



MONTHLY REPORT AND FACTSHEET FOR SEPTEMBER 2015

NET ASSET VALUE

Net Assets: \$10.8 millions

NAV/Share: \$51.12

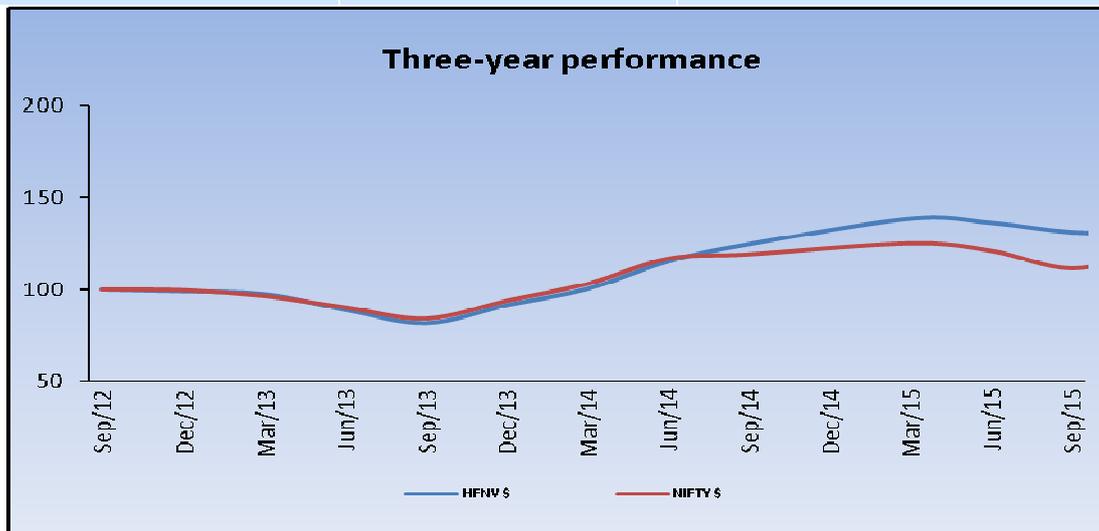
ASSET ALLOCATION

India: 93.7%

Cash: 6.3%

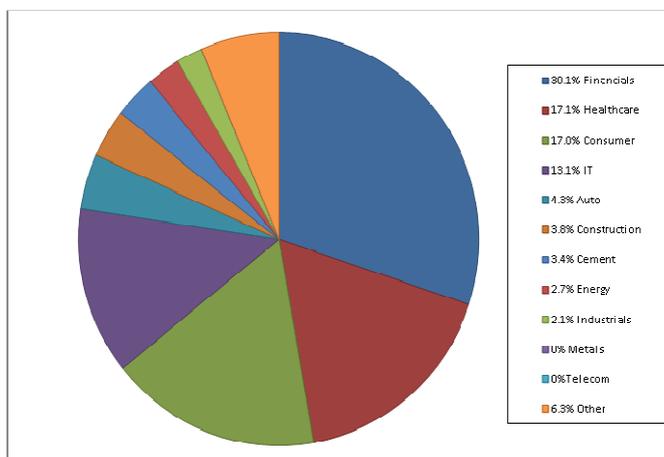
PERFORMANCE (net of fees and charges)

Period	Fund %	Benchmark %
One Month	1.3	0.6
Year-to-date	0.2	-7.5
One Year	5.2	-6.5
Three Years	31.3	11.6



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

INDUSTRY CONCENTRATION SEPTEMBER 30



Top Ten Holdings %

Pidilite Inds	9.6
Kotak Bank	9.5
LUPIN	8.6
Torrent Pharma	8.5
HDFC Bank	7.6
TCS	7.0
ICICI Bank	5.2
Bajaj Auto	4.3
Axis Bank	4.2
Kalpataru PT	3.8
Total	68.3
Number of Holdings	22
% Invested in Nifty	55.9

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:

September was not a great month for equity markets amidst continuing concerns about China's ability to engineer a sustainable recovery and increasing nervousness about the Fed commencing a long period of monetary normalization. In then event, the Fed recoiled in the face of global economic weakness but too late to prevent the MSCI World Index shedding 3.9% for the month. The US lost 2.9% but Europe fared worse: Germany was off 6.2% and the UK 4.6%. Japan lost 7.4% as economic data continue to underwhelm India bucked to global trend as the Nifty gained a slim 0.6% in US Dollar terms and the MSCI India advanced by 0.4%. The Rupee appreciated by 1.2% in September, mostly in response to surprisingly strong monetary easing by the RBI at the end of the month.

Performance:

The Fund's portfolio gained 1.3% in US Dollar terms in September, outperforming our performance benchmark by 0.7% and the MSCI India by 0.9%. This helped the Fund record another quarter of outperformance of its benchmark and sustained outperformance over all periods out to three years.

Thirteen of our stocks outperformed the benchmark in September, the most noteworthy being South Indian Bank (+12.4%), Nestle India (+8.1%), Supreme Industries (+7.9%), Infosys (+7.5%) and Lupin (+6.5%). On the downside, Ultratech Cement dropped 6.3% on news of weak orders in key regions and Torrent Pharma lost 5.3% on concerns about exchange exposure on overseas earnings as the Rupee appreciates. ICICI Bank lost 1.5% on concerns about non-performing assets. We made no adjustments to the portfolio in September.

Outlook:

The monsoon ended with aggregate rainfall 14% below the Long Period Average (LPA). Precipitation was in excess in 51% of geographic regions and deficient in 49%. Kharif sowing was hardly affected, however, with cotton being the only crop sown less than the previous year. There is not expected to be any negative effect on food prices and hence CPI and this obviously inspired the RBI with confidence. At their September monetary policy review, they cut the repo rate by a full 50 basis points, surprising the market. They also committed to cutting the Strategic Liquidity Reserves (SLR) of banks from 21.5% by 25 basis points a quarter until March 2017 as well as to raising the foreign portfolio limit for buying domestic bonds from \$23bn to \$49bn by March 2018. This had the immediate effect of strengthening the Rupee. The market outlook will now be dominated by government policy action to sustain growth through investment to boost employment and hence drive consumer confidence.

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.