

Investment objective & strategy

To achieve long-term capital growth through equity or equity related investments predominantly in the stock markets of India. The Fund will also invest in companies traded in other markets where a significant proportion of growth in their underlying business is set to derive from India.

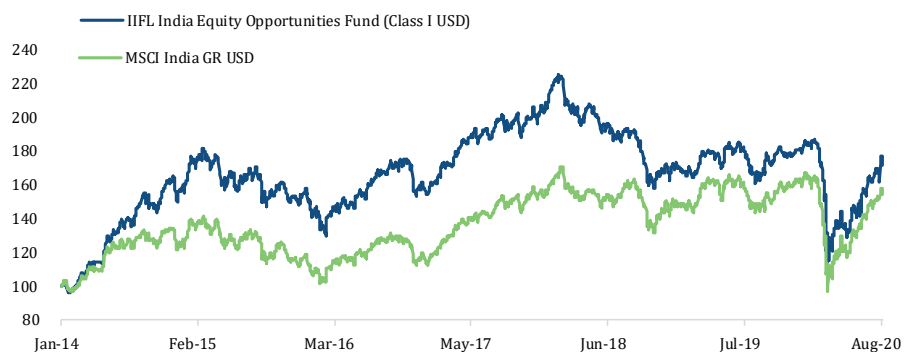
The Fund offers access to the equity market of one of the largest and fastest-growing economies in the world. Our investment approach results in a concentrated and high conviction portfolio of stocks benefitting from the India growth opportunity. We are long term investors and focus on quality at a management, promoter and franchise level in companies offering valuations with a favourable risk-reward balance that exhibit superior compounding potential over time.

Commentary

- August 2020 marks the end of an unprecedented 1QFY20 earnings season. At the outset, 1Q earnings season wasn't expected to have much recurring value owing to lockdowns. However, Nifty and BSE200 TRI gained 5.0% in USD (2.8% in INR) and 5.6% in USD (3.4% in INR) respectively in the month of August and these indices are down by 9.2% in USD (-6.4% in INR) and 7.1% in USD (-4.3% in INR) respectively on a YTD basis. The street was positively surprised by the extent of cost controls that companies were able to realize during the quarter. While some of the cost reductions in the employee costs and marketing expenses would likely reverse going forward, most companies would aim to make at least some efficiency gains permanent, positively impacting the margins.
- Overall, we expect the markets to be a bit volatile as we are roughly 2 and a half months away from the US elections. Volatility will increase during these times. Chair Jerome Powell of the Federal Reserve in the US has made it clear that they are going to keep rates close to zero for a while now. Moreover, he also made dovish statements on inflation by targeting higher than the previously decided 2% inflation mark. This means that asset prices will go up as the US wants unemployment to be low.
- During the month, the Fund reported 6.0% return vs 3.5% for MSCI India Index. On a YTD basis, the Fund's performance was in line with the Index with 5.0% negative return for both. Broadly, the Fund remains overweight on financials, healthcare, consumer discretionary, communication services and industrials compared to the MSCI India. Consumer staples and energy are the two main underweight sectors.

Source: Bloomberg for performance figures

Fund Performance¹



Source: Bloomberg; Data as on August 31, 2020. The above investment performance is for illustrative purposes only.

Performance Summary

| Share Class | Inception Date ² | ISIN | Bloomberg Ticker | SEDOL | AMC Fees(%)(p.a.) ³ | TER ⁴ (%) | Minimum Investment ⁵ (USD) | Shares outstanding | NAV per share | Calendar Year (%) | | | | | Periodic (%) | | | | | | |
|--------------------------|-----------------------------|--------------|------------------|---------|--------------------------------|----------------------|---------------------------------------|--------------------|---------------|-------------------|---------|-------|--------|--------|--------------|--------|--------|------|-----------------|--|--|
| | | | | | | | | | | 2019 | 2018 | 2017 | 2016 | 2015 | YTD | 1y | 3y | 5y | SI ⁶ | | |
| USD Share Classes | | | | | | | | | | | | | | | | | | | | | |
| Class I | 08-Jan-14 | LU1820743067 | IIFLIOI LX | BHTCLM4 | 0.75 | 1.20 | 100,000 | 310,267 | 17.18 | 4.34 | (20.96) | 37.82 | 0.83 | (0.57) | (5.01) | 2.78 | (4.34) | 1.87 | 8.47 | | |
| Class R | 10-Sep-12 | LU1820743653 | IIFLIOR LX | BHTCLP7 | 1.50 | 2.00 | 10,000 | 189,924 | 18.07 | 3.53 | (21.59) | 36.74 | 0.03 | (1.35) | (5.72) | 1.75 | (5.16) | 1.02 | 7.70 | | |
| Class D | 08-Jan-14 | LU1820744206 | IIFLIOD LX | BHTCLQ8 | 1.00 | 1.50 | 10,000 | 48,257 | 16.86 | 4.05 | (21.16) | 37.47 | 0.67 | (0.82) | (5.40) | 2.26 | (4.67) | 1.58 | 8.18 | | |
| MSCI India GR USD | | | M2IN Index | | | | | | - | 7.58 | (7.31) | 38.76 | (1.43) | (6.12) | (4.95) | 3.18 | 0.69 | 5.22 | 6.71 | | |
| GBP Share Classes | | | | | | | | | | | | | | | | | | | | | |
| Class I | 01-Jun-16 | LU1820743141 | IIFLIIG LX | BHTCLN5 | 0.75 | 1.20 | 100,000 | 1,103,608 | 1.21 | 0.36 | (16.29) | 25.83 | - | - | (6.15) | (6.62) | (5.50) | - | 4.52 | | |
| Class D | 01-Jun-16 | LU1820744388 | IIFLIDG LX | BHTCLR9 | 1.00 | 1.50 | 10,000 | 119,660 | 1.19 | 0.11 | (16.49) | 25.38 | - | - | (6.34) | (6.89) | (5.75) | - | 4.24 | | |
| MSCI India GR GBP | | | M2IN Index | | | | | | - | 3.38 | (1.65) | 26.66 | 17.64 | (0.73) | (5.77) | (6.17) | (0.54) | 8.15 | 8.18 | | |

Source: Bloomberg; Data as on August 31, 2020.

¹IIFL Fund was launched on 29 January 2019 by way of a merger with Ashburton Investments SICAV - India Equity Opportunities Fund. All performance figures prior to this date pertain to Ashburton India Equity Opportunities Fund. All returns below 1 year are absolute and above 1 year are annualized. The returns are shown for USD and GBP series in their respective currencies. Income is reinvested on the ex-dividend date. The above performance is calculated for the portfolio and actual individual investor performance will differ as a result of applicable initial fees, actual investment date, date of reinvestment and dividend withholding tax. Past performance should not be seen as an indication of future performance. Where investments involve exposure to a currency other than that in which it is denominated, any currency movement may also have an adverse effect on the capital value of your investment. Investors should carefully consider the risk factors in the Offering Documents before making any investment. Past performance is not necessarily an indication of future performance.

²Inception Date refer to the inception dates of the respective share class of the Ashburton India Equity Opportunities Fund. ³AMC Fees refers to Investment Management Fees. ⁴With effect from 1 April 2020, TERs are capped at these levels till further notice. The current TER cannot be regarded as an indication of future TERs. ⁵Minimum investment amount is shown in USD and can be an equivalent amount in other respective currencies. ⁶Since inception returns for Benchmarks are from the inception date of Class I USD and GBP respectively

Fund Details

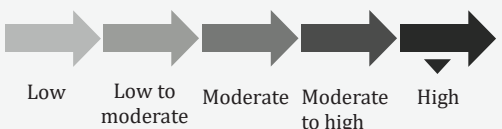
| | |
|------------------------------|---|
| Fund Size (AUM) | USD 11.55 mn |
| Launch Date ¹ | 29 January 2019 |
| Number of Securities | 22 |
| Benchmark | MSCI India Index |
| Active Share | 77.62% |
| Dividend Yield | 0.82% |
| Domicile | Luxembourg |
| Dividend policy | Accumulation |
| Management Company | MDO Management Company S.A |
| Investment Manager | IIFL Capital Pte Ltd, Singapore |
| Investment Adviser* | IIFL Asset Management Ltd, India |
| Reporting Fund Administrator | Yes European Fund Administration S.A. |
| Fund Structure | UCITS |
| ISA Eligible | Yes |
| FCA Recognised | Yes |
| Dealing | Daily |
| Dealing Cut-off | 10:00 a.m. Luxembourg time |
| Dealing Fax | +352 48 65 61 8002 |
| Fund Holiday | Luxembourg, Singapore and India |
| Available for Sale | Luxembourg, Norway, Singapore, South Africa, Switzerland and U.K. |

*With effect from 6 April 2020

Ratings



Risk Profile



Top 10 Holdings

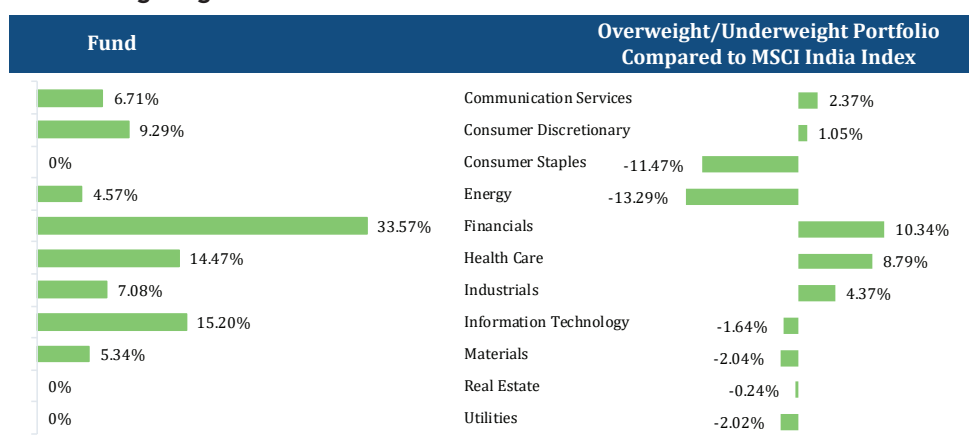
| Securities | Sector | % of AUM |
|--------------------------------|------------------------|----------|
| ICICI Bank Ltd | Financials | 10.35 |
| HDFC Bank Ltd | Financials | 7.21 |
| Infosys Ltd | Information Technology | 7.15 |
| Bharti Airtel Ltd | Communication Services | 6.71 |
| Dr Reddy's Laboratories Ltd | Health Care | 6.00 |
| Crompton Greav Cons Electr Ltd | Consumer Discretionary | 5.05 |
| Bajaj Finserv Ltd | Financials | 4.64 |
| Larsen & Toubro Infotech Ltd | Information Technology | 4.61 |
| Bharat Petroleum Corp Ltd | Energy | 4.57 |
| Balkrishna Industries Ltd | Consumer Discretionary | 4.24 |

Fund Statistics

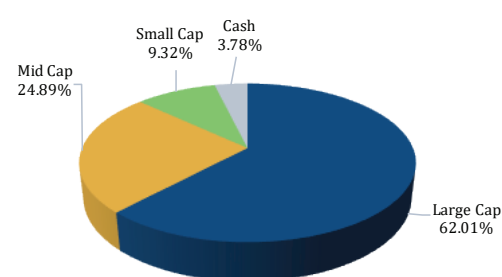
| | Beta | Sharpe Ratio | Tracking Error |
|-----------------|------|--------------|----------------|
| YTD | 0.92 | (0.00) | 18.90% |
| 1 Year | 0.91 | 0.26 | 15.95% |
| 3 Years | 0.89 | (0.13) | 10.50% |
| 5 Years | 0.91 | 0.15 | 8.79% |
| Since inception | 0.91 | 0.48 | 8.34% |

Note: Data pertains to Share Class I USD

Sector Weighting



Capitalisation Breakdown



*IIFL Capital Pte Ltd is Associate Company of IIFL Asset Management Ltd

Disclaimer for Elite Rating: Elite Fund Rating is issued by Fundcalibre.com based on FundCalibre's research methodology and is assigned to such managers who display skill consistently over a minimum of three years and show more than 55% probability of demonstrating this skill over the next 12 months. FundCalibre is an appointed representative of Chelsea Financial Services, which is authorised and regulated by FCA. Elite Fund rating does not mean the fund is a suitable investment and does not constitute a recommendation to buy or sell. Elite Fund rating is subjective in nature and reflects FundCalibre's current expectations of future events/behaviour which may turn out to be different than expected. FundCalibre does not guarantee that a fund will perform in line with its FundCalibre benchmark. Likewise, the Elite Fund rating should not be seen as any sort of guarantee or assessment of the creditworthiness of a fund nor of its underlying securities and should not be used as the sole basis for making any investment decision.

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