

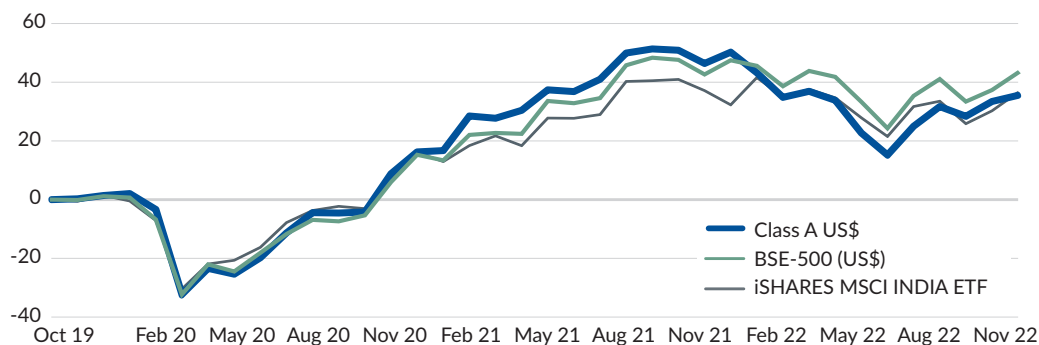
## PORTFOLIO AND MARKET UPDATE

November saw another strong performance by the Indian equity market. A resurgence of Foreign Institutional Investor participation with US\$4.7bn of net inflows, combined with expectations of slower monetary policy tightening in the US, alongside inflation peaking in India (and other positive domestic macro indicators), led to the Nifty Index closing at an all-time high. Large caps outperformed mid-caps with almost all sectors (barring auto, consumer durables and power) showing positive performance. The Indian Rupee appreciated against the United States Dollar, though it weakened against the British Pound and the Euro. Foreign exchange reserves have, however, increased to US\$550bn from a low of US\$525bn in October 2022. On the economy, credit growth reached a 9-year high and remains robust at 17% year-on-year (YOY). Tax collections are also trending approximately 15% higher than the Government forecasts for the full year. Export growth, however, turned negative, declining 16.6% YOY in October 2022 (first decline in 19 months). A prolonged global recession (impacting India's growth negatively) remains the main concern for investors. During the month the portfolio initiated a new position – SBI Life Insurance, which is discussed below.

## HOLDING IN FOCUS: SBI Life

SBI Life Insurance, promoted by SBI bank, is the second largest insurer in India with a 15% total market share, but is the largest private insurer (with 25% market share when measured on an individual annualized premium equivalent (APE) basis). The company's core strength is its exclusive access to approximately 27,000 branches of State Bank of India, India's largest bank and the largest "agency force" in the sector. With a diversifying product base and increasing penetration into the bank's branches, the company has been able to grow faster than the industry, delivering CAGR for individual APEs (over two years) at 15% vs 14% for the private and 9% for overall industry. Additionally its share of the non-participatory products space (a hybrid savings and insurance product) has increased to 33% of new business premium as opposed to 19% in FY20, resulting in the value of new business margins (VNB) expanding from 19% in FY20 to 32% as September 2022. This is the highest amongst the listed insurance companies. Given the under penetration in the life insurance sector in India, Ocean Dial remains constructive on future outlook and believes that the recent easing of regulations on distribution/capital requirements will support growth further. SBI Life is well placed to maintain its position as the fastest growing and most profitable company in the sector. At 2.3x P/EV FY24E, the current valuations build in a 2% CAGR in premium growth with falling margins over next 15 years.

## CLASS A US\$ PERFORMANCE SINCE OCTOBER 2019 (%)



## PERFORMANCE (%)

	1m	3m	6m	1yr	2yr	31/10/2019 <sup>2</sup>
Class A US\$ <sup>1</sup>	1.6	2.9	10.5	(7.4)	24.6	35.5
S&P BSE-500 US\$ <sup>3</sup>	4.3	1.6	7.5	0.4	35.2	43.3
iSHARES MSCI INDIA ETF	4.8	2.3	6.8	(1.0)	27.5	36.6

1 Class A US\$ was launched on 10 September 2012. 2 Commencement of Portfolio Adviser Tridib Pathak. 3 With effect from 1 July 2020, S&P BSE-500 Index is the Fund's benchmark.

## TOPICAL COMMENT

MONTHLY BOOK REVIEW  
November 2022

Chums: How a Tiny Caste of Oxford Tories Took Over the UK

HOODNOTE  
November 2022

A case for India Dedicated Exposure

## NET ASSET VALUE

The Net Asset Value (NAV) per Class A US\$ share as at 30 November 2022 was US\$236.99. In November the NAV was up 1.58% whilst the S&P BSE-500 was up 4.33%. In local currency, the NAV was up 0.59%.

## FUND INFORMATION

Structure	UCITS ICAV
Domicile	Ireland
Dealing	Daily
Size (NAV)	US\$15.2m
Strategy AUM	US\$109.5m
Firmwide AUM	US\$273.1m
Launch date	10 September 2012
Adviser start	31 October 2019
Portfolio Manager	Ocean Dial Asset Management
Principal Adviser	Tridib Pathak
Benchmark	S&P BSE-500 Index
Class Q AMC	0.90%
Currency classes	US\$, GBP, EUR

## PORTFOLIO CHARACTERISTICS

Number of holdings	28
Median market cap	US\$4.4bn
PE FY24E	19.9
ROE FY24E	19.1%
Tracking Error	6.1%
Active Share	79.3%
Standard Deviation (Daily annualised)	22.9%

## INDIA HIGHLIGHT

	MTD	YTD
INR vs US\$ [stronger/(weaker)]	1.6%	(9.5)%
FII Net flows (US\$m)	4,678	(16,849)
DII Net flows (US\$m)	(768.7)	32,840
CPI inflation (October/3m avg)	6.77%	7.06%
GDP Q4 FY23		6.34%
Current account/GDP Q3 FY23		(2.1)%

Source: Ocean Dial Asset Management Limited



## QUARTERLY ATTRIBUTION – 3 MONTHS TO 30 NOVEMBER 2022 (%)

TOP 5	Ave. weight	Ave. index weight	Return	Contribution
Neuland Laboratories	4.44	0.00	34.29	1.40
Bharti Airtel Partly Paid	3.87	0.00	31.09	1.12
Axis Bank	6.81	1.91	17.17	1.11
Triveni Turbine	3.04	0.02	36.79	1.02
HCL Technologies	3.90	0.90	17.79	0.70

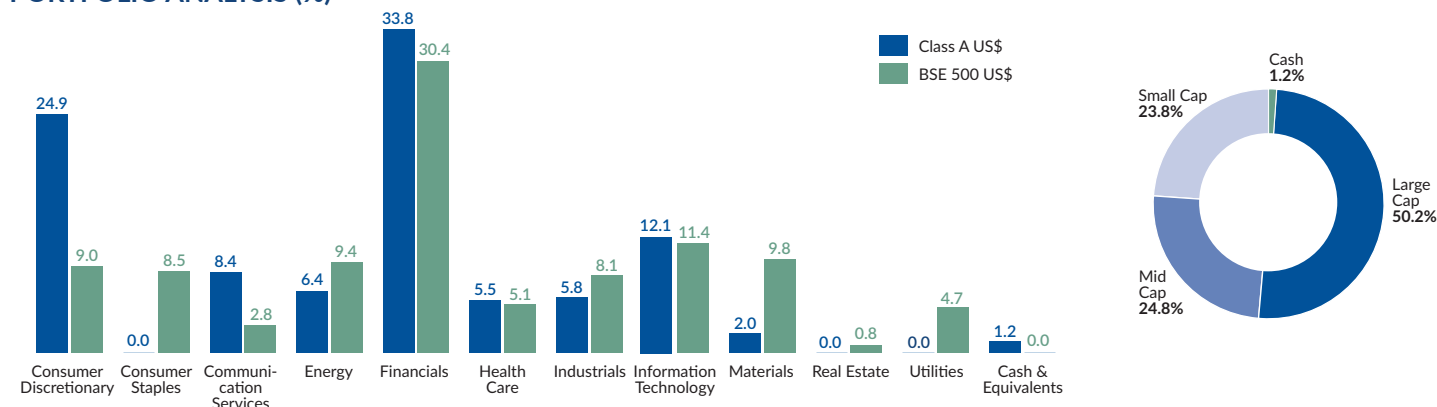
BOTTOM 5	Ave. weight	Ave. index weight	Return	Contribution
Crompton Greaves Consumer Electricals	1.92	0.19	(12.98)	(0.29)
Bata India	2.10	0.10	(13.54)	(0.31)
Jubilant Foodworks	2.87	0.19	(13.31)	(0.44)
Affle India	5.00	0.06	(6.43)	(0.48)
Can Fin Homes	0.89	0.04	(15.45)	(0.55)

Source: Ocean Dial Asset Management Limited, Statpro

## TOP TEN HOLDINGS

Portfolio company	Weight	Characteristics	Market cap
Axis Bank	7.1%	Third largest private bank in India and poised to gain market share. Bridging the gap with peers to lead to a re-rating	US\$34bn
Indusind Bank	6.7%	Fifth largest private sector bank in India and poised to gain market share. Value play with ebbing asset quality concerns	US\$11bn
Reliance Industries	6.4%	Business transformation of India's largest company into a new economy play	US\$226bn
Neuland Laboratories	5.2%	API and Custom Manufacturing solutions (CMS) provider to multinational pharmaceutical companies. Beneficiary of China-dominated supply chain disruptions	US\$275m
IDFC Bank	5.1%	Well capitalised private sector retail bank. Digitally-focused and on a high growth trajectory	US\$4bn
ICICI Bank	4.9%	Second largest private sector bank, attractively valued, well poised to capture recovery in credit growth	US\$81bn
Westlife Development	4.7%	McDonald's in India, beneficiary of growing fast food and delivery consumption trend in India	US\$1bn
Affle India	4.5%	India's leading advertising technology company with high growth and profitability	US\$2bn
HCL Technologies	4.3%	IT services company benefitting from 'digital transformation' of businesses globally	US\$37bn
Dixon Technologies	4.0%	Dominant player in an emerging Indian Electronic Manufacturing Services industry with structural tailwinds	US\$3bn

## PORTFOLIO ANALYSIS (%)



### PRINCIPAL ADVISER

Tridib Pathak is the Principal Adviser to the Gateway to India Fund and has over 30 years' experience in managing Indian listed equity assets for domestic and international investors. He joined Ocean Dial in 2019 from the Enam Group, where he was a senior portfolio manager. His previous roles included CIO of Lotus Asset Management (a JV with Temasek's Fullerton Fund Management) and CIO of DBS Cholamandalam, a JV with DBS of Singapore. He is a Chartered Accountant from the Institute of Chartered Accountants of India and holds a degree in Commerce from Bombay University.



### INVESTMENT PHILOSOPHY

The investment manager believes that in India, optimal returns will be generated over time by investing in companies that are well placed to benefit from the structural growth potential of the Indian economy, combined with the highest quality of management best able to exploit this opportunity. The fund uses a consistent and disciplined bottom up stock picking process to select investments from our best ideas, unconstrained by a benchmark.

### FUND MANAGER

Ocean Dial Asset Management Limited is authorised and regulated by the Financial Conduct Authority.  
+44 (0) 20 7068 9870 enquiries@oceandial.com  
Registered office: 13/14 Buckingham Street, London WC2N 6DF

### DEALING INFORMATION

Frequency	Daily
Valuation point	13:30 T-1 (Ireland)
Dealing line	+353 1 411 2949
Class A ISIN	IE00B585S747
Class A Ticker	ODGTIAU ID

### ADMINISTRATOR

Apex Fund Services



## SOURCES

Source of all performance and portfolio analysis: Ocean Dial Asset Management Limited, Bloomberg.

## REGULATORY INFORMATION

Any views expressed within this factsheet are those of the Fund Manager as at the date of issue which may be subject to change, and should not be taken as advice to invest. We do not undertake to advise you as to any changes in our views. If you are unsure about the suitability of any investment, please consult a Financial Adviser. The Gateway to India Fund is a sub-fund of Ocean Dial Investment Funds ICAV, an Irish UCITS investment vehicle.

## PROSPECTUS AND APPLICATION FORM

The Prospectus and Application Form are available by telephoning the Fund Administrator, Apex Fund Services (Ireland) on +353 1 411 2949.

## IMPORTANT INFORMATION

This document is an advertisement for marketing purposes. This is not a contractually binding document. Before making any final investment decisions and subscribing, please read the Prospectus and the key investor information document ("KIID") which are available at <https://www.oceandial.com/strategies/gateway-to-india-fund/>.

Ocean Dial Gateway to India Fund (the "Fund") is a sub-fund of Ocean Dial Investment Funds ICAV that is authorised by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. 352/2011), as amended. Ocean Dial Asset Management Limited ("Ocean Dial") has prepared this document for informational purposes only for the sole use of the intended recipient. It does not seek to make any recommendation to buy or sell any particular security (including shares in the Fund) or to adopt any specific investment strategy. This document does not contain information material to an investor's decision to invest in the Fund. Shares in the Fund are offered only based on information contained in the Prospectus, KIID, and the latest annual audited accounts. Copies are available free of charge from Ocean Dial or on <https://www.oceandial.com/strategies/gateway-to-india-fund/>. The KIID is available in English, French, German, Norwegian, and Swedish. The Prospectus is available in English.

**Risk:** Factors affecting fund performance may include changes in market conditions (including currency risk) and interest rates, as well as other economic, political, or financial developments. The Fund's investment policy allows for it to enter into derivatives contracts. Leverage may be generated through the use of such financial instruments and investors must be aware that the use of derivatives may expose the Fund to greater risks, including, but not limited to, unanticipated market developments and risks of illiquidity, and is not suitable for all investors. Past performance is not a guide to or indicative of future results. Future returns are not guaranteed and a loss of principal may occur. Ocean Dial may also receive a performance fee for certain Share Classes based on the appreciation in the NAV per share and accordingly the performance fee will increase with regard to unrealised appreciation, as well as realised gains attributable to those Share Classes. The performance fee may create an incentive for Ocean Dial to make investments for Ocean Dial Gateway to India Fund that are riskier than would be the case in the absence of a fee based on the performance of Ocean Dial Gateway to India Fund.

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The Management Company, Kroll (Ireland) Management Company Limited, has the right to terminate the arrangements made for the marketing of the sub-funds of Ocean Dial Investment Funds ICAV, including for Ocean Dial Gateway to India Fund. A summary of investor rights can be found here: <https://www.duffandphelps.co.uk/services/third-party-management-company>.

The information in this document does not constitute or contain an offer or invitation for the sale or purchase of any shares in the Fund in any jurisdiction, is not intended to form the basis of any investment decision, does not constitute any recommendation by the Fund, its directors, agents or advisers, is unaudited and provided for information purposes only and may include information from third party sources which has not been independently verified.

Interests in the Fund have not been and will not be registered under any securities laws of the United States of America or its territories or possessions or areas subject to its jurisdiction, and may not be offered for sale or sold to nationals or residents thereof except pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and any applicable state laws. While all reasonable care has been taken in the preparation of this document, no warranty is given on the accuracy of the information contained herein, nor is any responsibility or liability accepted for any errors of fact or any opinions expressed herein.

Past performance is not a guide to future performance and investment markets and conditions can change rapidly. Emerging market equities can be more volatile than those of developed markets and equities in general are more volatile than bonds and cash. The value of your investment may go down as well as up and there is no guarantee that you will get back the amount that you invested. Currency movements may also have an adverse effect on the capital value of your investment. Investing in a country specific fund may be less liquid and more volatile than investing in a diversified fund in the developed markets. This Fund should be seen as a long term investment and you should read the Prospectus whilst paying particular attention to the risk factors section before making an investment. Please refer to the Prospectus for specific risk factors.

Where reference to a specific Class of security is made, it is for illustrative purposes only and should not be regarded as a recommendation to buy or sell that security. Market index information shown herein such as that of the S&P BSE 500 Index is included to show relative market performance for the periods indicated and not as standards of comparison, since indices are unmanaged, broadly based and differ in numerous respects from the Fund.

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