

ASHOKA INDIA EQUITY INVESTMENT TRUST PLC


WHITE OAK
 CAPITAL MANAGEMENT

Objective

To achieve long-term capital appreciation, mainly through investment in securities listed in India and listed securities of companies with a significant presence in India.

Company Facts

Ticker:	AIE
ISIN:	GB00BF50VS41
Benchmark:	MSCI India IMI ¹
NAV:	108.00p
Share price:	109.50p
(Discount)/Premium:	1.4%
Number of investments:	46
Total net assets:	£61.5 million
Active share:	88.9%
Launch date:	06 July, 2018
On-going charges ratio:	1.0%
Gearing:	0%
Discount Control:	Annual redemption facility at or close to NAV
Investment Advisor:	White Oak Capital Management Consultants LLP (India)
Firmwide AUM ⁴ :	£1.22 billion

Fees & charges

Management fees:	0%
Performance fees:	30% of outperformance (capped)

¹ The Company does not follow this or any other benchmark, it is given for illustrative purposes and for calculation of the performance fee only.

² Past performance cannot be relied upon as a guide to future performance.

³ The funds raised from the IPO got substantially invested at the end of July.

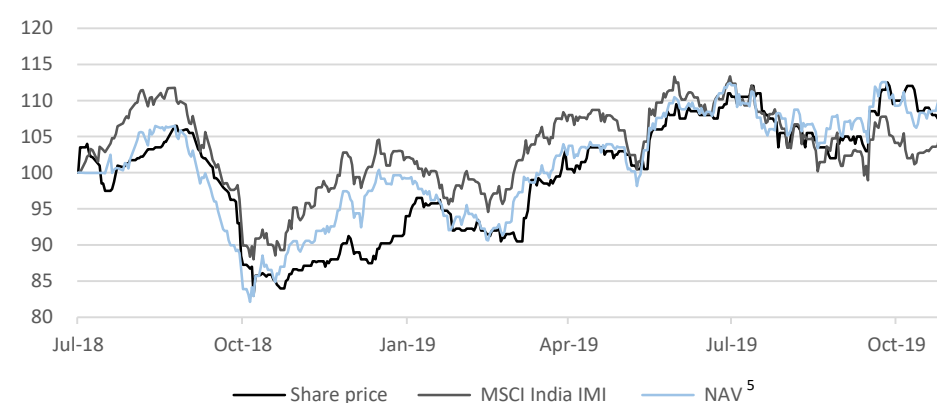
⁴ Refers to aggregate assets under management or advisory for the investment advisor, White Oak Capital Management Consultants LLP (India).

⁵ The beginning NAV of 98 has been rebased to 100 for comparison with the benchmark and share price.

Investment Performance²

Growth	Oct 19	YTD 19	3Q19	2Q19	Since IPO*	Since 31-Jul-18 ³
AIE NAV	-1.3%	10.6%	0.6%	8.4%	10.2%	8.8%
MSCI India IMI	-1.0%	2.8%	-2.9%	2.5%	5.9%	-1.4%
NAV Outperformance	-36 bps	+773 bps	+350 bps	+599 bps	+427 bps	+1017 bps
Share Price	-2.7%	20.0%	3.2%	9.5%	9.5%	8.5%
Currency (INR/GBP)	-5.0%	-3.2%	0.5%	3.6%	-0.4%	-1.5%

*Since IPO: 06 July - 31 October 2019

Performance since launch (GBP)²

Top 10 Holdings (as at 31 October 2019)

Holdings	GICS Sector	% of AUM
1. HDFC Bank	Financials	5.8
2. Bajaj Finance	Financials	5.2
3. L&T Technology Services	Industrials	5.1
4. Bajaj Finserv	Financials	4.7
5. HDFC Asset Management Co	Financials	4.6
6. Asian Paints	Materials	4.4
7. Titan Co	Consumer Discretionary	4.3
8. Maruti Suzuki India	Consumer Discretionary	3.4
9. Muthoot Finance	Financials	3.3
10. Nestle India	Consumer Staples	3.3
Total		44.1%

Market Cap Classification (as at 31 October 2019)

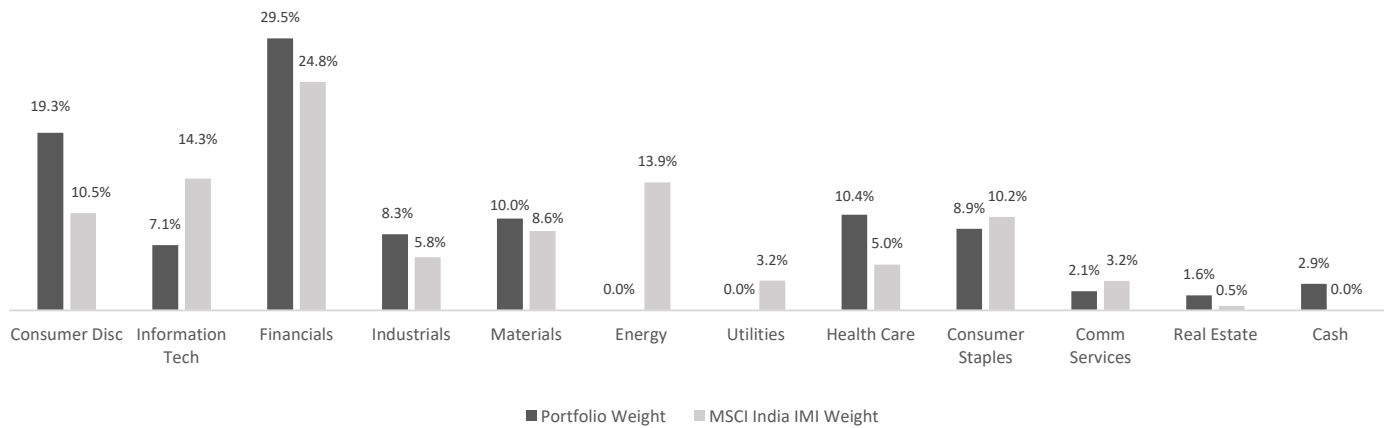
Market Cap	Portfolio End Weight (%)	MSCI India IMI (%)
Large Cap	40.6%	80.0%
Mid Cap	36.2%	15.0%
Small Cap	20.3%	5.0%
Cash	2.9%	-
Total	100.0%	100.0%

Large cap > £3.9bn; Mid cap = £3.9bn - £0.9bn; Small cap < £0.9bn

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Sector Exposure (as at 31 October 2019)



Top 5 Contributors and Detractors (October 2019)

Contributors	Ending Weight (%)	Total Return (%)	Contribution to Return (bps)
Navin Fluorine International	3.2	+16.4	+38
Info Edge India	2.1	+20.9	+36
Orient Electric	2.2	+13.1	+29
Polycab India	1.4	+18.8	+23
Trent	3.2	+6.5	+20

Detractors	Ending Weight (%)	Total Return (%)	Contribution to Return (bps)
Infosys	0.0	-21.9	-142
Bajaj Finserv	4.7	-9.1	-48
L&T Technology Services	5.1	-5.6	-31
Bajaj Finance	5.2	-5.3	-29
HDFC Bank	5.8	-4.6	-24

Market Review

India outperformed global markets in October 2019 with the MSCI India IMI Index down 1.0% in GBP terms. This was on the back of strong FII flows, improving global risk sentiments and a 25 bps rate cut by the Reserve Bank of India.

US equities (S&P 500) down 3.0% followed by MSCI World down 2.6%, and MSCI EM down 1.0%.

Foreign Portfolio Investors bought £1.3bn worth of Indian equities during the month. Crude oil prices decreased by 5.9% and the Indian rupee depreciated by 5.0% versus the pound during the same period.

The structural growth drivers of the Indian economy remain intact. While the recent deceleration in demand has led to growth estimates being tempered to 6% for 2019, it nonetheless remains the fastest growth for any major economy. The IMF projects growth to get back to 7% in 2020.

Corporate tax cuts, easing monetary policy and a good monsoon are supportive of a revival in growth going forward. Macro variables such as oil price, inflation and current account deficit continue to remain stable. Monetary easing cycle is expected to remain accommodative in the backdrop of low and stable inflation trajectory. The tax cuts may result in some slippages in fiscal deficit this year, however we expect the fiscal deficit to resume its declining trend from next year.

Government's decision to divest strategic stakes in several Public Sector Units (PSUs) is another major development. This is a long awaited reform and if implemented properly would act as a major boost to government finances and the respective sectors.

Among sectors, consumer discretionary and energy outperformed while industrials and information technology underperformed during October. From a market cap segmentation perspective, mid caps outperformed large and small caps in October but on a year-to-date basis large caps continue to outperform mid and small caps.

Performance Review:

In October 2019, the fund delivered -1.3% underperforming the MSCI India IMI Index by 36bps. The key contributors to performance were Navin Flourine (+16.4%), Info Edge India (+20.9%), and Orient Electric (+13.1%) whereas the key detractors were Infosys (-21.9%), Bajaj Finserv (-9.1%), and L&T Technology Services (-5.6%).

The fund delivered 10.6% year-to-date, outperforming the benchmark by +773bps. Key contributors were Bajaj Finance (+47.8%), HDFC Asset Management (+101.3%) and Info Edge India (+73.1%), while key detractors were Infosys (-20.7%), L&T Technology Services (-13.6%) and Jyothy Laboratories (-19.1%).

Important Information

This document has been issued for information purposes only. It does not contain any advice, investment recommendations or any offer, invitation or inducement to invest in the Company. Investors should seek advice from an authorised financial adviser prior to making investment decisions.

Capital may be at risk as the value of investments may go down as well as up and is not guaranteed; therefore investors may not get back the amount originally invested. Past performance is not a guide to future performance, nor a reliable indicator of future results or performance. Changes in the exchange rates between currencies may cause the value of investments to fluctuate. Investments in shares of smaller companies are generally considered to carry a higher degree of risk as the market for their shares may be less liquid than that for shares of larger companies, making shares of smaller companies more difficult to buy and sell.

The performance of shares of smaller companies may be more volatile than the shares of larger companies over short time periods; therefore investors should regard such investments as long term. There can be no guarantee that the investment objective of the Company will be achieved or provide the returns sought by the Company.

An investment in the Company is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise from such an investment (which may be equal to the whole amount invested). Such an investment should be regarded as long term in nature and complementary to existing investments in a range of other financial assets and should not form a major part of an investment portfolio.

An investment trust is a public limited company, the shares of which are traded on the main market of the London Stock Exchange. Accordingly, the ability of shareholders to sell their shares will be dependent on the market price of the shares. The shares may trade at a discount or premium to their net asset value. Investment trusts may borrow money in order to make further investments. This is known as gearing. The effect of gearing can enhance returns to shareholders in rising markets but will have the opposite effect on returns in falling markets.

White Oak Capital Management Consultants LLP (India) does not provide retail investors with investment advice.