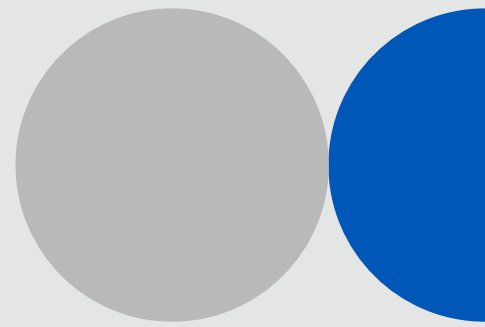


# Aberdeen New India Investment Trust PLC

Seeking world-class, well governed companies at the heart of India's growth

Performance Data and Analytics to 31 May 2022



## Investment objective

To achieve long-term capital appreciation by investing in companies which are incorporated in India or which derive significant revenue or profit from India, with dividend yield from the company being of secondary importance.

## Benchmark

The Company compares its performance to the MSCI India Index (sterling adjusted). However, the Company's portfolio is constructed without reference to the composition of any stock market index or benchmark. It is likely, therefore, that there will be periods when its performance may vary significantly from the benchmark.

## Cumulative performance (%)

	as at 31/05/22	1 month	3 months	6 months	1 year	3 years	5 years	10 years
Share Price	538.0p	(3.8)	(2.5)	(11.2)	(1.5)	7.4	17.7	182.0
NAV <sup>a</sup>	671.4p	(4.4)	1.3	(6.8)	6.6	18.8	33.9	210.5
MSCI India		(6.1)	2.3	(0.9)	14.7	33.1	55.9	210.0

## Discrete performance (%)

	31/05/22	31/05/21	31/05/20	31/05/19	31/05/18
Share Price	(1.5)	44.4	(24.5)	10.1	(0.4)
NAV <sup>a</sup>	6.6	39.7	(20.3)	6.1	6.2
MSCI India	14.7	46.8	(21.0)	13.2	3.5

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis. Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value. Source: Aberdeen Asset Managers Limited, Lipper and Morningstar.  
**Past performance is not a guide to future results.**

<sup>a</sup> Including current year revenue.

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## Morningstar Sustainability Rating™



## Morningstar Rating™



### <sup>b</sup> Morningstar Rating™ for Funds

Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Ten largest equity holdings (%)

Infosys	9.4
Housing Development Finance	8.9
ICICI Bank	6.7
Tata Consultancy Services	6.6
Hindustan Unilever	5.8
Bharti Airtel	4.7
Power Grid Corporation	4.1
Kotak Mahindra Bank	3.2
SBI Life Insurance	3.0
Maruti Suzuki India	3.0
<b>Total</b>	<b>55.4</b>

**Total number of investments 38**

## Sector allocation (%)

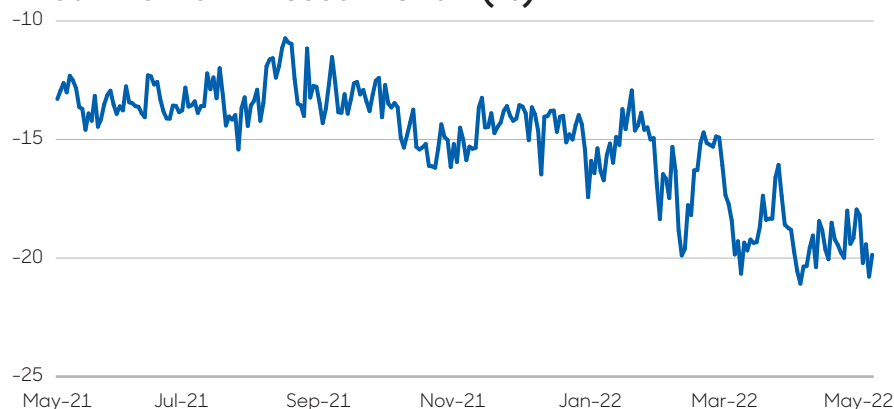
	Trust	Benchmark
Financials	28.3	24.0
Information Technology	18.4	16.5
Consumer Staples	9.9	9.0
Communication Services	7.4	3.2
Consumer Discretionary	6.9	8.7
Materials	6.8	9.4
Utilities	6.5	6.0
Health Care	5.4	4.6
Industrials	4.7	4.9
Real Estate	3.0	0.6
Energy	1.6	13.1
Cash	1.1	-
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: Aberdeen Asset Managers Limited and Bloomberg. Figures may not add up to 100 due to rounding. All sources (unless indicated): abrdn: 31 May 2022.



# Aberdeen New India Investment Trust PLC

## 1 Year Premium/Discount Chart (%)



## Fund managers' report

### Market review

Indian equities fell in May, underperforming the broader emerging markets asset class as commodity-led inflation and its impact on growth prospects remained an overhang. The MSCI India benchmark declined by 6.1%, as share prices fell in sectors such as utilities, real estate, materials, media & entertainment, health care equipment and services, as well as diversified financials. Commodity-led inflation and high oil prices have led to rising input costs and margin pressures for corporate India.

Early in the month, the Reserve Bank of India (RBI) surprised markets with a 0.4% increase of the policy repo rate as consumer prices hovered above the central bank's tolerance level. Analysts expect further rate hikes in the coming months. Subsequently, the government introduced sharp excise duty cuts for petrol and diesel to pre-pandemic levels to try and reduce domestic fuel prices. Additionally, import duties on coal were cut to zero and export taxes were imposed on steel products to improve their domestic availability and to gradually help reduce prices.

On the economic front, India's fourth-quarter GDP grew 4.1% year-on-year. It was the slowest pace in a year as inflation pressures and the third Covid wave in January appeared to have taken their toll on domestic demand and consumption. Data showed retail inflation in April once again surged, while construction and transportation activity moderated. Elsewhere, urban activity continued to improve while there were nascent signs of rural recovery.

### Portfolio changes

In key portfolio activity, we initiated Delhivery, the largest, fastest growing, and only fully-integrated logistics player in India with all verticals exhibiting healthy growth. The business is disrupting the domestic logistics industry through its uniquely successful network design, tech/automation capabilities, business integration and significant time and data advantage. This has enabled better

### Fund managers' report continues overleaf

<sup>C</sup> Expressed as a percentage of average daily net assets for the year ended 31 March 2021. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.

<sup>D</sup> With effect from 1 April 2021, the management fee is 0.85% per annum of total assets less current liabilities up to £350m and 0.70% per annum of total assets less current liabilities above £350m.

<sup>E</sup> Calculated using the Company's historic net dividends and month end share price.

<sup>F</sup> The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

## Fund risk statistics

	3 Years	5 Years
Annualised Standard Deviation of Fund	18.84	18.89
Beta	0.91	0.93
Sharpe Ratio	0.56	0.47
Annualised Tracking Error	5.91	5.51
Annualised Information Ratio	(0.45)	(0.32)
R-Squared	0.91	0.92

Source: Aberdeen Asset Management, BPSS & Datastream, Basis: Total Return, Gross of Fees, GBP. Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value (NAV) returns. In addition, the risk analytics figures lag the performance figures by a month.

## Key information

### Calendar

Year end	31 March
Accounts published	July
Annual General Meeting	September
Dividend paid	n/a

### Trust information

Original trust launch date	February 1994
Name change/reconstruction	December 2004
Fund manager	Asian Equities Team
Ongoing charges <sup>C</sup>	1.16%
Annual management fee <sup>D</sup>	0.85% (tiered)
Premium/(Discount)	(19.9)%
Yield <sup>E</sup>	0.0%
Gearing	6.7%
Active share <sup>F</sup>	64.5%

### AIFMD Leverage Limits

Gross Notional	2.5x
Commitment	2x

### Assets/Debt (£m)

Gross Assets	417.0
Debt	30.0
Cash & cash equivalents	4.1

# Aberdeen New India Investment Trust PLC

## Fund managers' report – continued

asset utilisation and cost efficiencies, which in turn resulted in the company being the clear price leader within the core express parcel business. Delhivery has used this to pressure competitors and gain market share over the years.

Against this, we exited Zomato on concerns that the time horizon to cash flow breakeven was getting pushed back in light of new M&A activity, and a strategic push into a new business segment. This was happening at a time when the market was becoming less tolerant towards pre-profit companies amid a rising rate environment and the growth-to-value style rotation. As a result, we consolidated into higher conviction holdings within the same sector.

### Corporate news

In corporate news, May saw more companies report earnings. Among our holdings in the materials sector, Asian Paints, Hindalco Industries and UltraTech Cement delivered better-than-expected results. Despite a tough quarter where rising input costs crimped on margins, Asian Paints and UltraTech's performances were driven by resilient demand, price hikes, improved product mix and cost efficiency measures. Hindalco, on the other hand, was helped by higher commodity prices but market consensus estimates the risk of margin pressure to linger.

Meanwhile, utilities holding Power Grid Corporation of India reported a net income increase of 23% year-on-year for the period that beat the average market consensus. Automobile manufacturer Maruti Suzuki saw another set of good results, underpinned by margin expansion. Export volumes remained healthy and were less impacted by the global semiconductor chip shortages due to the company's lower-spec models. Investors also welcomed news that Maruti had signed an agreement with the state of Gujarat to manufacture electric vehicles and batteries for launch in 2025. Similarly, PB Fintech, India's largest online platform for insurance, saw solid revenues and margins that beat expectations, driven by growth in insurance premiums. Nonetheless, the company's share price was pressured by the market rotation away from growth-oriented stocks towards value.

In other news, ReNew Energy announced new hires for its management team, including a new group CFO, Kedar Upadhye, as well as a general counsel and a chief growth officer.

### Outlook

Looking ahead, we expect volatility to remain in the near term, and India is not immune from the turmoil. Policymakers have the unenviable task of managing commodity-led inflation without compromising the country's economic recovery from the Covid-19 crisis. India's external balances remain vulnerable to higher energy prices, given that it is a large net importer of oil, but policymakers have already started taking steps to try and bring the situation under control. We are confident that the portfolio holdings' pricing power and ability to sustain margins provide a measure of comfort.

Over the longer term, India's growth story remains intact, supported by a pro-growth budget for FY23 as infrastructure, housing and capital expenditure gradually coming back. India is also expected to deliver one of the highest earnings growth in the region this year. We remain highly selective in our portfolio positioning, preferring high-quality companies with robust balance sheets and led by good management that helps them weather storms better than most. These companies should deliver sustainable returns over time.

**The risks outlined overleaf relating to gearing, warrants, emerging markets, small companies and exchange rate movements are particularly relevant to this trust but should be read in conjunction with all warnings and comments given.**

**Important information overleaf**

## Capital structure

Ordinary shares	57,647,916
Treasury shares	1,422,224

## Allocation of management fees and finance costs

Revenue	100%
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## Trading details

Reuters/Epic/ Bloomberg code	ANII
ISIN code	GB0006048770
Sedol code	0604877
Stockbrokers	WINS Investment Trusts
Market makers	CFEP, INV, JPMS, NITE, PEEL, STFL, WINS, WEST



## Factsheet

Receive the factsheet by email as soon as it is available by registering at [www.investments.co.uk/#signup](http://www.investments.co.uk/#signup) or [www.aberdeen-newindia.co.uk](http://www.aberdeen-newindia.co.uk)



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## Important information

### Risk factors you should consider prior to investing:

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

### Other important information:

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