

MARCH 2019

Monthly commentary

Net Asset Value

The Net Asset Value per Class A US\$ share as at 29 March 2019 was US\$85.17. In March the Net Asset Value (NAV) was up 12.5% whilst the BSE MidCap TR Index US\$ was up 11.4%. In local currency the NAV was up 9.3%.

Portfolio update

Positive contribution to the portfolio's performance was driven by IDFC Bank (up 24.0%), Jammu & Kashmir Bank (up 39.5%) and Century Plyboards (up 24.5%). Negative contribution mainly stemmed from Jubilant Life Sciences (down 15.1%), Odisha Cement (down 14.2%) and Persistent Systems (down 3.9%).

Market and economic update

Indian equity markets saw a sharp and broad based rally in March with the BSE Sensex and BSE MidCap TR indices up 7.8% and 8.2% respectively (in Indian Rupees). Latest opinion polls indicate an increased likelihood of the incumbent BJP government retaining power and expectations of a 50bps cut in policy rates in the short term grew as inflation continues to remain

below the Reserve Bank of India's 4% target. The Indian Rupee appreciated 2.2% against the US Dollar and 4.5% against Pound Sterling on the back of a narrowing trade deficit in February. It fell to US\$9.6bn from US\$14.7bn as exports grew 2.4% while imports were down 5.4%. Foreign institutional investors were net buyers (US\$4.8bn) for the month while domestic institutions were net sellers (US\$2.0bn).

Goods and Services Tax collections for March were US\$15.4bn, up 16% and the highest recorded since the tax's inception. This was particularly strong given that March collections are mostly for February activity, which has 10% fewer days, indicating a potential expansion in manufacturing and consumption, alongside the government's effort to plug collection leakages. Should momentum build on this front, it will help ease pressure on the government's FY20 fiscal deficit target of 3.4%. The fall in oil prices from their peak afforded the current account deficit some breathing room as it declined to 2.5% of GDP in December from 2.9% of GDP in the September quarter.

Class A US\$ performance vs. BSE MidCap Total Return



Source: Ocean Dial Asset Management Limited, Bloomberg

Comparative performance (%)

	1m	3m	6m	YTD	3 yr	5 yr	Since launch
Class A US\$	12.51	5.51	10.90	5.51			-14.83
BSE MidCap Total Return US\$	11.36	1.32	10.24	1.32			-11.93

Source: Ocean Dial Asset Management Limited, Bloomberg

For the performance of other share classes please call +44 20 7068 9870 or email enquiries@oceandial.com

Investment objective

The Fund aims to achieve long-term capital growth and will comprise of a diversified portfolio of companies from the Indian subcontinent. The Fund concentrates on securities that are listed, traded, or dealt on the Regulated Markets in the Indian subcontinent adopting a bottom process with an absolute mindset.

Portfolio statistics

Fund size	US\$25.5m
No of holdings	41
Top 10 holdings	31.9%
5 and 40 rule	0
Fund PE FY19e	17.7
BSE MidCap TR PE FY19e	18.3
Dividend yield (TTM)	0.9%
Median market cap	US\$916m
Active share	85.3%

Key facts - Class A US\$

Fund manager	David Cornell	
Fund adviser	Gaurav Narain	
Fund type	UCITS OEIC	
Domicile	Ireland	
Base currency	US\$	
Share currencies	US\$, GBP, EUR	
Launch date	24 April 2018	
Benchmark	BSE MidCap TR Index	
Min. investment	US\$5,000 or currency equiv.	
Reporting status	Yes	
Fees (%)	Initial	0.00
	Annual	1.25
	Redemption*	3.00

No performance fee is applicable to the Class A US\$ share class.

*The Fund reserves the right to charge a redemption fee of 3.0% of NAV, payable to the fund (not the manager), which will be imposed if the holding period is less than 12 months and is deemed detrimental to the NAV of the Fund.

Dealing information

SEDOL	BF4LZX1
ISIN	IE00BF4LZX17
Bloomberg	ODEIFAU ID
Frequency	Weekly
Dealing cut-off	13:30 T-6
Dealing line	+353 1 411 2949
Dealing fax	+353 1 411 2948

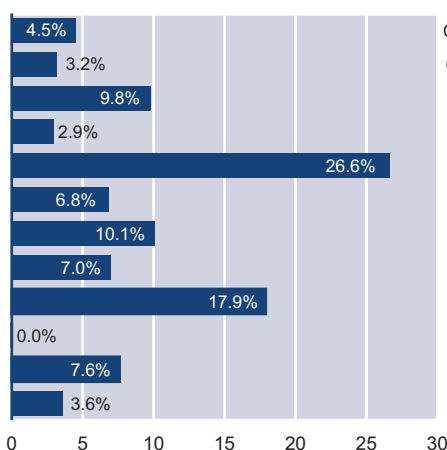
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Top 10 equity holdings

Portfolio Company	% of Portfolio	P/E FY19e	P/ABV FY19e	EPS Growth FY19e	Dividend Yield TTM (%)
IDFC Bank	3.8%	50.2	1.4	-56.2%	1.4%
Federal Bank	3.4%	15.8	1.5	37.4%	1.0%
DCB Bank	3.3%	21.2	2.0	21.4%	0.4%
Welspun India	3.2%	14.3	2.1	5.1%	1.1%
RBL Bank	3.2%	33.3	3.9	35.0%	0.3%
Persistent Systems	3.0%	13.6	2.1	14.5%	1.7%
Sun TV Network	3.0%	16.9	4.5	29.3%	1.6%
Jubilant Life Sciences	3.0%	11.3	2.1	42.3%	0.5%
Ramkrishna Forgings	3.0%	13.4	1.9	30.0%	0.2%
Cyient	2.9%	16.5	2.8	8.2%	1.5%

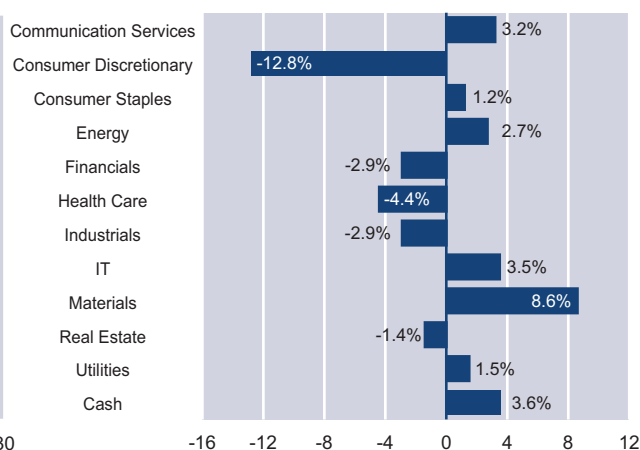
Source: Ocean Dial Asset Management Ltd, Bloomberg, Kotak

Sector weighting



Source: Ocean Dial Asset Management Limited, Bloomberg

Overweight/underweight portfolio compared to BSE MidCap TR Index



Important information

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 Dollex 30 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. This document is issued by Ocean Dial Asset Management Limited and views expressed in this document reflect the views of Ocean Dial Asset Management Limited and its Mumbai based affiliated company and advisor, Ocean Dial Advisers Private Limited as at the date of publication. This information is for the use of intended professional and institutional investor recipients only and may not be reproduced, redistributed or copied in whole or in part without the express consent of Ocean Dial Asset Management Limited. Ocean Dial Asset Management Limited is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Registered office 13/14 Buckingham Street, London WC2N 6DF.

Fund adviser



Gaurav Narain joined the Group in November 2011, having been immersed in the Indian equity markets for the previous 21 years. He has held senior positions as both a fund manager and an equities analyst in New Horizon Investments, ING Investment Management India and SG (Asia) Securities India. He holds a Masters degree in Finance and Control and a Bachelor of Economics degree from Delhi 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.

Regulatory information

Any views expressed within this fact-sheet 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 Emerging India Fund is a sub-fund of Ocean Dial Investment Funds plc, an Irish UCITs investment company.

Prospectus and Application Form

The Prospectus and Application Form are available by telephoning +353 1 411 2949.

Fund manager

Ocean Dial Asset Management Limited is authorised and regulated by the Financial Conduct Authority. Tel: +44 (0) 20 7068 9870 Email: enquiries@oceandial.com

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