



MONTHLY REPORT AND FACTSHEET FOR OCTOBER 2015

NET ASSET VALUE

Net Assets: \$10.8 millions

NAV/Share: \$51.77

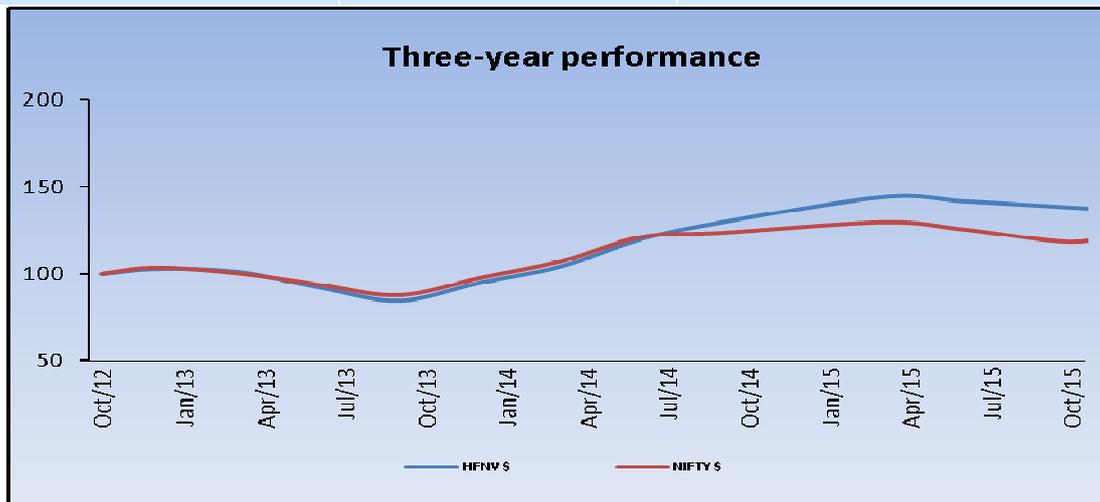
ASSET ALLOCATION

India: 93.6%

Cash: 6.4%

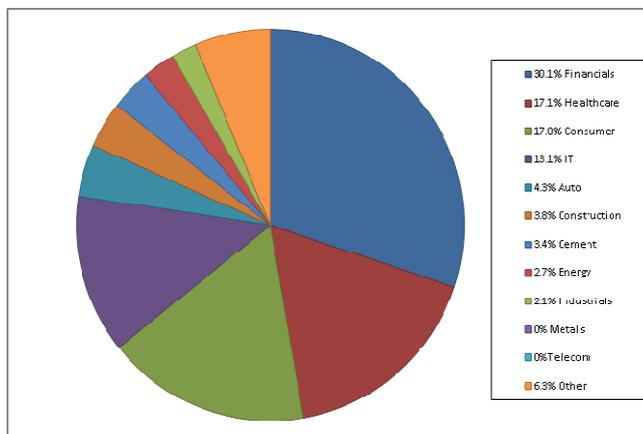
PERFORMANCE (net of fees and charges)

Period	Fund %	Benchmark %
One Month	1.3	2.5
Year-to-date	1.5	-5.5
One Year	3.4	-8.8
Three Years	38.2	18.5



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

INDUSTRY CONCENTRATION OCTOBER 31



Top Ten Holdings %

Kotak Bank	10.0
Pidilite Inds	9.5
Torrent Pharma	8.7
HDFC Bank	7.8
TCS	6.7
LUPIN	6.5
ICICI Bank	5.3
Bajaj Auto	4.7
Kalpataru PT	4.1
Axis Bank	4.0
Total	67.3
Number of Holdings	22
% Invested in Nifty	54.4

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:	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:

When the Fed deferred a rate rise in the US at their September meeting, their unusual concerns for global growth set off a wave of optimism in equity markets which endured through October. The MSCI World Index gained 7.8% for the month and other key markets performed at a similar level: Europe added 7.4%, the US 8%, the UK 7% and Emerging Markets Asia, 7.7%. India did not join the party however, as the Nifty was quite volatile, eventually adding just 2.3% and the broader MSCI India added just 1.4%. The Rupee barely moved, appreciating just ten basis points.

Performance:

The Fund portfolio gained 1.3% in US Dollar terms in October, underperforming our performance benchmark by 1% and the MSCI India by 0.1%. The Fund continues to outperform the Nifty in US Dollar terms over the year to-date and out to three years.

Market performance in October was mainly held back by underperformance in IT and Healthcare, sectors where we have significant exposure. Ten of our holdings outperformed the index of which Indian Hotels (+18.5%), Bajaj Auto (+10.8%) and Kotak Mahindra Bank (+6.6%) were the outstanding contributors. Unfortunately, the weight went with the underperformers of which the notable holdings were: HCL Techno (-10.3%), TCS (-2.9%) and Infosys (-1.9%) representing IT. Lupin lost 3.4% and was highly volatile during the month as results disappointed. The biggest loser was South Indian Bank, a relatively small position which dropped 9.3%; another weak bank was Axis (-3.7%). Nestle India lost 2.6% as it continued to wrestle with its regulatory problems over additives.

During the month, we cut our position in Lupin in anticipation of weak results and added to Indian Hotels and Kalpataru Power. In the face of the volatility, we held liquidity at over 6%.

Outlook:

India is still producing some conflicting economic data. PMI and core sector data appear to be softer, though the PMI is still in growth mode, yet the IIP data continues to point to accelerating growth with the heavyweight capital goods index growing at 7.4% year to-date. Politically, the government appears to be encountering more obstacles than landmark reforms and may suffer a setback in Bihar state elections. With an unexciting season of quarterly results almost behind us and EPS growth forecasts at around 12% for the full year, we appear to lack a trigger for upward market momentum in the near-term. On the other hand, historical numbers show that following a brief period of volatility, a US interest rate hike Indian markets are steady. This time they will also be supported by a strong external position and sound fiscal management.

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.