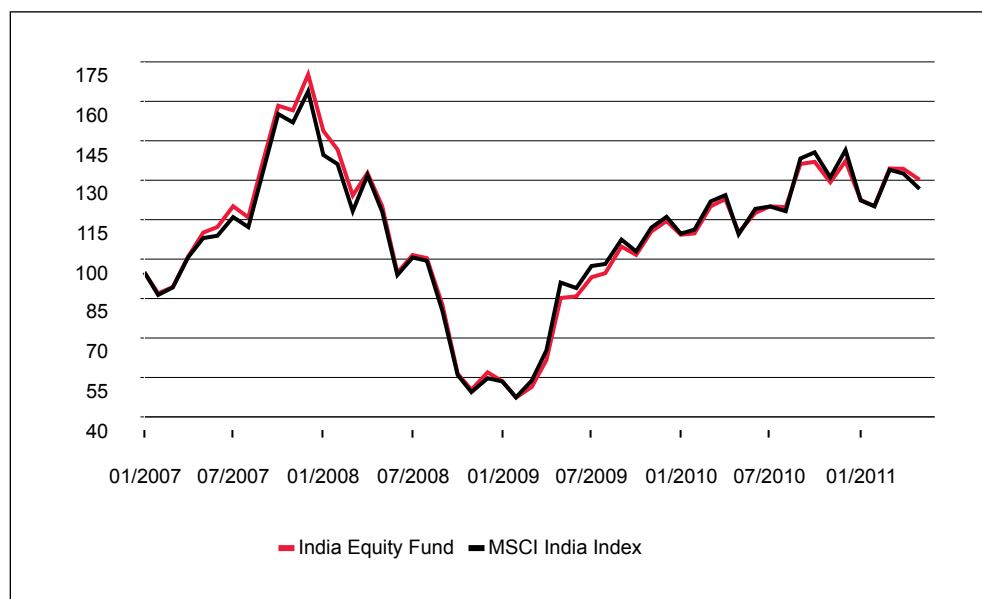


## Fund Review

The fund outperformed the benchmark by 1.27% in May. Positive contribution came from our underweight to Financials, Materials and Utilities. Our performance was hurt by stock selection in Healthcare. During the month, we switched some exposure in Financials and also in Industrials. We sold Yes Bank and IndusInd Bank, while adding to ICICI Bank and HDFC. The former are the smaller private sector banks that have re-rated and delivered good stock returns. On the other hand, ICICI Bank is starting to deliver on its turnaround and is potentially cheap if we compare relative operating trajectories 1-2 years out. In Industrials, we sold Tata Motors (to book profits) and also Bharat Heavy Electricals (where margin pressures are likely given higher competition and commodity prices) and introduced Sintex Industries.

The GDP for FY11 is now estimated at 8.5% and most analysts expect a slowdown to 8% levels for FY12. Inflation trajectory is expected to come down by September and along with slower growth, further interest rate hikes may be more calibrated. Among the positives have been the political environment - government policy measures improving at the margin which should hopefully get a boost post the Congress coalition victories in the state elections. The corporate results have been mixed though below expectations in aggregate. Infosys, Reliance and State Bank of India disappointed, while Larsen & Toubro showed strong order inflow growth and was a positive surprise. Overall earnings for FY12 still estimated at 20% levels. Valuations have come off to reasonable levels.

## Performance of USD 100 since inception against Benchmark



## Cumulative performance in USD (%) of Class Z shares

	1 Mth	3 Mth	YTD	1 Yr	3 Yr	Since inception
Fund	-2.98	7.99	-5.00	17.38	8.03	35.18
Benchmark	-4.25	5.30	-10.07	15.09	7.04	31.70

## Standardised performance as at 31 March 2011 in USD (%) of Class Z shares

	2011/2010	2010/2009	2009/2008	2008/2007
Fund	11.50	121.85	-56.36	36.91
Benchmark	9.46	115.88	-52.28	30.78

Source: Nomura Asset Management U.K. Ltd based on Net Asset Value per share calculated by BBH, in USD.

## May 2011

### Investment Objective

To achieve long-term capital growth through investment in an actively managed portfolio of Indian securities.

### Investment Style

- Active management based on fundamental research
- Bottom up approach with top-down overlay
- Portfolio risk control to produce stability of returns

### Benchmark

MSCI India Index (net total return)

### Key Facts

Launch Date	15th January 2007
Fund Type	ICVC
Domicile	Ireland
Base Currency	USD
NAV Currencies	EUR, GBP, USD
Year End	31 December
Morningstar Sector	India Eq
Bloomberg (A)	NOMINED ID
Bloomberg (I)	n/a
ISIN Code (A)	IE00B1L8MC56
ISIN Code (I)	IE00B3SHFF36
Trading cutoff	12:00 GMT
Trading frequency	Daily
Valuation frequency	Daily
Valuation time	15:00 GMT
Settlement	T + 4
Fund Size	USD 224.8 m
Number of holdings	25
NAV (A Share)	N/A
NAV (I Share)	USD 306.43

### Risk Statistics

	Fund	Index
Alpha	0.06%	0.00%
Beta	0.95	1.00
Information Ratio	1.15	-
Tracking Error	5.52%	-
Standard Deviation	37.17%	38.84%

**Top 10 Holdings**

	% weight
HDFC Bank Ltd	9.41
Tata Consultancy Services	9.14
Infosys Technologies Ltd	8.96
Reliance Industries Ltd	6.11
ICICI Bank Ltd	5.62
ITC Ltd	4.76
Tata Motors	4.50
Larsen & Toubro	4.46
Dr Reddys Labs Ltd	4.40
HCL Technologies	4.07

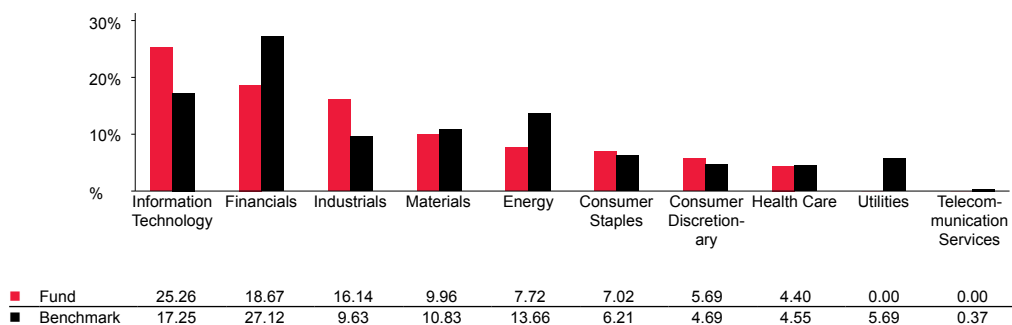
**Top 10 Overweight**

	% active weight
Tata Consultancy Services	4.83
HDFC Bank Ltd	4.12
HCL Technologies	3.40
Sadbhav Engineering Ltd	3.30
Dr Reddys Labs Ltd	3.10
Zee Entertainment	2.56
McLeod Russel India Ltd	2.26
Tata Motors	2.23
Larsen & Toubro	1.77
Jindal Steel & Power	1.74

**Top 10 Underweight**

	% active weight
HDFC	-4.82
Reliance Industries Ltd	-3.76
ICICI Bank Ltd	-1.29
Infosys Technologies Ltd	-1.18
IndusInd Bank	-0.20
Coal India	-0.03

**Sector Breakdown**



**Fund Dealing**

Nomura Funds Ireland plc  
 c/o Brown Brothers Harriman Fund Administration Services (Ireland) Limited  
 Styne House  
 Upper Hatch Street  
 Dublin 2  
 Ireland  
 Telephone: 353-1- 603 6273  
 Fax: 353-1- 603 6310

**Investment Manager**

Nomura Asset Management Singapore Ltd

**Fund Manager**

Vipul Mehta has over 17 years of investment experience and has been at Nomura since 2004.



**Share Class Details**

	Class A	Class I
Management Fee	1.50%	1.00%
Min Initial Sub	\$100,000	\$3m
Min Further Sub	\$50,000	\$1m
Initial Commission	Max 5.00%	0.00%

**Registered for sale**

Austria, Denmark, Finland, Germany, Ireland, Netherlands, Norway, Sweden, Switzerland, United Kingdom

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