

EXCLUSIVE

# India HF has best month in March meltdown

London-based Kuvera Capital Partners made 24% as India's Nifty 50 plunged 23%



Nye Longman

24 April, 2020

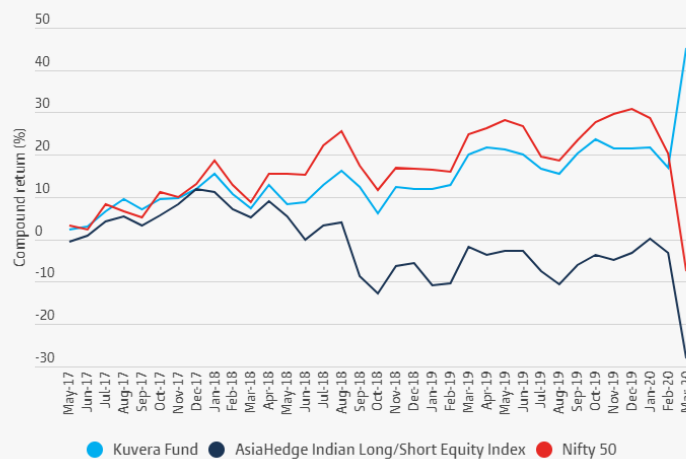
**A** small Indian equities-focused hedge fund based in London logged its best ever month in March as India's benchmark Nifty index crashed amidst the global coronavirus pandemic.

Kuvera Capital Partners' Mauritius-domiciled Kuvera Fund gained 24% last month, an investor letter seen by *HFM* shows, as the Nifty 50 fell over 23%.

The fund, which trades equities and equity derivatives of the top 100 Indian companies, is up 19.3% year to date, having made 8.6% last year, according to *HFM* data. The fund was flat in 2018 after a 22.5% gain in 2017.

The HFM AsiaHedge Indian Long/Short Equity Index was down 25.5% over the first quarter of this year,

## Kuvera Fund: 3-year performance



Source: HFM data

## HFM

Kuvera is managed by CEO and portfolio manager Raju Kamath and started trading with some initial capital from Marshall Wace in July 2004. The fund has only had two down years – 2008 and 2011.

"We simply did what we have always said we would do, which is to target compound returns over time and help investors stay invested in the Indian market while not relying on hope," Kamath told *EuroHedge*.

"We were already invested in the winning names from March – a few of which are now trading at 90x forward earnings as investors run to safety."

Successful longs in the book included consumer goods business Hindustan Unilever and pharma companies Dr Reddy's and Cipla.

Shorts included Bajaj Autos, SBI Bank and the Bharti telecoms company.

"India has had a much more severe lockdown than most of Europe, but the markets have stayed opened and functioned normally," Kamath added.

Kamath started Kuvera in 2004 after a two-year stint at Marshall Wace as a portfolio manager in London.

Previously, he spent around 10 years at Dimensional Fund Advisors, where he developed and managed emerging markets equity and derivatives portfolios.