

### 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 (December 2021)

**Management cost:** 1.54%

**Total management costs:** 1.82%

**Application/Exit fee:** Nil

**Intception Date:** September 2007

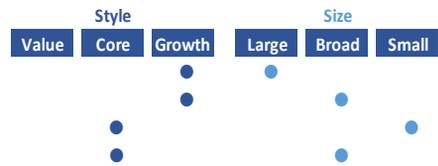
**Manager**

SBI Funds Management

Tata Asset Management

Sundaram Alternates

EquiPoise



### Performance and Risk

After fee returns as at 31 December 2021

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-0.1%	-1.8%	14.5%	40.4%	14.3%	12.7%	10.6%	18.2%
Index	0.6%	-2.7%	12.7%	28.9%	12.6%	13.4%	9.8%	13.6%
Excess	-0.7%	0.9%	1.8%	11.4%	1.7%	-0.7%	0.8%	4.7%

**Risk Exposure**

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	14.1%	21.7%	20.1%	19.4%
Benchmark (Std Dev)	12.3%	21.5%	18.5%	17.0%
Beta	0.84	0.97	0.99	0.94

#### Investment Growth

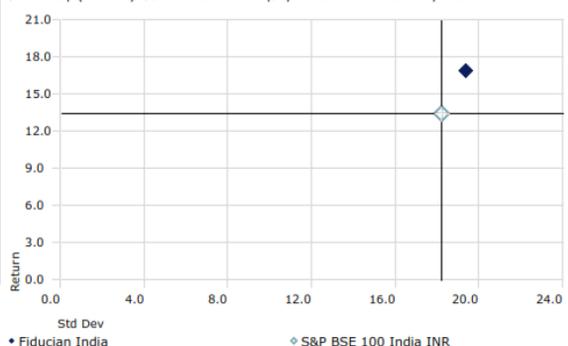
Time Period: 1/01/2013 to 31/12/2021



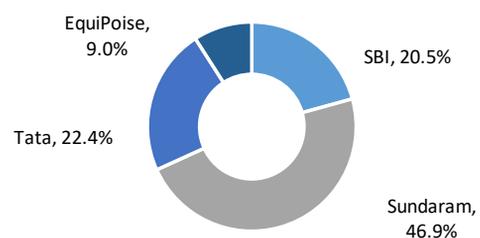
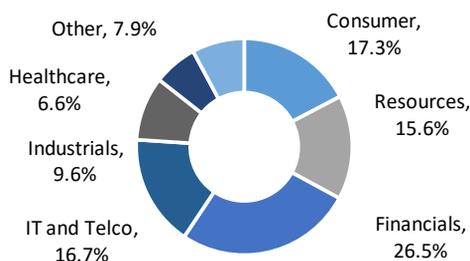
#### Risk-Reward

Time Period: 1/01/2013 to 31/12/2021

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 had a strong month in December, with the large cap BSE 100 index rising by 1.8%. The mid cap index rose by 1.1% and small caps were 6.8% higher. The best performing sectors for the month were IT (+10.1%), Capital Goods (+6.9%) and Metals (+5.9%). Banks (-0.9%) and Telecom (-0.8%) were weaker.

India endured a difficult year in 2021, with a wave of COVID-19 infections hitting the country from March through to June resulting in over 400,000 deaths officially recorded, with the actual toll thought to be much higher. The vaccination programme in the country continues to make good progress, and to date, there has been only a limited impact from the latest Omicron variant.

Despite these challenges, the economy recorded strong growth though the second half of the year, due to stimulus packages, accommodative monetary policy, and importantly continued economic reforms that are designed to foster long term growth. This backdrop resulted in positive returns for the stock market. Large caps recorded a 25% gain for the year, mid-caps were 39% higher, and small caps rose by 63%.

The Reserve Bank of India (RBI) held interest rates steady in the December meeting, commenting that despite economic recovery gaining traction, 'conducive policy settings' would need to be retained until growth rates become self-sustaining.

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 declined 0.1% in December, compared to the 0.6% 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.

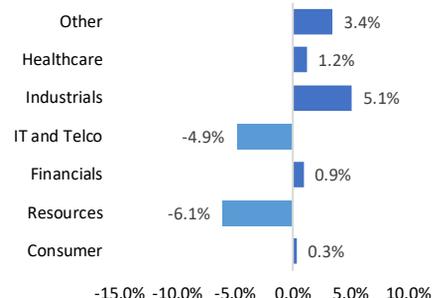
Over the last 12 months the Fund has gained 40.4%, well above the index return of 28.9%. Small and mid cap manager Sundaram (+49.9%) has been the best performer, in part, reflecting the strong performance of that segment of the market. All managers outperformed the index over the year.

The multinational IT service companies in the portfolio were the top contributors to performance, with strong gains from Mindtree, Infosys and Persistent Systems. The banking sector continued to be weak, with Bajaj Finserv, Au Small Finance and Kotak Mahindra Bank detracting 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 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
Mindtree Ltd	IT Consulting	5.0%
Titan Co Ltd	Apparel Accessories	4.9%
Infosys Ltd	IT Consulting	4.2%
Bajaj Finserv Ltd	Diversified Financials	3.9%
ICICI Bank Ltd	Diversified Banks	3.9%
Hdfc Bank Limited	Diversified Banks	3.2%
Tata Elxsi Ltd	Systems Software	3.0%
Reliance Industries Ltd	Oil & Gas Refining	2.9%
Au Small Finance Bank Ltd	Regional Banks	2.8%
Pi Industries Ltd	Agricultural Chemicals	2.5%



### Fiducian Investment Management Services Limited

Issued by Fiducian Investment Management Services Limited ABN 28 602 441 814 AFS Licence number 468211. This document provides general information only. It does not have regard to your objectives, financial situation or needs. We recommend that you seek financial planning advice, and consider whether this investment is appropriate to your objectives, financial situation and needs before making any investment decision.

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.