

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)

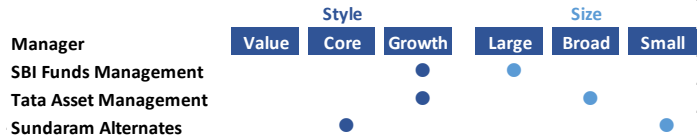
Current fund size: \$96 million (July 2021)

Management cost: 1.54%

Total management costs: 1.82%

Application/Exit fee: Nil

Inception Date: September 2007



Performance and Risk

After fee returns as at 31 July 2021

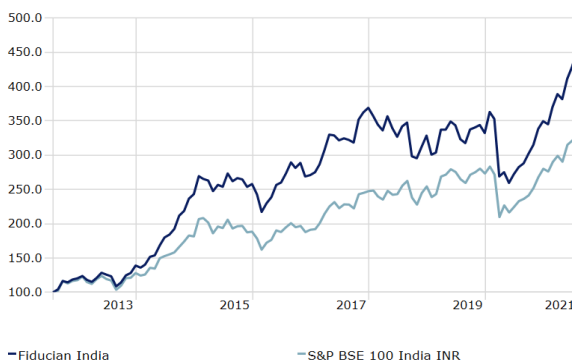
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	5.6%	18.5%	31.1%	60.1%	9.8%	10.6%	13.7%	14.1%
Index	2.7%	13.5%	18.8%	41.6%	8.8%	10.8%	10.9%	9.1%
Excess	2.8%	5.0%	12.2%	18.5%	1.0%	-0.2%	2.8%	4.9%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	10.9%	23.2%	20.3%	20.0%
Benchmark (Std Dev)	14.3%	21.9%	18.4%	17.6%
Beta	0.86	0.99	1.00	0.94

Investment Growth

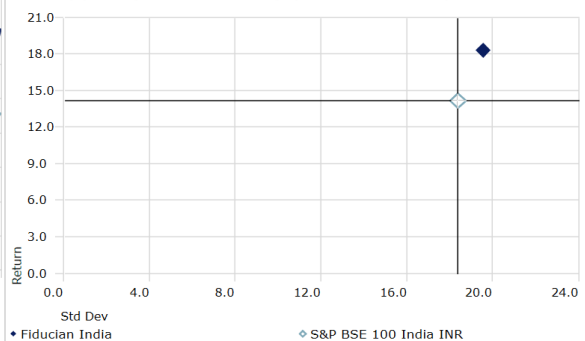
Time Period: 1/08/2012 to 31/07/2021



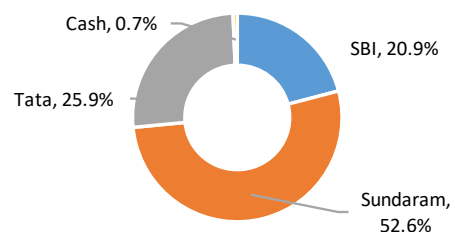
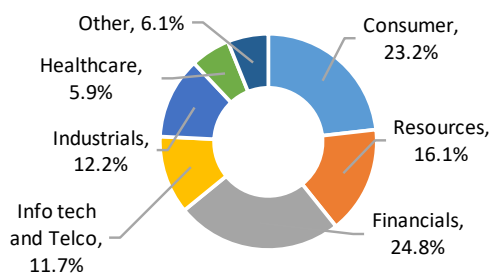
Risk-Reward

Time Period: 1/08/2012 to 31/07/2021

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 another positive month in July. Large caps stocks (BSE 100) recorded a gain of 0.6%, and continuing the trend from recent months, mid cap stocks (+2.4%) and small cap stocks (+6.2%) continued to outperform. The best performing sectors were Real Estate (+16.1%) and Metals (+12.6%), whilst the Automotive sector (-5.1%) and Power sector (-5%) underperformed.

The large wave of COVID infections that resulted in hundreds of thousands of deaths through April and May has been brought under control, with reported new infections now down by more than 90% from peak levels. As governments ease lockdown restrictions, measures of economic activity and mobility have now recovered to be only down by 5% compared to levels seen prior to the latest outbreak.

A number of companies reported their 1st quarter FY2022 results during the month. Despite a significant negative impact from the pandemic, the tone was generally positive. Of the companies that have reported, sales were up by an average of 46% and profits up by an average of 71% compared to numbers reported at the same time last year. Input cost pressures were noted by a number of companies due to rising commodity prices.

The economic backdrop for the Indian market remains broadly positive. A recovery in earnings expected through FY2022 appears to have commenced, government policy reform in ongoing, monetary and fiscal policy remains supportive, and an increase in capital spending in being observed across many industries.

Fund Commentary

The Fiducian India Fund gained 5.6% in July, outperforming the 2.7% rise in the index (in Australian dollar terms). Sundaram was the top performer (+7.3%) followed by SBI (+4.4%) and Tata (+3.6%). A 2.1% decline in the Indian Rupee assisted performance for the month.

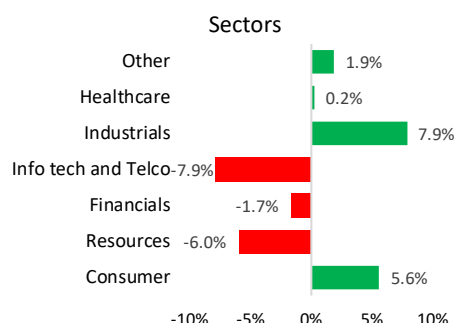
Over the last 12 months the Fund has gained 60.1%, well above the index return of 41.6%. Small and mid cap manager Sundaram (+76.0%) has been the best performer.

The top stock contributors to performance for the month included financial services companies Bajaj Finserv, Au Small Finance Bank and ICICI Bank. Industrial conglomerate Birla Corp also performed strongly, along with IT outsourcing company Mindtree. The main detractors were pharmaceutical manufacturers Natco Pharma and Dr Reddy's Laboratories.

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 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 outperform.

Top stock holdings and sector tilts

Stock	Industry	Weight
Titan Co Ltd	Apparel Accessories	4.3%
Bajaj Finserv Ltd	Multi-line Insurance	4.2%
Au Small Finance Bank Ltd	Regional Banks	4.0%
Icici Bank Ltd	Diversified Banks	3.9%
Mindtree Ltd	IT Consulting	3.7%
Infosys Ltd	IT Consulting	3.5%
Pi Industries Ltd	Agricultural Chemicals	3.0%
Tata Elxsi Ltd	Systems Software	2.7%
Dr Lal Pathlabs Ltd	Health Care Services	2.6%
Reliance Industries Ltd	Oil & Gas Refining	2.6%



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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.