

# Emerging India Composite

AS OF DECEMBER 31, 2019



## Highlights

- Seeks the highest-quality growth companies in India
- Truly active, collaborative, bottom-up, fundamental process
- Systematic coverage of Indian universe and broad sector approach

## Portfolio Facts

**\$564M**  
Total Strategy Assets<sup>^</sup>

**\$15B**  
Average Market Cap  
(weighted)

**34**  
Number of  
Holdings

## INVESTMENT APPROACH

We use a bottom-up approach that seeks to identify companies with outstanding long-term growth potential. We look for companies with:

- Strong financials
- A sustainable competitive advantage
- Industry-best management teams
- Earnings growth greater than the relevant sector or industry

All cap flexibility with a focus on small- and mid-cap companies

Approximately 30-70 positions

## ABOUT THE PORTFOLIO

Strategy Inception	4/26/2011
Minimum Initial Investment	\$10 million

## FUND MANAGERS



Ajay Krishnan, CFA  
Lead Portfolio Manager  
Years of Experience: 25



Matthew Dreith, CFA  
Portfolio Manager  
Years of Experience: 13

## INVESTMENT RESULTS AS OF 12/31/2019

	QTD	YTD	AVERAGE ANNUAL TOTAL RETURNS				Inception
			1 Year	3 Years	5 Years	10 Years	
Composite - Gross of Fees	6.53	16.28	16.28	20.47	13.59	n/a	13.60
Composite - Net of Fees	6.31	15.27	15.27	19.15	12.22	n/a	12.13
MSCI India IMI Index	5.27	5.33	5.33	10.37	4.86	n/a	2.83

Returns for periods less than one year are not annualized.

## CALENDAR YEAR RETURNS

	2013	2014	2015	2016	2017	2018	2019
Composite - Gross of Fees	0.46	48.13	6.17	1.87	56.06	-3.65	16.28
Composite - Net of Fees	-0.98	46.07	4.66	0.53	54.13	-4.78	15.27
MSCI India IMI Index	-5.32	27.64	-4.69	-1.08	43.72	-11.19	5.33

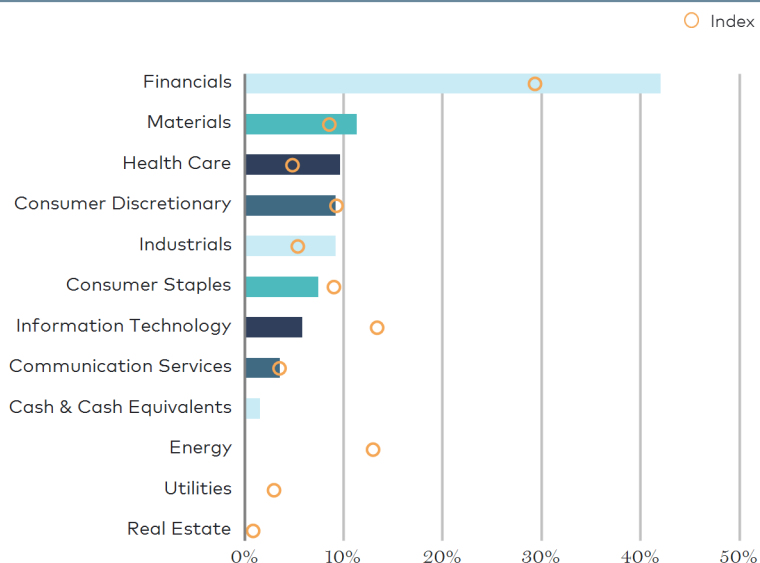
<sup>^</sup>Total Strategy Assets across all vehicles and composites. Since inception performance calculated from 4/30/2011.

Composite returns for the Emerging India Composite have been provided. The Wasatch Emerging India Composite contains fully discretionary equity accounts following the Wasatch Emerging India style. The composite primarily invests in companies tied economically to India with the goal of long-term appreciation of capital. For comparison purposes the composite is measured against the MSCI India IMI Index. Wasatch Global Investors is an independent registered investment advisor. Registration does not imply a certain level of skill or training. Wasatch Global Investors claims compliance with Global Investment Performance Standards (GIPS®). To receive a complete list and description of composites and/or a GIPS-compliant presentation, e-mail [inforequest@wasatchglobal.com](mailto:inforequest@wasatchglobal.com). Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented both gross and net of investment management fees. Returns are preliminary.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. The MSCI India Investable Market Index (IMI) covers all investable large, mid and small cap securities across India, targeting approximately 99% of the Indian market's free-float adjusted market capitalization. You cannot invest directly in any index.

CFA® is a trademark owned by CFA Institute.

**SECTOR ALLOCATION**



**PORTFOLIO CHARACTERISTICS**

	Portfolio	Index
Average Market Cap (\$ weighted)	\$14.7B	\$37.5B
Median Market Cap	\$3.3B	\$1.4B
Number of Holdings	34	333
Est. 5-year EPS Growth (%)	23.0	22.0
P/E (forward)	33.0	18.3
Portfolio Turnover (%)	23	n/a
Active Share (%)	91	n/a

**PERFORMANCE STATISTICS**

Alpha	8.67
Beta	0.86
R-Squared	0.80
Standard Deviation	16.59
Upside Capture	113.90
Downside Capture	80.00

Performance period: 5 year

**COUNTRY ALLOCATION**

	Portfolio	Index		Portfolio	Index
<b>Developed</b>	-	-	<b>Emerging and Frontier</b>	<b>98.4%</b>	<b>100.0%</b>
			India	98.4	100.0

Weights are calculated as a percentage of total portfolio including cash & cash equivalents.

**TOP TEN HOLDINGS** AS OF 12/31/2019

Bajaj Finance Ltd.	7.9
ICICI Lombard General Insurance Co Ltd.	6.3
AU Small Finance Bank Ltd.	5.1
Aavas Financiers Ltd.	5.1
HDFC Bank Ltd.	5.0
Dr Lal PathLabs Ltd.	5.0
Divi's Laboratories Ltd.	4.1
Berger Paints India Ltd.	4.1
Pidilite Industries Ltd.	4.1
Britannia Industries Ltd	3.9
<b>Total</b>	<b>50%</b>

Portfolio Characteristics, Allocations, and Top Ten Holdings are derived from representative accounts following the Wasatch Emerging India style. Individual client accounts may differ from the representative accounts. Portfolio holdings are subject to risks and may change at any time. References to specific securities should not be construed as recommendations by the Advisor.

**Est. 5-year EPS Growth %:** Estimated percentage increase in earnings per share (EPS) per year of the funds holdings over the next 5 years. Returns are not guaranteed and may be higher or lower. Source: Wasatch and FactSet. **P/E (Forward):** Sum of stock prices of the fund's holdings divided by the aggregate earnings per share of those holdings for the next 12 months calculated as a weighted harmonic average. **Weighted Average Market Cap** Average market capitalization of companies held by the fund, weighted by their percentage of fund net assets. **Portfolio Turnover:** A measure of trading activity in a fund's portfolio over the past 12 months expressed as a percentage of the fund's average total assets. **Alpha** measures a fund's risk/reward potential. A positive alpha means the fund outperformed the index. A negative alpha means the fund underperformed the index. **Beta** measures a fund's risk in relation to the market. A beta of 0.8 means the fund's total return is likely to move up or down 80% of the market change; 1.25 means total return is likely to move up or down 25% more than the market. **R-Squared** measures (from 0 to 1.0) how closely a fund's movements are correlated with movements of its benchmark. An R-squared of 1.0 would mean that the fund's movements are completely correlated with the movements of its benchmark. **Active Share** measures the difference between portfolio holdings and the benchmark. It is the sum of the absolute values of the different weightings of each holding in the fund versus each holding in the benchmark, divided by 2. **Standard Deviation** measures the degree to which a fund's performance has varied from its average performance over a particular time period. The greater the standard deviation, the greater a fund's volatility (risk). **Upside Capture** explains how well a fund performs in time periods where the benchmark's returns are greater than zero. **Downside Capture** explains how well a fund performs in time periods where the benchmark's returns are less than zero.