

# ALQUITY INDIAN SC FUND: FACTSHEET AS AT: NAV:

USD A  
OCTOBER 2022  
179.68



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 rebounded by 2.6% in net USD terms in October.
- After hiking by a further 50bp in September, the RBI's most hawkish MPC member said that the policy rate was reaching a level that allows past aggressive action to cool inflation.
- In terms of strategy, we exited Galaxy Surfactants due to concerns about the company's export outlook given the likelihood of recession in Developed Markets.

## PERFORMANCE OVERVIEW

	2018	2019	2020	2021	2022
JAN	-0.7%	-5.5%	4.6%	0.0%	-1.7%
FEB	-3.7%	0.6%	-6.9%	7.7%	-4.9%
MAR	-1.5%	12.5%	-31.8%	2.4%	0.4%
APR	5.1%	-4.5%	11.7%	-2.3%	-1.9%
MAY	-2.5%	1.5%	-3.4%	11.6%	-4.7%
JUN	-5.3%	-4.2%	9.8%	1.4%	-5.4%
JUL	5.6%	-10.6%	6.7%	2.4%	8.5%
AUG	-1.8%	-3.6%	7.3%	8.1%	2.5%
SEP	-19.1%	5.6%	2.2%	-0.2%	-4.8%
OCT	-6.4%	5.0%	0.4%	0.6%	1.1%
NOV	12.1%	-2.5%	12.1%	-3.1%	
DEC	0.4%	-2.5%	8.0%	4.3%	
ANNUAL	-19.2%	-9.7%	12.1%	37.0%	-11.1%



### PERFORMANCE SUMMARY:

1 Month:	1.1%	1 Year:	-10.2%
3 Months:	-1.3%	3 Years:	29.9%
6 Months:	-3.5%	Inception:	79.7%
Year to Date:	-11.1%	Annualised:	7.2%

### VOLATILITY\*

1Y 21.0%

\*Volatility as of 31st October 2022

3Y\* 24.2%

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

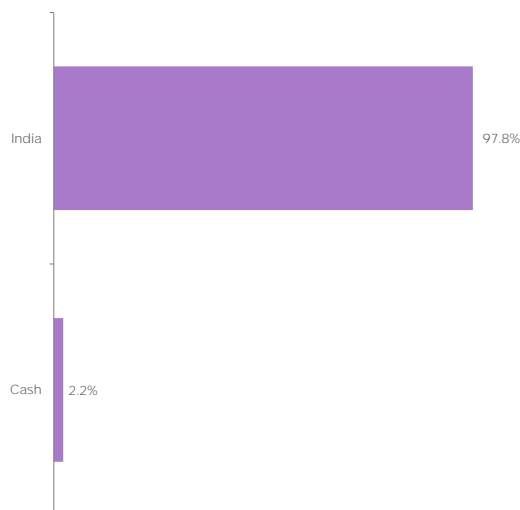
### TURNOVER\*\*

13.4%

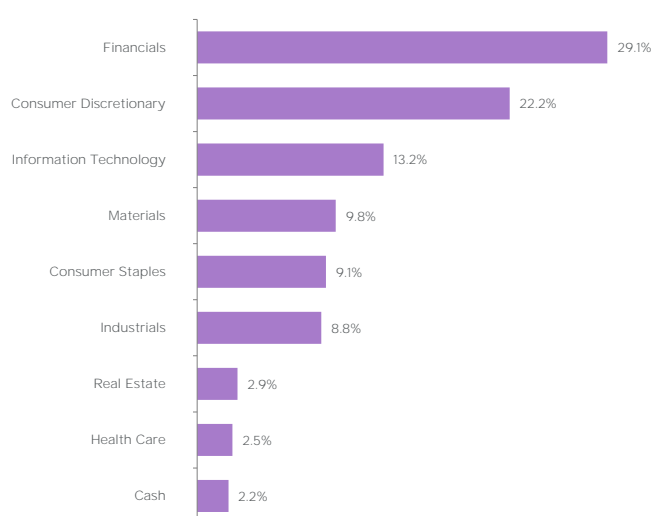
\*\*Turnover as of 31st October 2022

\*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 rebounded by 2.6% in net USD terms in October, as investors re-assessed the economy's relative resilience to the prospect of weakness in the global economy.

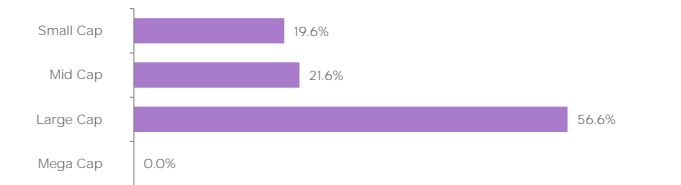
After hiking by a further 50bp in September, the RBI's most hawkish MPC member said that the policy rate was reaching a level that allows past aggressive action to cool inflation. With inflation looking to have peaked, the Bank may slow the pace of tightening at its next meeting in December.

In terms of strategy, we exited Galaxy Surfactants due to concerns about the company's export outlook given the likelihood of recession in Developed Markets. We added Indusind Bank, which is highly leveraged to the robust Indian economy.

## TOP 10 HOLDINGS

1.	ICICI Bank	9.6%
2.	Infosys	8.3%
3.	Hindustan Unilever	5.8%
4.	HDFC	5.8%
5.	TCS	5.2%
6.	Axis Bank	4.1%
7.	Maruti Suzuki	4.1%
8.	Lemon Tree Hotels	3.5%
9.	HDFC Bank	3.5%
10.	Hero Motocorp	3.4%
TOTAL		53.4%

## CAPITALISATION



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

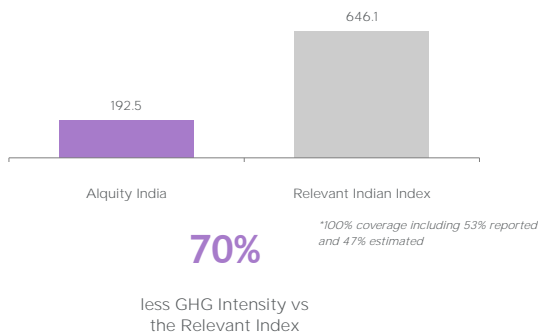
## PERFORMANCE CONTRIBUTORS AND DETRACTORS

In October, the Alquity India Y class rose 1.2% in US Dollar terms (net) versus the 2.6% rise in the relevant Indian index.

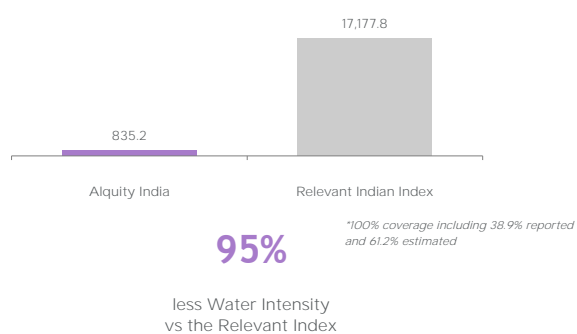
The outperformance of the Energy sector (where we are zero weighted) was a negative contributor to performance, as was the poor performance of Lemon Tree Hotels. Both were meaningfully positive contributors to performance in the previous month.

Stock selection more generally within the consumer discretionary and staples sectors was disappointing during October, although this was partly offset by strong returns from our holdings within the financial sector, notably Axis Bank

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



## WATER INTENSITY (TONNES/\$MN)

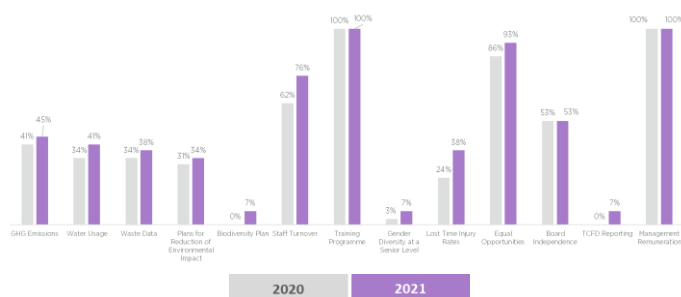


Source: Alquity, as of 30th September 2022

## 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.

**DONATIONS GENERATED BY THE INDIAN SUBCONTINENT FUND:** **\$367,773**

LIVES TRANSFORMED DIRECTLY: **1,801**

LIVES TRANSFORMED INDIRECTLY: **9,200**

*Total Lives Transformed by Alquity*



*Total Donations generated by Alquity*



*Data correct at 30 Sep 22*

*Source: Alquity Transforming Lives Foundation*

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

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## FUND FACTS

Fund :	Alquity Indian Subcontinent Fund
Share Class :	A Class
Inception Date :	19/05/2014
Fund AUM :	US\$ 23.7m
Number of Holdings :	35
Fund Structure :	UCITS V SICAV
Domicile :	Luxembourg
Liquidity :	Daily
Fund Manager :	Mike Sell
Morningstar Rating :	No Rating
Morningstar Sustainability Rating :	
Minimum Investment :	US\$2,000
Annual Management Fee :	1.60%
Performance Fee :	15% (with hurdle & high watermark)
ISIN :	LU1049767863
SEDOL :	BLDYCY5
Bloomberg Ticker :	ALISUSA

## 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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