

DSP INDIA EQUITY FUND

This is a marketing communication. Please refer to the prospectus of the UCITS and to the KIID before making any final decisions. This document is intended only for professional clients and / or qualified investors.

DSP

INVESTMENT MANAGERS

INVESTMENT STRATEGY

The investment objective of the DSP India Equity Fund ("Fund") is to achieve long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities of mid cap and small cap companies.

PERFORMANCE TRACK RECORD

Past performance does not predict future returns

USD CAGR Performance as on 28 February 2023	YTD	1-Year	3-Years	5-Years	8-Years	10-Years	Since Inception
	31-Dec-2022	28-Feb-2022	28-Feb-20	28-Feb-18	27-Feb-15	28-Feb-13	14-Nov-06
DSP India Equity Fund	-2.61%	-6.96%	-	-	-	-	-
DSP Strategy	-	-	7.85%	3.35%	7.11%	12.11%	9.59%
Average India UCITS fund	-3.50%	-9.82%	7.65%	2.82%	4.10%	7.48%	5.77%
MSCI India USD	-7.42%	-10.00%	10.54%	5.13%	4.73%	6.89%	5.43%
20:80 Composite Index	-4.19%	-7.16%	14.67%	3.45%	6.46%	10.14%	6.10%

Source: Internal.

KEY FUND

CHARACTERISTICS

Fund: DSP India Equity Fund

Fund Structure: UCITS ICAV (Sub Fund of DSP Global Funds ICAV)

Investment Manager: DSP Investment Managers Private Limited

Fund Manager: Vinit Sambre

Investment Area: India Equities

Total Firm Assets (DSP Investment Managers): ~\$16 bn as of 28 February 2023

Total Sub Fund Assets: ~\$10 mn as of 28 February 2023

Strategy AUM: ~US\$ 1,608 mn as of 28 February 2023

Share Class: Seed Class

Launch Date: 15 March 2021

Base currency: USD

Currency Classes: USD

Domicile: Ireland, Dealing Day (DD): Daily

Notice (Subscription Redemption): 10:00 am (Irish time) on the relevant DD

Website, Prospectus and KIID: <https://www.dspindia.com/ucits>

Settlement (Subscription): After 5 business days from DD

Settlement (Redemption): Within 5 business days from DD

Management Company: KBA Consulting Management Limited

Auditors and Tax Advisors: Grant Thornton

Legal Advisor to the ICAV as to Irish law: Zeidler Legal Services

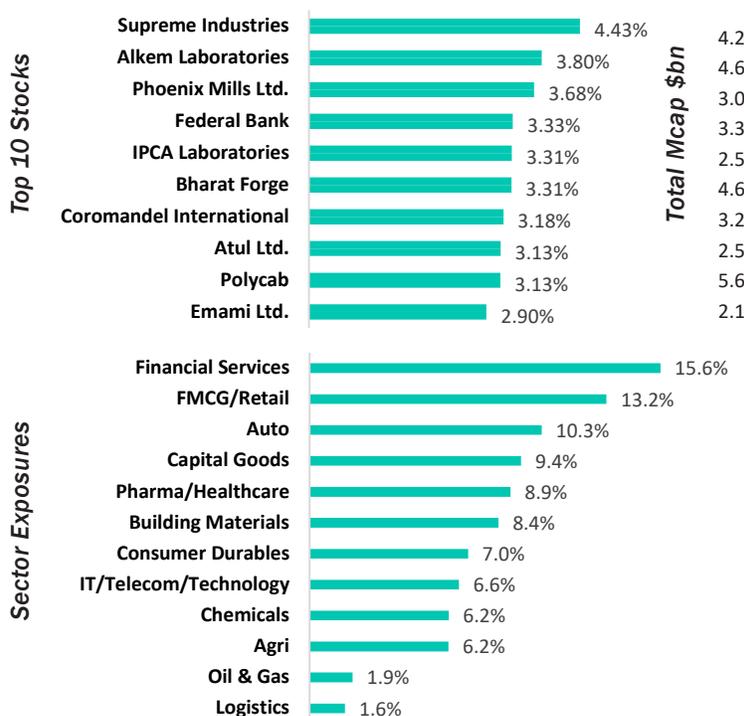
Global Distributor: DSP Global Services (Mauritius) Limited

Administrator: HSBC Securities Services (Ireland) DAC

ISIN: IE00BK0WZ337

Bloomberg Ticker: DSPIESU ID EQUITY

PORTFOLIO CHARACTERISTICS



Portfolio Metrics**	FY23E	FY24E	FY25E
EPS Growth	14%	27.9%	19.1%
P/BV	6.0	5.1	4.4
ROE	16%	18%	18%

Fund Construct	Details
Number of Stocks	53
Portfolio Turnover (last 12m)	23% (for DSP Strategy)
Cap-wise split (for DSP Strategy)	Small Cap – 67.21%, Mid Cap – 22.38%, Large Cap – 5.56%, Cash – 4.85%

**The portfolio metrics displayed are estimates of the anticipated development of the portfolio holdings when measured against certain metrics. Some computations may also have extreme values removed from the calculations. These estimates are not intended to be an estimate or representation of future performance of the fund. The investment which is herein promoted concerns the acquisition of shares in a UCITS fund and not in a given underlying asset such as shares of a company as these are only the underlying assets owned by the fund. The Fund is actively managed by the Investment Manager without reference to a benchmark index. Note: S.I. is Since Inception of DSP Strategy. The "average India UCITS returns" refers to the average returns of all India focused UCITS equity funds listed on Bloomberg. The Custom 20:80 Composite Index, the benchmark for the ICAV is a customized 20% MSCI India Index and 80% MSCI India Small Cap Index. It is not possible to invest directly in an index. Past performance is not a reliable indicator of future results. The Fund is subject to capital gain tax in India

^THE DSP STRATEGY HAS BEEN IMPLEMENTED SINCE 14 NOV 2006, AUM ~US\$ 1.6 BN, AS ON 28 FEBRUARY 2023 THROUGH CERTAIN PRODUCTS MANAGED BY DSP INVESTMENT MANAGERS PVT. LTD., WHICH ARE NOT AVAILABLE FOR INVESTMENT IN ANY JURISDICTION EXCEPT FOR INDIA.

FUND MANAGER COMMENTARY

In CY2023, the DSP India Equity Fund (-2.61%) outperformed average India focused strategies (-3.50%) by ~90bps. When compared to the MSCI India index USD (-7.42%) the fund has outperformed by ~480bps and MSCI Smallcap Index (-3.39%) by ~80bps. We remain completely bottom-up in our approach and our portfolio positions has stacked up well in the recent quarters.

Last month we have increased our positions i) Bharat Electronics, a leading defense equipment manufacturer ii) Minda industries, leading auto component manufacturer for domestic and global auto companies (like BMW, Ford, Honda, Nissan) iii) Coromandel International, leading manufacturer of NPK fertilizers in India, iv) Alkem Laboratories, largest manufacturer of pharmaceuticals generics and formulation, v) Suprajit Engineering, a global leader in automotive cable manufacturing and halogen bulb industry catering to domestic and international customers.

Attribution summary for the month of Feb 2023:

Contributors	
Sectors	Active weight
Materials	↑ 3.44
Utilities	↓ -0.78
Health Care	↓ -0.03
Stocks	Active weight
Supreme Industries	↑ 3.59
Alkem Laboratories	↑ 3.67
Cholamandalam Investments	↓ 2.34

Detractors	
Sectors	Active weight
Consumer Discretionary	↓ -0.42
Financials	↑ -0.22
Consumer Staples	↑ -0.14
Stocks	Active weight
Max Financials	↓ 1.12
Emami Ltd	↑ 2.53
Balkrishna Industries	↑ 2.41

3QFY23 Results Spotlight

- Supreme Industries:** Strong results and volume growth is up ~80% for the pipe segment. EBITDA margin remained ~13%, in line with estimates. The demand environment remains strong from the agriculture, housing and infrastructure segment which is a positive sign for the overall business. The pipe segment is expected to grow at ~15% over the next 5 years. Supreme plans to further increase its reach to 29 states in the country from 12 states currently which can further increase the volume growth. Capex plan remains for the year remains ~USD 90m and will be funded from internal accruals.
- Alkem Laboratories:** Reported healthy top-line growth of ~18% YoY and EBITDA growth of ~20%. Revenue growth is due to a surge in branded domestic sales (~70% of sales) which was up 1~0% YoY driven by strong traction in therapies like Anti-Infectives, Gastrointestinal, Vitamins and Pain management coupled with 30% growth in Chronic therapies. US business has grown ~33% driven by a healthy season resulting in good traction for Anti-Infectives in the US market. Alkem gained three ranks in anti-diabetic, two ranks in neuro CNS, and four ranks in neurology during the quarter.
- Phoenix Mills:** Phoenix reported consolidated revenue growth of ~61% YoY, EBITDA margin of ~67% YoY and PAT was up ~+78% YoY. Overall consumption for the quarter improved by ~28% YoY with smaller towns growing faster than anticipated. On a like-for-like basis, 3QFY23 consumption rose ~14% over 3QFY20. On a segmental basis, the hospitality segment came shining through with a ~57% QoQ. Phoenix has also acquired a land parcel of 7 acres in Surat, Gujarat in December 2022. Phoenix is also looking to diversify its presence and is looking to make new investments in residential and warehousing projects in selected parts of India.
- Federal Bank:** The company posted ~18% loan growth in FY23 and is expected to continue the runway in FY24 as well. The key levers for ROA expansion would be i) consistent growth in business, ii) improve efficiency with light branch and heavy distribution, iii) increased fee income and cross-selling by leveraging data. The bank focuses on i) having net NPL within an acceptable range, ii) doubling the net worth in three years and iii) being among the top 5 private banks.
- Coromandel International:** Coromandel reported overall reported revenue growth of ~50% YoY. Margins were under pressure due to the adverse impact of higher input costs. Despite the pressure on margins, gross contribution increased by ~31.2% YoY. EBITDA was up ~43.3% YoY and PAT surged by ~38.1% YoY. The management remains positive about the company's growth prospects based on a healthy demand outlook and the company's efforts to boost volume, reduce costs in nutrients segment and improve margins through new product launches.

AVAILABLE SHARE CLASSES

Share Class	CCY	Distribution Policy	Launch Date	Initial Offer Price	Minimum Holding	Minimum Initial Subscription	Redemption Fee
Seed Class*	USD	Accumulation	15 March 2021	10 USD	1,000,000 USD	1,000,000 USD	None
Class A Unhedged	USD	Accumulation	18 August 2021	10 USD	1000 USD	1000 USD	None

*The Seed Class will be open for subscriptions until the Class reaches US\$50 million in net assets or such other period as may be determined by the Directors.

^THE DSP STRATEGY HAS BEEN IMPLEMENTED SINCE 14 NOV 2006, AUM ~US\$ 1.6 BN, AS ON 28 FEBRUARY 2023 THROUGH CERTAIN PRODUCTS MANAGED BY DSP INVESTMENT MANAGERS PVT. LTD., WHICH ARE NOT AVAILABLE FOR INVESTMENT IN ANY JURISDICTION EXCEPT FOR INDIA.

MARKET UPDATE

Indian market's premium (relative) valuation has remained a concern for global investors and rightly so as EMs and China looked relatively more attractive after the large relative underperformance in 2022 (though all markets including India were negative in 2022). MSCI India reached a peak premium of ~150% in Oct-2022 which has now corrected to ~60% in Feb-23. In CYTD 2023, MSCI India underperformed the MSCI EM Index by ~9% which has resulted in the sharp correction of the valuation multiples for India.

Has the Indian market valuation premium normalized?

The MSCI India (USD) Index has typically traded at a premium to EM peers with an average PE premium of ~40% over the past 10-yr. At present, the strong performance of the MSCI EM index resulted in the underperformance of the MSCI India index. With the recent correction, MSCI India is now trading at a ~60% premium to MSCI EM, indicating a ~20% actual premium over the long-term average.

Since YTD-2023, FII selling has added further pressure to Indian equities. FIIs now have sold ~USD 4bn while DII have continued to support the market by ~USD 6.5bn (trend in line with last year). Domestic institutions (DIIs) have been a key source of demand for Indian equities in recent years, buying ~US\$50bn in the past two years. Domestic mutual funds have contributed ~70% of these flows since 2021, aided by robust systematic monthly inflows. While the relative valuation has come down on the back of India's underperformance recently, India's structural developments have only improved with time.

Based on the earnings transcripts and our analysis of key stocks and sectors, a few common themes emerge related to moderating revenue growth and improving margin trends. Here is a quick snapshot of our analysis:

MSCI India 3QFY23 profits declined ~1% YoY, slightly below the consensus estimate of flat growth. 50% of the MSCI India companies missed consensus expectations, 17% reported in line, and 34% beat estimates. The proportion of stocks missing estimates (c.50%) was the highest in the past 11 quarters. The overall average EPS downgrade was ~-5%, suggesting a soft quarter relative to consensus expectations (*please see chart of the month*).

In terms of sectoral beats and misses, we saw wide inter-sector dispersion. Sector variance was wide with profit growth led by financials and autos but dragged down by commodity cyclical. Ex-financial profits fell ~15% YoY while ex-commodity profits grew ~26% YoY.

Companies remain hopeful of further margin relief in the coming quarters as inflationary pressures ease, consistent with our expectations. On a full-year basis, MSCI India posted ~7% profit growth in CY22. Incorporating earnings trends, MSCI India earnings is expected to grow ~17%/15% in CY 2023/24 driven by upgrades in autos, and industrials.

We analyzed earnings transcripts of key stocks to gauge demand and margin guidance from corporates. We highlight a few themes below:

- **High-end/premium demand remains healthy:** Based on the results and forward guidance from consumer companies targeting largely upper-income consumers (jewellery, premium real estate, malls, hotels, premium cars, airlines), we note that high-end demand for premium products remained healthy in the December quarter, and, more importantly, management suggested that growth trends have improved in January.
- **Middle-income consumption slowdown:** Results confirmed a slowdown in middle-income consumption across key categories such as quick service restaurants (QSR), food delivery, paints, and durables reflecting the adverse impact of inflation on disposable incomes. The expected slowdown in middle-income discretionary spending, along with rising competition has been the core reason for our cautious stance on the consumer durables and services sector.
- **Signs of sequential margin improvements as cost pressures ease:** Some select consumer staples and auto companies are seeing sequential improvement in margins given softening in key commodities / raw material costs in the past few quarters. Management remains hopeful of further margin relief as inflationary pressures ease.

Chart of the Month: 3QFY23 Earnings snapshot Real wage and falling inflation

MSCI India		Reported Cos.	Earnings growth (3QFY23)		Sales growth (3QFY23)	
3QFY23 earnings		Sector weight (%)	YoY (%)	QoQ (%)	YoY (%)	QoQ (%)
Exporters	InfoTech	15%	12%	10%	21%	6%
	Healthcare	5%	3%	7%	11%	4%
Consumer sensitives	Consumer Disc.	8%	104%	46%	23%	5%
	Staples	9%	19%	3%	11%	(0%)
Financials	Financials	25%	42%	8%	-	-
Investment cyclicals	Industrials	6%	38%	16%	23%	(1%)
	Cement/Other Mat.	6%	(8%)	14%	14%	5%
Commodity cyclicals	Energy	13%	(13%)	55%	18%	(2%)
	Metals & Mining	3%	(100%)	(102%)	(3%)	(4%)
Telcos	Telcos	3%	(32%)	(54%)	17%	1%
Utilities	Utilities	6%	(18%)	(1%)	35%	(1%)
MSCI India		100%	(1%)	13%	-	-

Chart Source: Goldman Research, Sources: Internal, Bloomberg, UBS Research, Goldman Sachs, FII - Foreign Institutional Investor, DII- Domestic Institutional Investor, FY - Financial Year, CY - Calendar Year; YoY is Year over Year, YTD- Year to date, EM- Emerging Markets, DM- Developed Markets, EPS- Earnings per share

^THE DSP STRATEGY HAS BEEN IMPLEMENTED SINCE 14 NOV 2006, AUM ~US\$ 1.6 BN, AS ON 28 FEBRUARY 2023 THROUGH CERTAIN PRODUCTS MANAGED BY DSP INVESTMENT MANAGERS PVT. LTD., WHICH ARE NOT AVAILABLE FOR INVESTMENT IN ANY JURISDICTION EXCEPT FOR INDIA.

REGULATORY PERFORMANCE DEPICTION

Performance In Prescribed Regulatory Format	28/02/2022 to 28/02/2023	26/02/2021 to 28/02/2022	28/02/2020 to 26/02/2021	28/02/2019 to 28/02/2020	28/02/2018 to 28/02/2019
MSCI India Index	-10.00%	16.29%	29.10%	0.88%	-5.77%
MSCI India Small Cap Index	-6.47%	19.68%	38.44%	1.51%	-26.17%
DSP Strategy	-6.96%	10.29%	25.30%	12.62%	-16.55%

POTENTIAL RISKS

The value of investment in the Fund may be affected by the following risks:

- Market Risk:** The Fund can invest in equities which may be affected by market risk (the risk of an investment losing its value due to changes in economic conditions).
- Investment in India:** The Fund will invest primarily in India. India is an emerging economy and investment carries with it often substantial risks.
- Derivative and Counterparty Risk:** The Fund will enter into various financial contracts (derivatives) with other parties. There is a risk that the other party to a derivative will become insolvent or fail to make its payments which may result in the Fund and your investment suffering a loss.
- Liquidity Risk:** The Fund can be invested in financial instruments that may have low levels of liquidity.
- Currency Risk:** Changes in the exchange rate between the base currency of the Fund and the designated currency of unhedged share classes of the Fund expressed in a currency other than the base currency of the Fund may lead to depreciation in the value of the shares of that share class.

For a complete overview of all risks attached to this Fund, refer to the section entitled "Risk Factors" in the Supplement and the Fund's prospectus."

DISCLAIMERS

In this material DSP Global Funds ICAV (the "Fund") has used information that is publicly available, including information developed in-house. Information gathered and used in this material is believed to be from reliable sources. The Fund however does not warrant the completeness of any information. The data/statistics are given to explain general market trends in the securities market, it should not be construed as any research report/research recommendation. We have included statements opinions recommendations in this document, which contain words, or phrases such as "will", "expect", "should", "believe" and similar expressions or variations of such expressions that are "forward-looking statements". Actual results may differ materially from those suggested by the forward-looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, which have an impact on the Fund and its investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, etc. The sector(s)/stock(s)/issuer(s) mentioned in this presentation do not constitute any research report/recommendation of the same and the Fund may or may not have any future position in these sector(s)/stock(s)/issuer(s). All figures and other data given in this document are as on February 28 2022 (unless otherwise specified) and the same may or may not be relevant in the future and the same should not be considered as a solicitation/recommendation/guarantee of future investments by the Fund or its affiliates.

The Fund is domiciled in Ireland. The prospectus and KIIDs for the Fund are available at DSP Global Funds ICAV, 5, George's Dock, IFSC, Dublin 1, Ireland. The prospectus is available in English and the KIIDs are available in English and Swedish. Further, a summary of investors rights (in English language) is available on [Link](#). The Fund has appointed KBA Consulting Management Limited as its Management Company. The Swiss representative is Carnegie Fund Services S.A., having its registered office at 11, rue du Général-Dufour, 1204 Geneva, Switzerland. The Swiss paying agent is Banque Cantonale de Genève, having its registered office at 17, quai de l'île, 1204 Geneva, Switzerland. The prospectus, KIIDs, instrument of incorporation and annual and semi-annual report can be obtained from the Swiss representative, with respect to the Fund's shares that are distributed in Switzerland. The distribution of this material in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this material in such jurisdictions are required to inform themselves about, and to observe any such restrictions.

The S&P BSE 100, S&P BSE 200, S&P BSE Small Cap, S&P BSE Teck S&P, BSE Metals, S&P BSE Oil and Gas, S&P BSE Healthcare S&P BSE SENSEX are product of Asia Index Private Limited, which is a joint venture of S&P Dow Jones Indices LLC or its affiliates ("SPDJI") and BSE, and has been licensed for use by DSP Investment Managers Pvt Ltd. Standard Poor's® and S&P® are registered trademarks of Standard Poor's Financial Services LLC ("S&P"); BSE® is a registered trademark of BSE Limited ("BSE"); and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones") © Asia Index Private Limited 2014. All rights reserved. Large-caps are defined as top 100 stocks on market capitalization, mid-caps as 101-250 small caps as 251 and above as per the Indian regulator i.e., Securities and Exchange Board of India.

Within the European Economic Area ("EEA"), and the United Kingdom, this document is intended for professional clients only, as that term is defined in Directive (EU) 2014/65 ("MiFID II") and section 3.5.2 of the Conduct of Business Sourcebook of the Financial Conduct Authority Handbook, respectively. Within Switzerland, it is intended only for qualified investors, as that term is defined in the Collective Investment Schemes Act of 23 June 2006, as amended from time to time.

None of the information contained in this document is intended to be published or made available in any jurisdiction where to do so would result in the breach of any applicable law or regulation in that jurisdiction. Under no circumstances should any information contained herein be considered as distribution or offering of shares in the Fund referred to in this document in any jurisdiction in which it would be unlawful to do so without registering the Fund or complying with other legal requirements. In any such jurisdiction, a recipient of this document or any accompanying material may not treat either as an invitation to subscribe for shares, nor should that recipient submit a subscription request.

Within the European Economic Area ("EEA"), and the United Kingdom, this document is intended for professional clients only, as that term is defined in Directive (EU) 2014/65 ("MiFID II") and section 3.5.2 of the Conduct of Business Sourcebook of the Financial Conduct Authority Handbook, respectively. Within Switzerland, it is intended only for qualified investors, as that term is defined in the Collective Investment Schemes Act of 23 June 2006, as amended from time to time.

None of the information contained in this document is intended to be published or made available in any jurisdiction where to do so would result in the breach of any applicable law or regulation in that jurisdiction. Under no circumstances should any information contained herein be considered as distribution or offering of shares in the Fund referred to in this document in any jurisdiction in which it would be unlawful to do so without registering the Fund or complying with other legal requirements. In any such jurisdiction, a recipient of this document or any accompanying material may not treat either as an invitation to subscribe for shares, nor should that recipient submit a subscription request.

Notwithstanding the above, should an investor contact the fund manager, or any of its agents on its own exclusive initiative, with the intention to subscribe for shares in the Fund, the fund manager provide all necessary information about the Fund and consider such subscription request, it being understood, however, that no other information shall be provided outside of the scope of the investor's original request. Where doing so would result in the breach of any applicable law or regulation in a given jurisdiction, the is entitled to refuse to provide information in response to such a request. Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of shares, and any foreign exchange restrictions that may be relevant thereto.

This document is confidential and is intended solely for the use of the person or persons to whom it is given or sent and may not be reproduced, copied or given, in whole or in part, to any other person. The information is expressed at its date. Investors should note that the Management Company may, in accordance with Article 93a of Directive 2009/65/EC (the UCITS Directive), decide at any time to terminate the arrangements made for the marketing of the Fund in any country where it has been notified for marketing.

Disclaimer: Investments in funds are subject to risk Past performance is no guarantee of future returns The money invested in a fund can increase and decrease in value and there is no guarantee that you will get back the full amount invested

***THE DSP STRATEGY HAS BEEN IMPLEMENTED SINCE 14 NOV 2006, AUM ~US\$ 1.6 BN, AS ON 28 FEBRUARY 2023 THROUGH CERTAIN PRODUCTS MANAGED BY DSP INVESTMENT MANAGERS PVT. LTD., WHICH ARE NOT AVAILABLE FOR INVESTMENT IN ANY JURISDICTION EXCEPT FOR INDIA.**