



## Fund Factsheet - October 2022

### Investment Manager



ASK Capital  
Management Pte. Ltd.

### Investment Adviser



ASK Investment  
Managers Limited

### Fund Manager



Gaurav Sharma, CFA

### Investment Objective



The Fund aims to generate long-term returns by investing in well managed, entrepreneurially driven, high quality Indian companies with the ability to generate compounded earnings growth over long periods of time. The Fund uses a disciplined, bottom-up, rules-based investment approach to identify such companies that are trading at reasonable prices compared to their intrinsic value.

### Benchmark



S&P BSE 500

### Fund Facts

Launch Date	06 July 2017
Total Fund Size	USD 46.05 Mn
Share Class	A
NAV*	1.240
Base Currency	USD
Management Fee	2.00% p.a
Sales Charge	Up to 5%
Fund Domicile	Singapore
Fund Type	Open-ended, Equity
Pricing	Daily
Dealing cut-off	5:00 pm Singapore
Income Distribution	Accumulated/Reinvested
Investor Type	Accredited Investors

\*as at 31<sup>st</sup> October 2022

### Fund Codes

Share Class	ISIN	Bloomberg
Class A	SG9999016463	ASKIOFA SP

Available to Accredited Investors / Institutional Investors / Professional Investors in Singapore, Hong Kong, Switzerland and United Kingdom

### Fund Manager Commentary

Some of the major global equity markets rallied in October on expectations that the Federal Reserve will slow the pace of rate increases. The MSCI Emerging Markets Index remained under pressure, dragged down by China and Hong Kong as the overall policy environment remained unclear amid the economic slowdown. Against this backdrop, the Indian markets continued to deliver positive returns with the benchmark BSE500 up 2.2% in USD terms in October. The Fund, after the recent outperformance, underperformed during the month and was down 1.1%, net of fees.

The month has been one of the festive seasons which marks the biggest period of consumer sales in India. Overall demand has picked up during this time with the urban demand holding up better than rural demand. However, there are expectations that even rural demand will pick up as monsoon crops get harvested and inflationary impact peaks out in the months ahead.

The quarterly earnings season has been along expected lines. The technology sector saw resilient margins as employee costs, especially variable pay moderated and utilization rates improved. The depreciation of INR against USD also helped. Outlook remains cautious amidst expectations of lower spend by customers due to looming recession threats in US and other economies. Banks have reported strong growth in Net Interest Income (NII) driven by improving Net Interest Margins (NIM). Asset quality remains strong and adequate buffers for slippages. This should keep credit costs low. NIM outlook remains good in the rising rate

environment while loan demand should remain robust with a growing economy. In the consumer segment the demand environment remains mixed as noted above. However, with input costs stabilising margins should improve in the coming quarters

For the portfolio, financials such as Bajaj Finance, Bajaj Finserv, AU Small Finance and Kotak Bank have reported strong numbers with continued growth in AUM, and improvement in Gross Non-Performing Assets (GNPA) translating to strong profitability. Asian Paints and Havells India, while having shown strong growth in revenues, have seen transitory impact on margins which was expected. We believe as the high-cost inventory runs down, margins for these businesses should start to improve. Other companies have reported numbers in line with estimates.

During the month PI Industries, Reliance Industries and TCS were the key contributors to the fund performance while Havells India, Astral Ltd. and Asian Paints were the main detractors.

The portfolio remains geared towards domestic branded distribution-oriented businesses, financials and businesses that are beneficiary of higher manufacturing in the country. In such a volatile environment we remain focused on business with ability to generate strong cashflows over long periods. We believe domestic oriented business with pricing power and superior execution capability are relatively better placed to deliver on this.

### Fund Performance (in USD)

Returns (%)	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since Inception
AIOF1 A Class	-1.1%	-0.2%	-8.4%	-10.6%	-9.4%	10.0%	7.6%	4.1%
BSE500	2.2%	0.9%	-3.5%	-7.1%	-7.2%	11.1%	5.8%	7.0%
MSCI India	2.5%	-0.1%	-4.5%	-8.0%	-7.6%	9.8%	5.7%	6.9%

Source: Bloomberg; Performance as at 31<sup>st</sup> October 2022; Multi year numbers are annualised

