

### 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:** \$103 million (October 2021)

**Management cost:** 1.54%

**Total management costs:** 1.82%

**Application/Exit fee:** Nil

**Inception Date:** September 2007

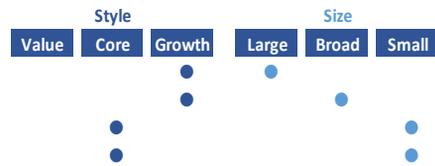
**Manager**

SBI Funds Management

Tata Asset Management

Sundaram Alternates

EquiPoise



### Performance and Risk

After fee returns as at 31 October 2021

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-3.8%	6.3%	25.9%	52.6%	17.6%	10.8%	11.9%	15.9%
Index	-4.9%	7.3%	21.8%	41.7%	15.9%	12.2%	10.2%	11.1%
Excess	1.1%	-1.0%	4.2%	10.9%	1.7%	-1.4%	1.7%	4.8%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	14.2%	21.9%	20.5%	19.9%
Benchmark (Std Dev)	14.7%	21.4%	18.6%	17.4%
Beta	0.85	0.96	1.00	0.94

#### Investment Growth

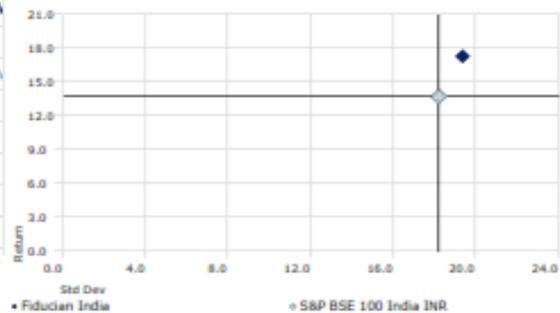
Time Period: 1/11/2012 to 31/10/2021



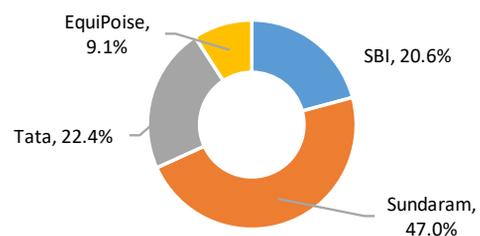
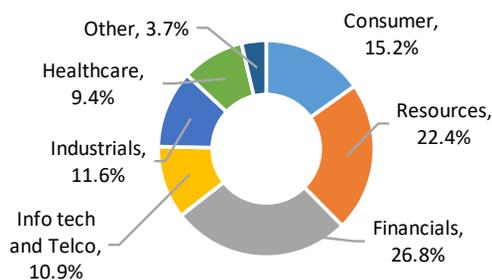
#### Risk-Reward

Time Period: 1/11/2012 to 31/10/2021

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



### Sector exposures and current manager weights



### Market Commentary and Outlook

The Indian stock market recorded a relatively flat month in October. The BSE 100 index rose by 0.2%, the mid cap index was 0.1% higher, and the small cap index fell by 0.4%. The top performing sectors were Automotive (+6.2%) Consumer Durables (+4.5%) and Banking (+4.5%). Consumer Goods (-5.8%), Healthcare (-4.1%) and Real Estate (-2.9%) were the weakest.

Economic activity continued to improve over the month, and now sits about 7% above pre-pandemic levels. Growth is being recorded in household income, employment, tax collections and exports. As with other parts of the world, ongoing supply chain disruptions are causing issues in some segments of the manufacturing industry, but overall activity has continued to grow. Real GDP growth is still anticipated to be in the range of 9-10% for the current financial year.

Corporate profit growth continues to be positive. In particular, the IT sector, banks, and consumer exposed stocks have reported profits that have been above expectations. Cost pressures were noted in industries that are exposed to higher energy and commodity prices. Balance sheets are also in a healthy condition, with companies reporting lower debt levels and interest expense. The market consensus forecast is for a compound rate of earnings growth above 20% per annum for the next three years.

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 fell by 3.8% in October, which was ahead of the 4.9% fall in the index (in Australian dollar terms). All managers in the fund finished the month modestly above index.

Over the last 12 months the Fund has gained 52.6%, well above the index return of 41.7%. Small and mid cap manager Sundaram (+62.3%) has been the best performer, in part, reflecting the outperformance of that segment of the market.

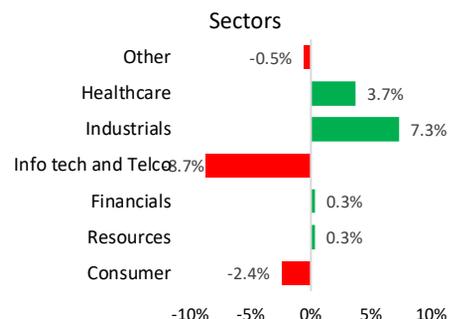
A number of Financial Services stocks performed strongly during the month, with the top stock contributors to performance for the month including ICICI, Home First Financial, Federal Bank and State Bank of India. Consumer goods company Hindustan Unilever and agricultural chemical company PI Industries were the main detractors.

A new manager was added to the Fund during the month, with EquiPoise joining as a manager in the mid-cap space. EquiPoise is a recently established boutique fund manager with a highly experienced team.

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. 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	4.7%
Titan Co Ltd	Apparel Accessories	4.6%
Bajaj Finserv Ltd	Diversified Financials	4.2%
ICICI Bank Ltd	Diversified Banks	4.2%
Infosys Ltd	IT Consulting	3.7%
Hdfc Bank Limited	Diversified Banks	3.4%
Au Small Finance Bank Ltd	Regional Banks	3.3%
Reliance Industries Ltd	Oil & Gas Refining	3.1%
Tata Elxsi Ltd	Systems Software	3.0%
Pi Industries Ltd	Agricultural Chemicals	2.4%



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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.