

### 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:** \$87.1 million (May 2021)

**Management cost:** 1.74%

**Total management costs:** 1.74%

**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 31 May 2021

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	7.7%	11.1%	21.6%	58.5%	6.6%	9.9%	13.6%	12.9%
Index	8.6%	8.8%	17.9%	47.3%	9.1%	10.4%	10.8%	8.4%
Excess	-0.8%	2.2%	3.7%	11.2%	-2.6%	-0.4%	2.9%	4.5%

**Risk Exposure**

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	10.8%	23.2%	20.2%	20.0%
Benchmark (Std Dev)	10.9%	20.8%	17.8%	19.5%
Beta	0.60	0.80	0.80	0.70

Overall Morningstar rating

★★★

#### Investment Growth

Time Period: 1/06/2012 to 31/05/2021



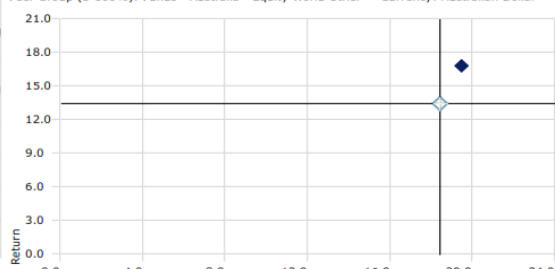
— Fiducian India

— S&P BSE 100 India INR

#### Risk-Reward

Time Period: 1/06/2012 to 31/05/2021

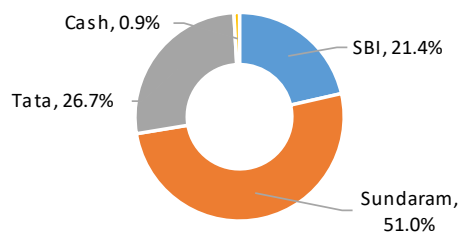
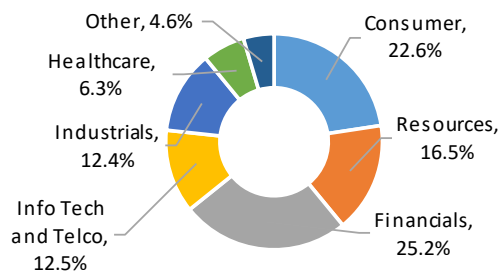
Peer Group (1-100%): Funds - Australia - Equity World Other Currency: Australian Dollar



• Fiducian India

◆ S&P BSE 100 India INR

### Sector exposures and current manager weights



### Market Commentary and Outlook

India has been increasingly getting on top of the COVID-19 pandemic. Following sharp increases in COVID-19 cases throughout India in April, the average number of daily infections dropped at the end of May to be less than half of peak levels. Over the two months, India reported over 16 million cases and 200,000 deaths, although the actual toll was probably much higher. The duration of severe lockdowns has been relatively short, and key industries have been allowed to operate, which has helped to mitigate the size of the economic impact.

This improved environment proved to be a relief for investors, with the stock market moving higher during May. Measured in local currency terms, small cap stocks were the top performers, rising by 8.9%, followed by mid caps (7.1%) and large caps (6.8%). The best performing sectors were Power, Capital Goods and Oil & Gas, whilst the more defensive sectors (Telecommunications, Consumer Durables and Healthcare) lagged.

45 of the top 50 Nifty Index companies have recently reported earnings results, and these have been largely in line with market expectations. Price pressures were noted by a number of companies, but to date have been successfully absorbed. Earnings forecasts across the market fell back slightly for the coming 12 months.

Near term economic forecasts were also reduced over the month. The World Bank, for example, has reduced their GDP growth forecast from 10.1% to 8.3% to reflect the disruptions caused by the latest wave of infections. Overall, the short term outlook remains positive, with supportive monetary and fiscal policy poised to help the economic recovery.

### Fund Commentary

The Fiducian India Fund gained 7.7% in May, underperforming the 8.8% rise in the index (in A\$ terms). State Bank of India (SBI) was the top performer (+8.7%) followed by Tata (+7.9%) and Sundaram (+7.6%).

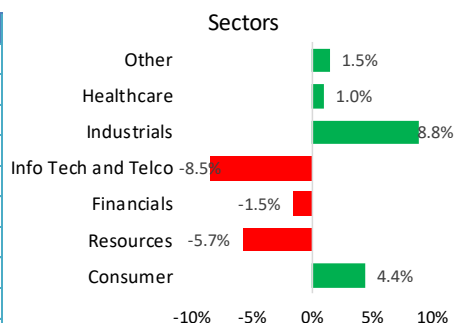
Over the last 12 months the Fund has gained 58.5%, well above the index return of 47.3%. Small cap manager Sundaram (+73.6%) has been the best performer.

The top stock contributors to performance for the month included building materials company Birla Corporation (+36.7%), plastic manufacturer Astral Poly (+18.7%) and multinational IT outsourcing company MindTree (+14.8%). Key detractors included consumer electronics manufacturer Dixon Technologies (-4.1%) and engineering group Tube Investment (-4.0%)

The most significant sector tilts in the fund are overweight positions in the Industrials and Consumer sectors, which are set to benefit from the reopening of the economy, and an underweight positions in the IT and telecommunications sector, where underlying fund managers are broadly expecting a less positive growth outlook relative to other parts of the market.

### Top stock holdings and sector tilts

Stock	Industry	Weight
Titan Co Ltd	Apparel	4.2%
Dixon Technologies India Ltd	Consumer Electronics	4.1%
Icici Bank Ltd	Diversified Banks	4.0%
Bajaj Finserv Ltd	Multi-line Insurance	3.7%
Au Small Finance Bank Ltd	Regional Banks	3.6%
Infosys Ltd	IT Consulting	3.3%
Mindtree Ltd	IT Consulting	3.3%
Reliance Industries Ltd	Oil & Gas	2.9%
Pi Industries Ltd	Fertilizers & Agricultural	2.8%
Ksb Limited	Industrial Machinery	2.7%



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