

### Fund description

The Fiducian India Fund provides investors with the opportunity to invest in a well-diversified range of companies listed on Indian stock exchanges. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting dedicated Indian fund managers that are based in India.

This Fund gives investors the opportunity to invest in an emerging economy that has been among the fastest growing in the world in recent years.

The Fund is suitable for investors seeking good long term capital growth but it will also experience periods of high volatility. The recommended holding period is at least 5 to 7 years.

### Fund facts

**Portfolio manager:** Conrad Burge

**ARSN:** 125 089 456

**APIR code:** FPS0013AU

**Benchmark:** BSE 100 Index (in AUD)

**Current fund size:** \$108 million (January 2022)

**Management cost:** 1.54%

**Total management costs:** 1.82%

**Application/Exit fee:** Nil

**Intception Date:** September 2007

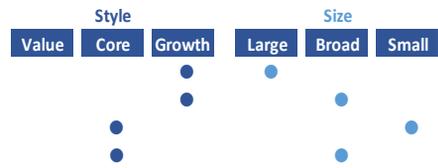
**Manager**

SBI Funds Management

Tata Asset Management

Sundaram Alternates

EquiPoise



### Performance and Risk

After fee returns as at 31 January 2022

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	1.9%	4.0%	10.6%	44.9%	18.5%	12.8%	9.3%	16.8%
Index	2.6%	4.9%	12.6%	33.8%	16.0%	13.8%	8.3%	12.2%
Excess	-0.7%	-0.9%	-2.0%	11.2%	2.5%	-1.0%	0.9%	4.6%

**Risk Exposure**

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	13.4%	20.9%	20.1%	18.9%
Benchmark (Std Dev)	11.7%	21.4%	18.4%	16.6%
Beta	0.84	0.97	0.98	0.95

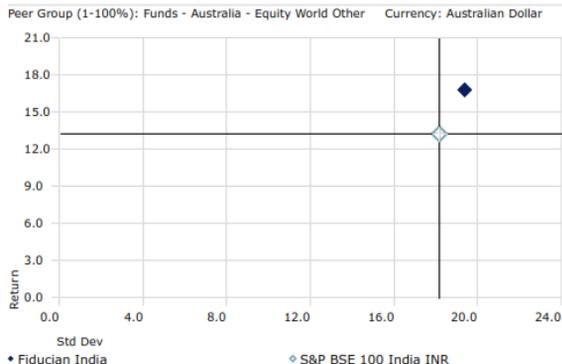
#### Investment Growth

Time Period: 1/02/2013 to 31/01/2022

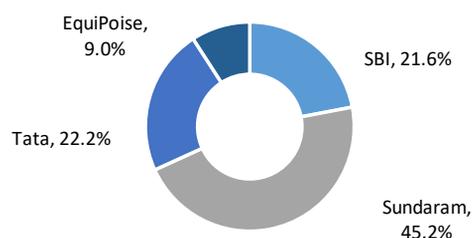
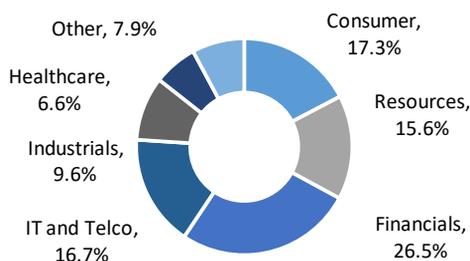


#### Risk-Reward

Time Period: 1/02/2013 to 31/01/2022



### Sector exposures and current manager weights



### Market Commentary and Outlook

The Indian stock market was slightly lower in January, with the large cap BSE 100 index returning 0.0%. The mid cap index fell by 1.4% and small caps were 0.8% lower. This was a relatively strong performance compared to global equities, with the MSCI World Index dropping by 4.9%. The best performing sectors for the month were Power (+13.1%), Banks (+7.8%) and Energy (+6.6%). IT (-8.2%), Healthcare (-8.0%) and Consumer Durables (-6.4%) were weaker.

The Indian government released its 2022-23 Union budget, with key headline numbers in line with expectations. Tax collections surprised on the upside, but this was matched by higher than expected expenditures. Looking forward, policy is increasingly focusing on capital expenditure on infrastructure, incremental reform of taxation rates and more resources allocated towards the development of strategic domestic industries. A number of subsidy programmes targeted at rural areas are being progressively rolled back.

Most companies continue to report positive growth, although profit growth has recently moderated as higher input costs have affected a number of industries. Looking ahead, earnings growth is forecast to be a strong 20% per annum for the next three years.

The economic backdrop for the Indian market remains broadly positive. A recovery in earnings has commenced, government policy reform is ongoing, monetary and fiscal policy remains supportive, and an increase in capital spending is being seen across many industries.

### Fund Commentary

The Fiducian India Fund rose by 1.9% in January, compared to the 2.6% gain in the index (in Australian dollar terms). SBI (+1.1%) was the top performer, whilst the other managers trailed the index over the month.

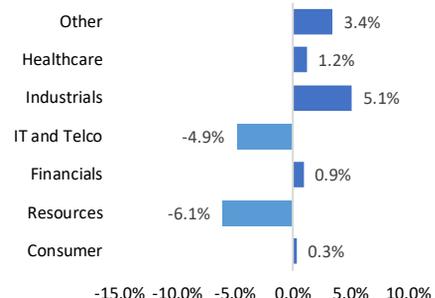
Over the last 12 months the Fund has gained 44.9%, well above the index return of 33.8%. Small and mid cap manager Sundaram (+55.1%) has been the best performer, in part, reflecting the strong performance of that segment of the market. All managers outperformed the index over the year.

The top stock contributors and detractors to performance were a mirror-image of last month. A strong rebound from the banking sector resulted in good gains for Au Small Finance Bank, Federal Bank, State Bank of India and ICICI Bank. On the other side, the IT services sector gave back some recent strong performance, with Mindtree and Infosys weaker, along with agricultural chemical company Pi Industries.

The most significant sector tilts in the Fund remain overweight positions in the Industrials and Healthcare sectors, which are set to benefit from the strong anticipated growth in the domestic economy, and underweight positions in the IT and telecommunications sectors, where underlying fund managers are broadly expecting a less positive growth outlook relative to other parts of the market, along with the more volatile resources sector. Companies with exposure to the capital spending cycle are also expected to perform strongly in the medium term.

### Top stock holdings and sector tilts

Stock	Industry	Weight
Titan Co Ltd	Apparel Accessories	4.5%
Mindtree Ltd	IT Consulting	4.2%
ICICI Bank Ltd	Diversified Banks	4.0%
Infosys Ltd	IT Consulting	3.8%
Au Small Finance Bank Ltd	Regional Banks	3.5%
HDFC Bank Limited	Diversified Banks	3.2%
Reliance Industries Ltd	Oil & Gas Refining	2.9%
Dalmia Bharat Ltd	Construction Materials	2.4%
Bajaj Finserv Ltd	Diversified Financial Services	2.3%
Larsen & Toubro Ltd	Construction & Engineering	2.2%



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The information has been compiled from sources considered reliable, but is not guaranteed. Past performance is not indicative of future performance and we do not guarantee the performance of the Fund or any specific rate of return. Potential investors should also obtain and consider the relevant Target Market Determination (TMD) and Product Disclosure Statement (PDS) (available from your financial adviser and via fiducian.com.au) before making a decision about whether to acquire or continue to hold any financial product.