Issued: September 2026

Ashmore

Double celebration: Ashmore India Equity SICAV reaches 3 years while the India Equity Strategy hits 30 years!

EQUITIES

Our **India Equity SICAV** has returned 8.6% p.a. and outperformed the MSCI India Index by 3.8% p.a. since September 2023. This is first quartile performance compared to the Morningstar India Equity peer group.

The Fund follows Ashmore's **India Equity Strategy**, which manages over USD 2.5bn in AUM and celebrates its 30th anniversary this year!

Key competitive advantages

Investing in mispriced stocks with strong catalysts for rerating

Our bottom-up stock selection process is driven by the identification of mispriced opportunities. We believe that stocks have an intrinsic fair value that corresponds to the company's fundamental ability to generate equity returns over time. Inefficient markets result in the deviation of valuations from this fair value. We rank and select stocks that trade at the largest risk-adjusted discount to fair value relative to the company's fundamental earnings power. We also ensure these mispriced opportunities have catalysts that will drive a rerating.

Index unconstrained all cap approach

We are an experienced investor in Indian equities, supported by a wealth of resources and embedded in Ashmore, a specialist emerging markets asset manager. We benefit from insight and context from the global investors based in London who also carry our macroeconomic research as well as stock research in India from a range of vantage points; equity, fixed income and FX. This enables us to consider a wider universe that is unconstrained by a third-party index. Our investable universe comprises c. 1,200 stocks and the stock attributes we are attracted to mean the portfolio has an 'All Cap' profile.

Primary portfolio risk-return driver is stock idiosyncratic

We expect the strategy to outperform the MSCI India (unhedged) index over the market cycle. Our primary return and risk driver is stock idiosyncratic and no single top-down, style factor nor stock should dominate our portfolio outcome. This is reflected in sustained alpha generation during both strong and challenged market backdrops, as well as in market backdrops characterised by both growth and value style drivers.

Fig 1: **Fund performance: Consistent alpha generation over different cycles**

	YTD	1 year	2 years p.a.	3 years p.a. (inception)
Ashmore SICAV India Equity Fund	-2.5%	3.6%	1.2%	8.6%
MSCI India	-8.6%	-3.8%	-7.9%	4.8%
Excess returns	6.1%	7.4%	9.1%	3.8%

Source: Ashmore. Data as at 31 August 2026. Gross of fees. Fund launch 13 September 2023.

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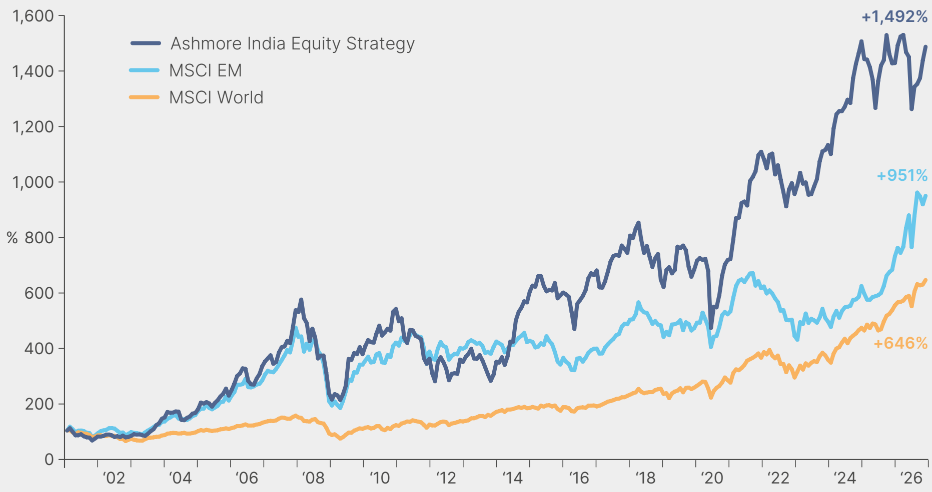
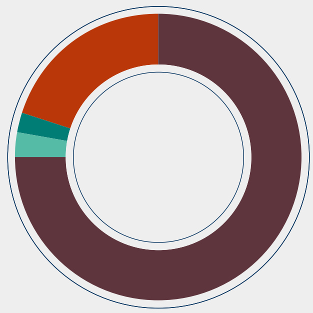
Fig 2: **India Equity Strategy: High returning over 30 years**



Source: Ashmore. Data as at 31 August 2026. Gross of fees.

Fig 3: **Stock idiosyncratic dominates**



Stock idiosyncratic	75%
Style	3%
Size	2%
Industry	20%

Ex-ante risk decomposition.
Source: Ashmore. Data as at 30 June 2026.

Compelling near-term outlook

Light investor positioning begins to reverse

- India has seen foreign institutional outflows at the expense of the 'AI trade' exacerbated by investor concerns over the impact of higher oil prices for an energy importer.
- Foreign ownership is now at the lowest level since 2012. This trend is now reversing with foreign institutional net inflows in both July and August as investors seek to diversify in under-owned and attractively valued assets.

Economic growth inflecting positively buoyed by policy

- The Indian economy is largely powered by domestic demand and to a large part remains insulated from US fiscal policies and volatility in the AI capex cycle.
- Both the government and Central Bank have initiated pro-growth measures to revive local demand which is becoming evident in leading indicators; bank loan growth is set to double since May 2025 with mid-teens 2026 earnings growth expectations, for example.
- With inflation contained, and significant FX reserves, this provides a significant buffer should crude oil prices remain elevated. India's real GDP is poised to grow between 6-7% resulting in nominal GDP growth rate of double digits.

Valuations have normalised

- MSCI India trades at 19x forward price-to-earnings, which is in-line with historical averages. This compares to c. 24x 18 months ago.
- Nifty 50 (large cap focused index) trades even more attractively, at around 17x, supported by earnings growth set to improve from 8% to mid-teens levels over the next two fiscal years.
- Meanwhile, smaller caps still trade at high levels, c. 25x, supported by persistent domestic investor buying and therefore require much more selectivity.

Fund positioning turns more offensive

- Our 30-40 stock portfolio is diversified across several compelling investment drivers.
- We have meaningful exposure to the domestic economy, such as leading private banks and fast-growing consumer companies, and have increased cyclicality into the portfolio exploiting market volatility and the improved outlook. We also have exposure to market leading healthcare and pharmaceutical companies.
- We have selective exposure to overseas plays, such as chemicals, and even more selective exposure in misvalued IT Services, with no exposure to major IT incumbents that risk a slower growth period.

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Conclusion

India has been an anti-consensus trade with record-low foreign positioning. The market now trades at a valuation that has reset to its 10-year average, ahead of an earnings acceleration.

This creates a compelling investment opportunity!

Fund Information

Bloomberg
USD Inst: ASIQFIN LX

ISIN
USD Inst: LU2614584386

SEDOL
USD Inst: BMWJHK7

Domicile
Luxembourg

Accumulation/Income
Accumulation

Minimum Initial Investment
USD 1,000,000

Subscriptions
Daily dealing fund

Annual Management Charge
1.00%

Registered for Sale
For registered countries, please visit: www.ashmoregroup.com

Redemptions
Daily dealing fund

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