

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 (November 2021)

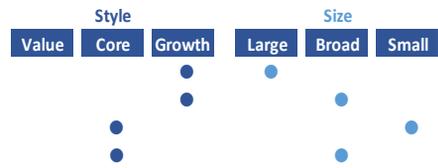
Management cost: 1.54%

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 30 November 2021

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	2.2%	0.3%	19.5%	45.3%	16.3%	12.9%	11.0%	17.5%
Index	1.6%	-1.0%	14.0%	34.3%	14.2%	13.7%	9.7%	12.8%
Excess	0.6%	1.3%	5.5%	10.9%	2.1%	-0.8%	1.4%	4.7%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	13.7%	21.8%	20.1%	19.5%
Benchmark (Std Dev)	13.7%	21.5%	18.5%	17.1%
Beta	0.83	0.97	0.99	0.94

Investment Growth

Time Period: 1/12/2012 to 30/11/2021

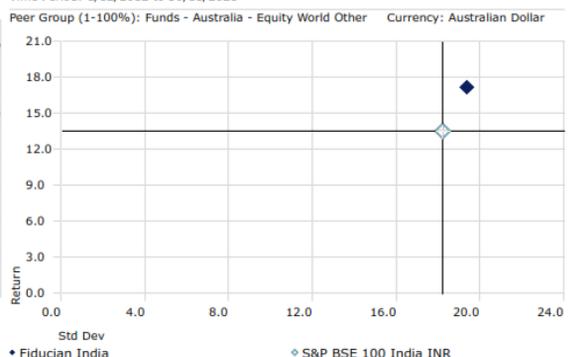


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Risk-Reward

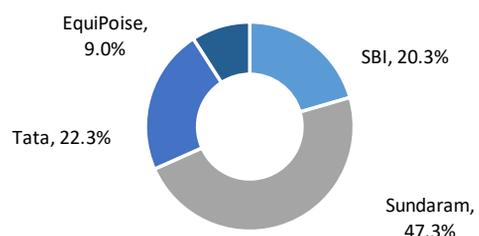
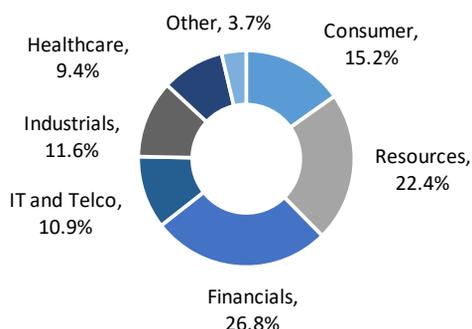
Time Period: 1/12/2012 to 30/11/2021



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Sector exposures and current manager weights



Market Commentary and Outlook

The Indian stock market was weaker in November, with the BSE 100 index falling by 3.4%, the first negative month since April. The mid cap index was 2.4% lower, and small caps were down 1.4%. The Healthcare sector (+2.1%) and IT sector (+1.9%) were the best performers for the month. Banking (-9.5%), Financial Services (-6.7%) and Automotive (-6.1%) were the main detractors.

Economic indicators for the country continued to be positive. Annual GDP growth for the second quarter came in at 8.4%, which was in line with expectations of 9-10% growth for the current financial year. Household spending and private investment continued to increase, whilst growth in government spending made a smaller contribution. The manufacturing sector had a particularly good month, with activity rising at the fastest pace in almost a year.

Corporate earnings were positive and slightly ahead of market expectations. Sales growth of 31% year-on-year was recorded for the index, with a corresponding increase in profits of 36%. Input cost pressures have been having an impact on certain industries. Balance sheets remain in good shape, with both overall debt levels and interest expense falling. The consensus earnings growth forecast for the overall market remains above 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 2.2% in November, which was ahead of the 1.6% gain in the index (in Australian dollar terms). Tata (+2.7%) and Sundaram (+2.6%) were the top performing managers for the month.

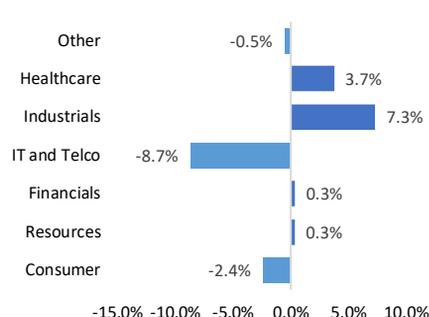
Over the last 12 months the Fund has gained 45.3%, well above the index return of 34.3%. Small and mid cap manager Sundaram (+54.9%) has been the best performer, in part, reflecting the outperformance of that segment of the market.

The top contributors for the month were in the Healthcare sector, with Apollo Hospitals, Dr Lal Pathlabs, and AstraZeneca Pharma India all generating positive returns. The financial sector was broadly weaker following strong gains in the previous month. ICICI Bank, Au Small Finance Bank, HDFC Bank and Federal Bank all detracted from performance.

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%
Infosys Ltd	IT Consulting	3.9%
ICICI Bank Ltd	Diversified Banks	3.8%
Hdfc Bank Limited	Diversified Banks	3.3%
Au Small Finance Bank Ltd	Regional Banks	3.0%
Reliance Industries Ltd	Oil & Gas Refining	3.0%
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.