



MONTHLY REPORT AND FACTSHEET FOR SEPTEMBER 2013

NET ASSET VALUE

Net Assets: \$10.2 millions

NAV/Share: \$31.81

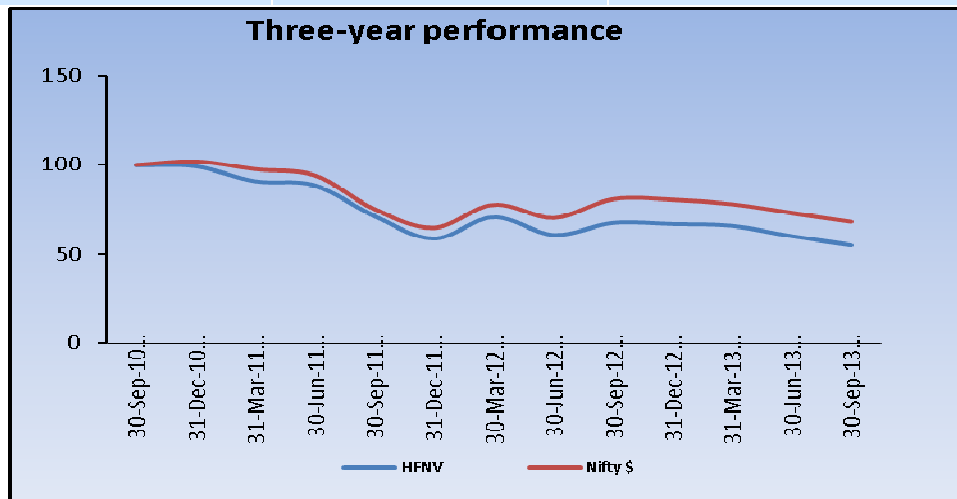
ASSET ALLOCATION

India: 98%

Cash:2%

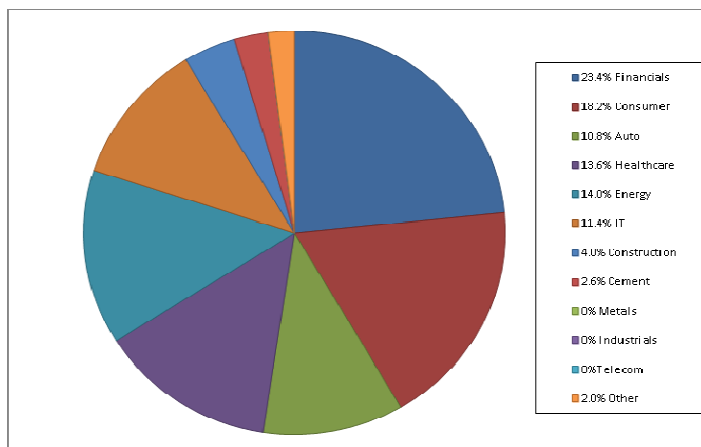
PERFORMANCE (net of fees and charges)

Period	Fund %	Benchmark %
One Month	9.5	11.2
Year-to-date	-5.2	-2.8
One Year	-18.3	-15.7
Three Years	-44.7	-31.9



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

INDUSTRY CONCENTRATION SEPTEMBER 30



Top Ten Holdings %

Nestle India	8.2
HDFC Bank	7.9
Pidilite Inds	7.9
Torrent Pharma	6.9
LUPIN	6.7
Kotak Bank	6.4
TCS	5.7
INFOSYS	5.7
ICICI Bank	5.5
Reliance Inds	4.8
Total	60.2
Number of Holdings	21
% Invested in Nifty	58.4

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 bond market stalled the US housing market impeding GDP recovery so the Fed recoiled from QE tapering in September and global equity markets reacted positively. The MSCI ACWI jumped by 4.8% and Emerging Markets gained 6.2%. US stocks gained 3.2% and European markets all advanced by 5-10%. India had a parallel shot in the arm with the arrival of a new governor of the RBI who swung briskly into action. A sharp boost in investor sentiment brought sustained FII inflows to the equity markets, driving the Nifty up by 11.2% in dollar terms. A sharp turnaround of 6.6% in the Rupee helped a lot.

Performance:

The portfolio underperformed the Defty by 1.7%, generating a return of 9.5% compared to 11.2% for the Nifty in USD terms. It is worth noting in passing that we outperformed the broader MSCI Index by 0.5% for the month. The Nifty returned 4.6% in local currency returns, restrained by returns of -2.6% in the IT sector and just 1.8% in Energy. The best return was in the Consumer sector which gained 7.7% followed by Financials with 6.3%. In our portfolio, the best performing stock was Ultratech Cement with a return of 29.5%; Pidilite gained 17.9%, ICICI Bank 16%, IDFC 15.4%, Balkrishna 15% and Larsen & Toubro 14.9%. On the downside, Magma Fincorp dropped 3.9%, the only loser. Our IT stocks were weak, TCS returning only 0.1% and Infosys 2.4%; In Energy, RIL rose just 1.6% and Castrol rose just 1%. HDFC Bank was burdened by its leadership standing, rising just 5.4% on fears for funding costs as the new Governor adjusts liquidity management policies.

Outlook:

In October, the outlook is obscured by the apparent deferral of QE tapering being offset by the US Congress playing ducks and drakes over the Federal budget on the one hand and the credit ceiling on the other. Successful negotiation of both would leave the Indian markets looking to the Q2FY14 results season for momentum for the rest of the year.

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.