

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: \$106 million (September 2021)

Management cost: 1.54%

Total management costs: 1.82%

Application/Exit fee: Nil

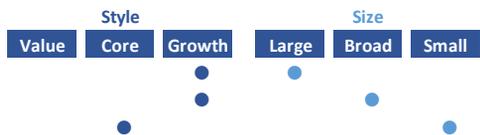
Inception Date: September 2007

Manager

SBI Funds Management

Tata Asset Management

Sundaram Alternates



Performance and Risk

After fee returns as at 30 September 2021

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	2.1%	16.6%	28.4%	65.6%	18.7%	12.2%	13.1%	16.0%
Index	2.5%	15.9%	24.0%	54.2%	16.1%	13.6%	11.7%	11.5%
Excess	-0.4%	0.7%	4.4%	11.4%	2.7%	-1.4%	1.4%	4.5%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	11.6%	21.7%	20.3%	19.9%
Benchmark (Std Dev)	14.2%	21.6%	18.6%	17.5%
Beta	0.84	0.95	1.00	0.94

Investment Growth

Time Period: 1/10/2012 to 30/09/2021



— Fiducian India

— S&P BSE 100 India INR

Risk-Reward

Time Period: 1/10/2012 to 30/09/2021

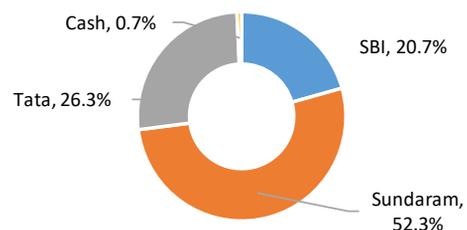
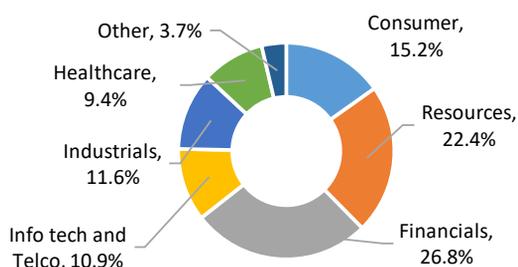
Peer Group (1-100%): Funds - Australia - Equity World Other Currency: Australian Dollar



• Fiducian India

◆ S&P BSE 100 India INR

Sector exposures and current manager weights



Market Commentary and Outlook

The Indian stock market continued its positive run with further gains in September. Large cap stocks rose by 2.9%, with mid-caps (+5.9%) and small-caps (+4.3%) both outperforming. Energy, Real Estate and Utilities were the top performing sectors and Materials, Health Care and IT underperformed.

India continues to make strong progress with its COVID-19 vaccine rollout. 70% of the population has now received a single dose, with over 50% of the population on track to have had two doses by the end of the year. The number of reported deaths has now dropped by 95% compared to the peak in May. This has assisted the bounce back in the economy. Indicators such as manufacturing activity, tax collections and power generation all recorded growth during the period, and the government budget deficit has come in below expectations.

Corporate profit performance has also been impressive. The majority of companies listed on the Bombay Stock Exchange (BSE) have reported first quarter results for the 2022 financial year, with revenue growth of 54% leading to profit growth of 111% year-on-year, reflecting the low base in 2021. Profit forecasts for the coming year were upgraded by about 1%, and sit 5% above forecast levels from earlier in the year. On top of this, balance sheets remain in good shape with gearing near record lows.

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

Fund Commentary

The Fiducian India Fund gained 2.1% in September, underperforming the 2.4% rise in the index (in Australian dollar terms). Performance was relatively similar between managers, with SBI the top performer (+2.9%) followed by Tata (+2.5%) and Sundaram (+1.7%).

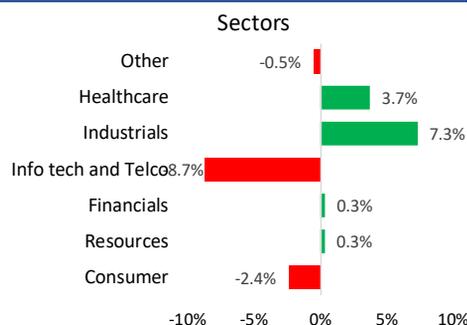
Over the last 12 months the Fund has gained 65.6%, well above the index return of 54.2%. Small and mid cap manager Sundaram (+76.0%) has been the best performer, in part, reflecting the outperformance of that segment of the market.

The top stock contributors to performance for the month included the IT outsourcing company Mindtree, electronics design company Tata Elxsi and property developer Godrej Properties, which gained 55%. The main detractors were pathology company Dr Lal Pathlabs and agricultural chemical company PI Industries.

The most significant sector tilts in the Fund are overweight positions in the Industrials and Healthcare sectors, which are set to benefit from the reopening of the 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. Additionally, managers are beginning to see opportunities in the agricultural sector, thanks to higher soft commodity prices, positive seasonal conditions and supportive government policies. Companies with exposure to the capital spending cycle are also expected to perform strongly.

Top stock holdings and sector tilts

Stock	Industry	Weight
Mindtree Ltd	IT Consulting	4.4%
Bajaj Finserv Ltd	Diversified Financials	4.2%
Titan Co Ltd	Apparel Accessories	4.2%
Icici Bank Ltd	Diversified Banks	3.3%
Au Small Finance Bank Ltd	Regional Banks	3.1%
Infosys Ltd	IT Consulting	3.1%
Tata Elxsi Ltd	Systems Software	2.9%
Pi Industries Ltd	Agricultural Chemicals	2.6%
Reliance Industries Ltd	Oil & Gas Refining	2.5%
Dr Lal Pathlabs Ltd	Health Care Services	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.