



ACATIS INDIA VALUE EQUITIES

AS OF: JANUARY 31, 2019

Equity fund India , flexible

MARKET COMMENTARY

The last 12 months have been atypical for the Indian equity markets and this year started off pretty much the same. Last year, the NIFTY 50, the benchmark Index was down roughly 11% in US dollar terms, and 1.8% in local currency terms, which isn't out of the ordinary. However deeper analysis reveals a far more painful picture. The median stock in the Nifty 500, is down by over 33% in local currency terms or 43% in US dollar terms! We are starting to see the same trend carrying into this year. Though it is impossible for us to compete with this, what we can do is continue to focus on buying reasonably priced businesses with solid cash flows and strong balance sheets. In fact three of our top holdings have reported an average increase in sales and profits of 10%, yet only City Union Bank has shown a growth in share price, the other two, Power Grid and Shriram have actually showed losses of 5% and 20% in their share prices. This story replicates itself consistently throughout our portfolio (growing earnings, declining prices), though it does not deter us from adding to positions as and when we can. At some point this flight to the "safety" of mega large cap Indian stocks will stop and sanity will prevail.

INVESTMENT OBJECTIVE AND - PHILOSOPHY

At least 51% of the actively managed fund is invested in shares of companies whose registered office or business focus is located in India, or in instruments that securitise the shares of these issuers through ADRs/GDRs (American Depository Receipt/ Global Depository Receipt). The fund can enter into derivative transactions to hedge asset positions or generate higher values. The selection process for the fund focuses on titles that - from a fundamental point of view - are undervalued and that are trading well below their fair value. This selection process is strongly driven by research, with the intention of adding only 25 titles to the portfolio after intensive analysis, with little reallocation. Management is supported by local research partners. The MSCI India Index (INR) NDR (USD) serves as the reference index. The fund does not strive to depict the reference index, but rather aims for absolute value development that is independent of the reference index.

PRODUCT FACTS/ EMT

WKN	A141SG (Cl.A) A2ATAQ (Cl.B)
ISIN	DE000A141SG1 (Cl.A) DE000A2ATAQ0 (Cl.B)
Distribution	Dividends reinvested
Investment category	Equities India
Benchmark	MSCI India Index (INR) NDR (USD)
Currency	USD
Total net assets	11.1 Mill. USD
Net asset value	107.30 USD (Cl.A) 4,869.93 USD (Cl.B)
Manager	ACATIS Investment
Investment company	ACATIS Investment
Domicile	Germany
Custodian	Hauck&Aufhäuser; FFM
Date of inception	Nov. 30, 2015
Fiscal year end	Dec. 31
UCITS V	yes
Investment horizon	long-term
Risk-return profile	6 of 7
Investor type (minimum requirement)	Private Customer
Permission for public distribution	DE, CH
Representative in Switzerland	1741 Fund Solutions AG
Paying agent in Switzerland	Bank Vontobel AG

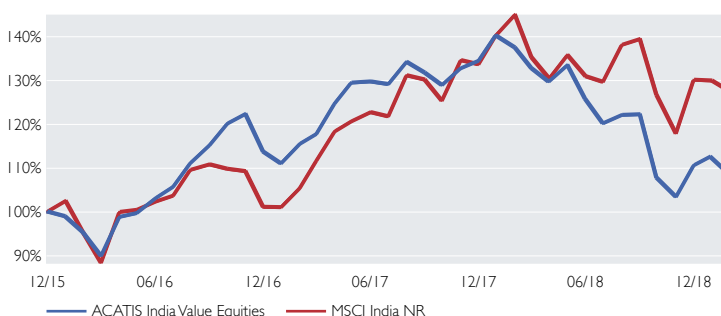
TOP 10 POSITIONS

City Union Bank	6.3%
Power Grid	5.5%
IDFC Bank	5.1%
Shriram	5.0%
Infosys	4.5%
Unichem Laboratories	4.1%
HDFC Bank	4.1%
Godrej Industries	3.4%
TVS Srichakra Tyres	3.2%
HCL Technologies	3.1%

CONTINUATION PRODUCT FACTS/ EMT

Investment objective	Growth
Skills/ Experiences (minimum requirement)	Basics
Loss Carrying Capacity	no Capital Guarantee
Front end fee	5%
Ongoing Charges (as of Dec. 31, 2017)	2.33% p.a. (Cl. A) 1.67% p.a. (Cl. B)
Management fee ex ante	1.67% (Cl. A), 1.08% (Cl. B)
Transaction costs ex ante	0.22%
Performance fee ex ante	maximal 15%
Incidental costs ex ante	0.23%

PERFORMANCE VS. INDEX MSCI INDIA NR



PERFORMANCE AS OF END OF MONTH IN PERCENT

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Index
2019	-3.8												-3.8	-1.9
2018	-2.0	-3.4	-2.3	2.9	-5.8	-4.4	1.6	0.1	-11.8	-4.1	7.0	1.8	-19.7	-7.3
2017	4.0	1.9	5.9	3.8	0.2	-0.5	4.0	-1.9	-2.1	2.9	1.3	4.3	26.3	38.8
2016	-3.6	-5.7	9.9	0.9	3.4	2.5	5.1	3.7	4.3	1.8	-7.0	-2.4	12.2	-1.4
2015												-1.1	-1.1	2.4

Performance since inception	ann. Perf since inception	Performance 3-years	Performance 1-year	Volatility 3-years	Volatility 1-year
8.3%	2.5%	13.6%	-21.2%	15.4%	16.9%

Volatility on monthly basis

Source: Bloomberg, ACATIS Research

ASSET ALLOCATION - COUNTRIES



AWARD



(All general data refer to share class A)



Fondsmanger 2017

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