

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: \$105 million (April 2022)

Management cost: 1.54%

Total management costs: 1.82%

Application/Exit fee: Nil

Inception Date: September 2007

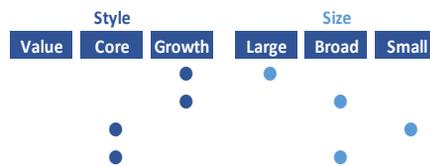
Manager

SBI Funds Management

Tata Asset Management

Sundaram Alternates

EquiPoise



Performance and Risk

After fee returns as at 30 April 2022

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	3.3%	-5.9%	-2.1%	23.3%	11.7%	7.4%	9.7%	16.1%
Index	4.1%	-3.1%	1.6%	23.7%	10.3%	9.7%	9.6%	12.2%
Excess	-0.8%	-2.7%	-3.7%	-0.4%	1.4%	-2.3%	0.0%	3.9%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	16.4%	20.9%	20.2%	19.1%
Benchmark (Std Dev)	12.0%	21.4%	18.5%	16.6%
Beta	0.89	0.97	0.99	0.95

Investment Growth

Time Period: 1/05/2013 to 30/04/2022

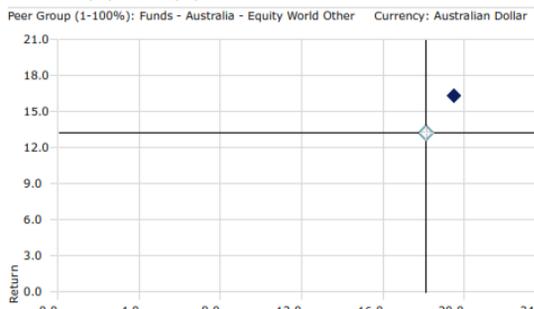


—Fiducian India

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Risk-Reward

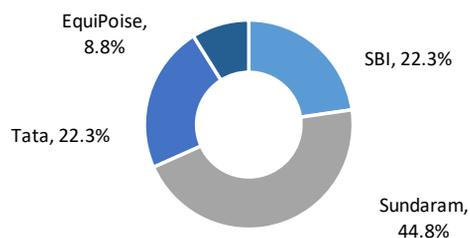
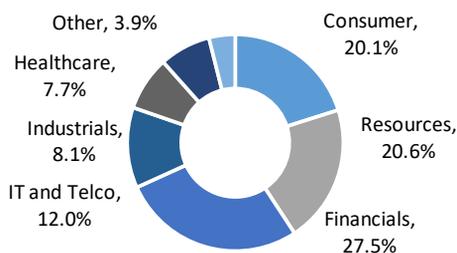
Time Period: 1/05/2013 to 30/04/2022



◆ Fiducian India

◻ S&P BSE 100 India INR

Sector exposures and current manager weights



Market Commentary and Outlook

Indian large cap stocks were 0.8% lower in April, which was a better performance than most developed and emerging stock markets. Mid-caps performed better, rising by 1.3% and small caps were 1.4% higher. The energy sector (+11%) was the best performer for the month followed by the automotive (+5%) and consumer (+4%) sectors. The IT sector was weaker (-13%) along with real estate (-4%) and financial services (-3%).

Economic data released during the quarter showed a slowing of growth, both due to a maturing recovery from the pandemic and higher rates of inflation. Economic activity now sits well above pre-pandemic levels and a shifting in demand from the manufacturing sector to the services sector has become more evident.

Companies have started to release results for the fourth quarter of the financial year, and to date, earnings results have been marginally above consensus expectations. Companies that are exposed to higher inflation, including Consumer Discretionary stocks and a number of Industrial stocks continue to report a more challenging outlook.

The Reserve Bank of India (RBI) has followed the lead of many central banks around the world by beginning to tighten monetary policy. In early May, the RBI announced a 0.4% increase in the repo rate (equivalent to a cash rate) from a record low 4.0% and an increase in the cash reserve requirement for banks. Current market expectations are for around 1% of interest rate increases for the remainder of 2022.

The economic backdrop for the Indian market remains broadly positive. A recovery in earnings has begun, government policy reform is ongoing, monetary and fiscal policy remains supportive and an increase in capital spending is being seen across many industries. However, the market could continue to be affected for a time by large increases in energy prices and other effects of Russia's invasion of Ukraine.

Fund Commentary

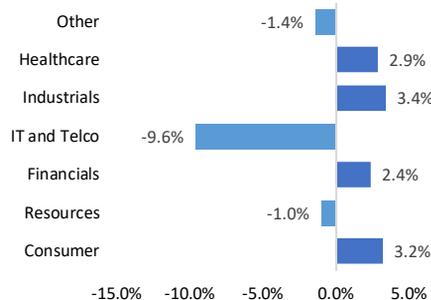
The Fiducian India Fund rose by 3.3% in April, compared to the 4.1% rise for the index (in Australian dollar terms). Over the last 12 months the Fund has gained 23.3%, compared to the index return of 23.7%. Small and mid cap manager Sundaram (+27.0%) has been the best performer over the period.

The top stock contributors for the month were spread across multiple sectors, and included AU Small Finance Bank, Shree Cement and Reliance Industries. The IT services sector was weaker over the month, with Infosys and Mindtree both detracting from returns.

The most significant sector tilts in the Fund remain overweight positions in the Industrials and Consumer 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	4.8%
ICICI Bank Ltd	Diversified Banks	3.8%
Au Small Finance Bank Ltd	Regional Banks	3.8%
Infosys Ltd	IT Consulting	3.5%
Reliance Industries Ltd	Oil & Gas	3.5%
HDFC Bank Limited	Diversified Banks	3.1%
Shree Cement Limited	Construction Materials	2.9%
Berger Paints India Ltd	Commodity Chemicals	2.4%
Pi Industries Ltd	Agricultural Chemicals	2.3%
City Union Bank Ltd	Diversified Banks	2.3%



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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.