

ALQUITY INDIAN SC FUND:  
FACTSHEET AS AT:  
NAV:

GBP Y  
MAY 2022  
218.02



Those NAV prices displayed with duplicated ISINs, in currencies other than the base currency of USD, are reflected only on an unofficial and indicative basis. The aforementioned NAVs are for guidance only and we can give no assurances of its accuracy. The official NAV for those ISINs is in USD.

MONTHLY SUMMARY

- The Indian benchmark fell by 5.8% in net USD terms in May.
- The RBI hiked its benchmark repo rate by 40bp to 4.4%, while the cash reserve requirement was also increased by 50bp to 4.5%.
- Meanwhile, the government also announced a fiscal package of tax cuts and subsidies, aimed at curbing inflation pressures.

PERFORMANCE OVERVIEW

	2018	2019	2020	2021	2022
JAN	-5.5%	-8.4%	5.3%	-0.3%	-0.7%
FEB	-1.2%	-0.4%	-3.8%	5.8%	-4.8%
MAR	-3.4%	14.9%	-29.6%	3.9%	2.4%
APR	8.1%	-4.5%	9.9%	-2.5%	3.0%
MAY	0.5%	5.1%	-1.3%	10.5%	-5.0%
JUN	-5.4%	-5.1%	10.0%	4.8%	
JUL	7.1%	-7.0%	0.6%	2.1%	
AUG	-1.2%	-3.0%	5.4%	10.7%	
SEP	-19.5%	4.5%	6.0%	1.9%	
OCT	-4.4%	0.2%	0.5%	-0.9%	
NOV	12.4%	-2.3%	8.7%	0.5%	
DEC	0.7%	-4.8%	5.7%	2.1%	
ANNUAL	-14.6%	-12.2%	10.3%	44.9%	-5.2%



PERFORMANCE SUMMARY:

1 Month:	-5.0%	1 Year:	16.3%
3 Months:	0.3%	3 Years:	26.3%
6 Months:	-3.2%	Inception:	118.0%
Year to Date:	-5.2%	Annualised:	11.7%

VOLATILITY\* 1Y 18.8%

\*Volatility as of 31st May 2022

3Y\* 24.0%

\*Where the share class has not been running for 3 years, the volatility figure displayed is since the inception of the share class

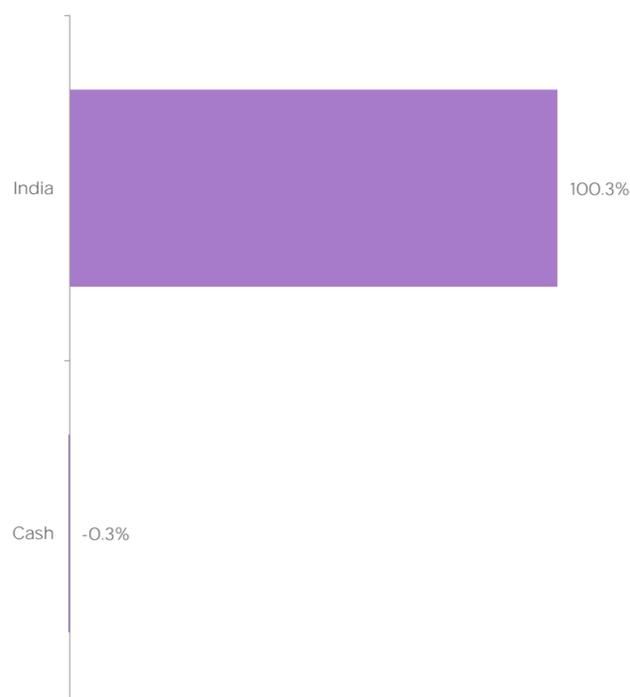
TURNOVER\*\* 14.1%

\*\*Turnover as of 31st May 2022

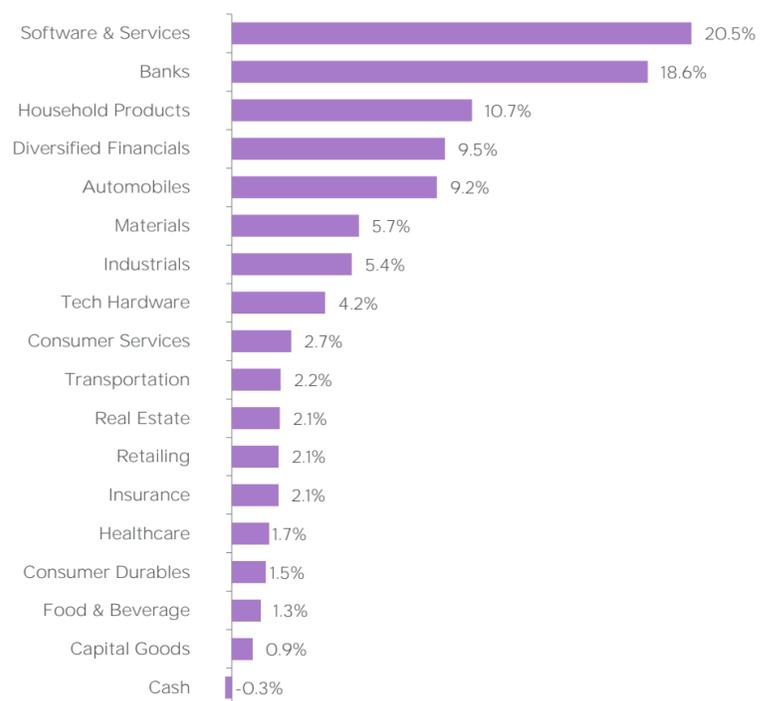
\*\*Average turnover of holdings (annualised) since the fund's inception

\*For the purposes of reporting, the unrealised capital gains have been removed from the portfolio characteristics calculations, however remain part of the Net Asset Value calculation

GEOGRAPHIC ALLOCATION



SECTOR ALLOCATION



## MONTHLY UPDATE

The Indian benchmark fell by 5.8% in net USD terms in May as concerns about rising inflation pressures prompted the central bank to implement an unscheduled interest rate hike during the month.

The RBI hiked its benchmark repo rate by 40bp to 4.4%, while the cash reserve requirement was also increased by 50bp to 4.5%. The Governor said that the central bank wants to raise rates in the "next few" meetings, while the minutes to the meeting pointed to a front-loaded hiking cycle to bring rates back to a neutral level.

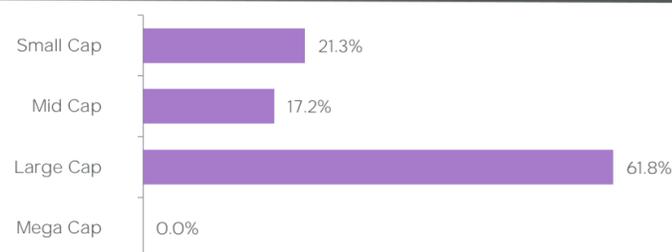
Meanwhile, the government also announced a fiscal package of tax cuts and subsidies, aimed at curbing inflation pressures. Measures included a tax cut on fuels and increased subsidies on fertilisers and cooking gas, which should help to ease price pressures at the margin

In terms of fund positioning, our strategy was largely unchanged over the month.

## TOP 10 HOLDINGS

1.	ICICI Bank	10.2%
2.	Infosys	9.4%
3.	TCS	8.2%
4.	HDFC	6.3%
5.	HDFC Bank	5.2%
6.	Hindustan Unilever	4.5%
7.	Maruti Suzuki	4.1%
8.	Hero Motocorp	3.5%
9.	Axis Bank	3.2%
10.	Dabur	3.1%
	<b>TOTAL</b>	<b>57.8%</b>

## CAPITALISATION



*Small Cap (less than \$2bn), Mid Cap (\$2bn to \$10bn), Large Cap (\$10bn to \$200bn), Mega Cap (\$200bn and above)*

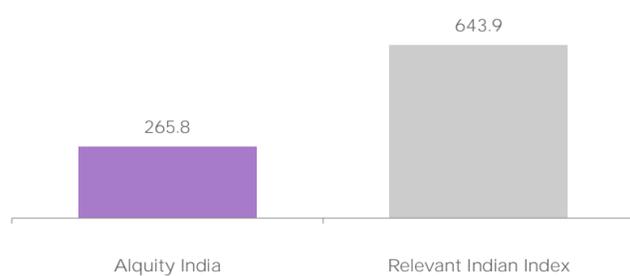
## PERFORMANCE CONTRIBUTORS AND DETRACTORS

In May, Alquity India Y class declined 4.73% in US Dollar terms (net) versus the 5.82% decline in the relevant Indian index.

In contrast to the previous month, the Fund benefited from the zero weighting to the Energy & Utility sectors as well as the overweight in Financials - with HDFC Bank and ICICI Bank significantly outperforming the index. Hero Motor was also a strong performer once again, rising 8.9%.

Small cap names such as Oberoi Properties, TCI Express and Redington generally performed poorly. However, we have consistently reduced our exposure to this part of the market over recent months.

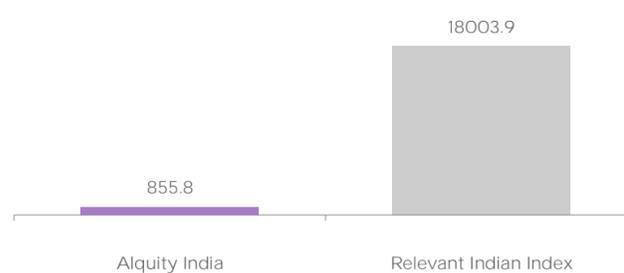
## SCOPE 1 & 2 GHG INTENSITY (TONNES/\$MN)



**59%**

less GHG Intensity vs  
the Relevant Index

## WATER INTENSITY (TONNES/\$MN)



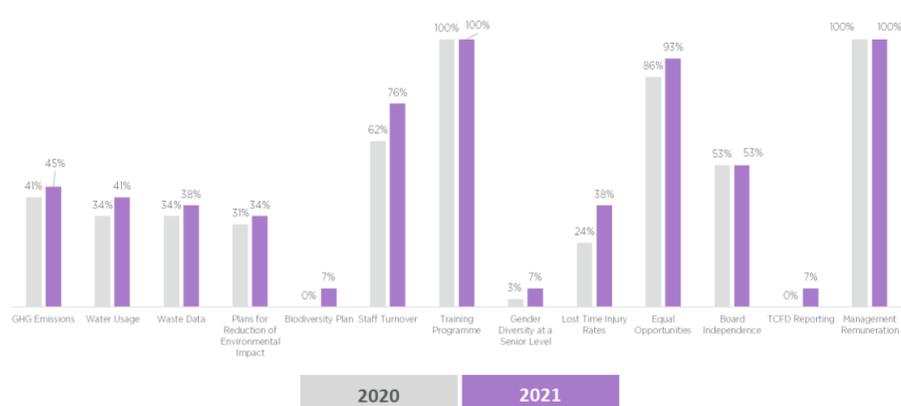
**95%**

less Water Intensity  
vs the Relevant Index

## ESG: KEY PROGRESS INDICATORS

For all portfolio holdings, we track a set of Key Progress Indicators “KPIs” that represent a general set of transparency and ESG standards we want all firms to meet over time. In each case, the assessment has a financial motivation and an associated positive potential impact in line with the principles of the UN Global Compact. The chart summarises the where we stand in relation to the KPIs for all the portfolio holdings. These KPIs support our engagement activity with our holdings. Please contact us or refer to our Responsible Investment brochure for full details.

### Holdings meeting each KPI standard - % of companies <sup>1</sup>



<sup>1</sup>Source: Alquity. Portfolio overview as of 31/12/2021. Holdings owned at both 31/12/2020 and 31/12/2021

## TRANSFORMING LIVES

We donate a proportion of our fees from the Alquity Indian Subcontinent Fund to charity partners in the region, reinforcing our belief that social progress should also lead to financial success.

<b>DONATIONS GENERATED BY THE INDIAN SUBCONTINENT FUND:</b>	<b>\$319,916</b>
LIVES TRANSFORMED DIRECTLY:	1,801
LIVES TRANSFORMED INDIRECTLY:	9,200

### Total Lives Transformed by Alquity



### Total Donations generated by Alquity



Data correct at 31 Mar 22

Source: Alquity Transforming Lives Foundation

For more information about the Alquity Transforming Lives Foundation please visit [www.alquityfoundation.org](http://www.alquityfoundation.org)

## FUND FACTS

Fund :	Alquity Indian Subcontinent Fund
Share Class :	Y Class
Inception Date :	05/05/2015
Fund AUM :	US\$ 22.3m
Number of Holdings :	35
Fund Structure :	UCITS V SICAV
Domicile :	Luxembourg
Liquidity :	Daily
Fund Manager :	Mike Sell
Morningstar Rating :	★★
Morningstar Sustainability Rating :	★★★★★★
Minimum Investment :	£2,500,000
Annual Management Fee :	0.90%
Performance Fee :	None
ISIN :	LU1070052268
SEDOL :	BTJRGS4
Bloomberg Ticker :	ALQISGY

## FUND OBJECTIVE

The Alquity Indian Subcontinent Fund is equity focused and targets attractive risk-adjusted returns over the long-term by investing in public companies across the Indian Subcontinent. Our portfolio emphasises long-term themes, transparency and alignment of management. This is achieved by a fundamental process which incorporates both financial valuation and Environmental, Social and Governance analysis of material non-financial factors.

## CONTACT US

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The Prospectus, the Articles of Association, the KIIDs, as well as the annual and semi annual report of the Fund is only available to Qualified Investors free of charge from Alquity Investment Management Limited. Funds other than the Luxembourg domiciled Alquity SICAV mentioned in this document may not be admitted for distribution in Switzerland.