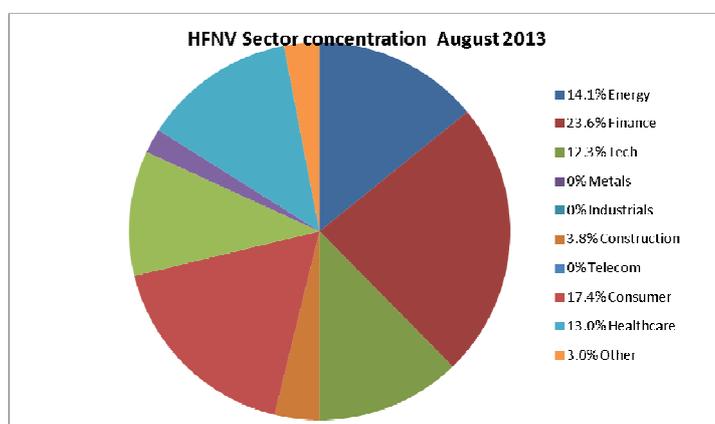
PERFORMANCE (net of fees and charges)

Period	Fund %	Benchmark %
One Month	-13.3	-12.5
Year-to-date	-24.6	-23.9
One Year	-16.4	-13.0
Three Years	-43.6	-29.4



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

INDUSTRY CONCENTRATION AUGUST 31



Top Ten Holdings %

HDFC Bank	8.2
Nestle India	7.9
Pidilite Inds	7.9
Torrent Pharma	6.6
LUPIN	6.4
Kotak Bank	6.4
TCS	6.3
INFOSYS	6.0
ICICI Bank	5.2
Reliance Inds	5.1
Total	65.4
Number of Holdings	21
% Invested in Nifty	58.2

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 August doldrums hit again and the US monetary tightening scare really shook most markets; the MSCI World Index lost 2.3% while the US dropped 1.6%. The table of regional indices was a sea of red as Asian economies with current account deficits suffered sharp equity market sell-offs, including India, Indonesia, Philippines, and Thailand. IN India, the Nifty dropped by 4.7% but the Rupee, drained by outflows from the sale of debt instruments by FIIs, depreciated by 9.3%. Overall, the benchmark index lost 12.5% in US Dollar terms.

Performance:

The Fund NAV dropped by 13.3% in August, **under-performing its benchmark by 0.8%**. Year-to-date performance is the same: 0.8% behind benchmark. Only one of our holdings, TCS (+3.1%), had a positive return for the month, for all the rest, it was a question of whether they lost or more or less. Banks and Consumer stocks were big losers as concerns mounted about the effects of further effective tightening on consumer demand, balance-sheets and profit margins. Pidilite was 23% down and Nestle 15%. IDFC dropped 32.3%, ICICI Bank 18.6%, HDFC Bank 10.3% and Kotak Mahindra 6.9%. Cement company Ultratech was off by 26%.

There were no changes to the portfolio during the month.

Outlook:

The arrival of the new RBI chief, Raghuram Rajan in the first week of September may bring a new impetus to the post-monsoon equity market, even though election concerns for May 2014 will continue to overhang the market. External concerns, such as threats to liquidity arising from uncertainty over US monetary policy may continue to dominate investor sentiment and we can now add the US Federal Budget and, soon after, the debt ceiling. The portfolio is well positioned for the next results season, even if the GDP growth rate has continued to slow. An excellent monsoon is expected to sustain rural consumer demand and the pace of economic activity should soon reflect the efforts of the Cabinet Committee on Investment to re-ignite public sector investment.

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.