

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: \$104 million (August 2021)

Management cost: 1.54%

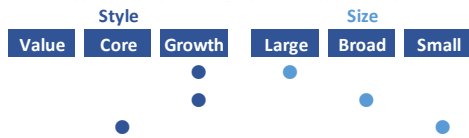
Total management costs: 1.82%

Application/Exit fee: Nil

Inception Date: September 2007

Manager

SBI Funds Management
Tata Asset Management
Sundaram Alternates



Performance and Risk

After fee returns as at 31 August 2021

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	8.3%	19.1%	32.3%	70.0%	12.1%	11.1%	14.3%	16.0%
Index	10.1%	15.1%	25.3%	53.3%	11.1%	12.4%	12.0%	11.4%
Excess	-1.9%	4.0%	7.0%	16.7%	1.0%	-1.2%	2.3%	4.6%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	11.4%	23.5%	20.4%	19.9%
Benchmark (Std Dev)	15.0%	22.2%	18.6%	17.5%
Beta	0.81	0.98	0.99	0.94

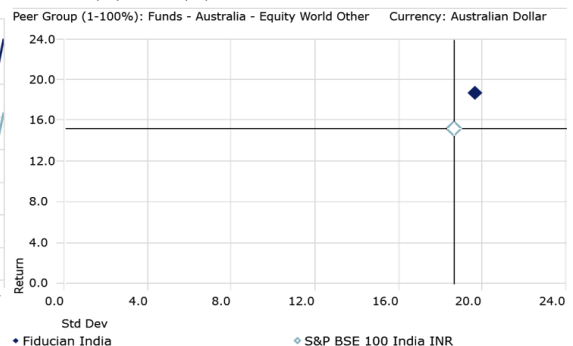
Investment Growth

Time Period: 1/09/2012 to 31/08/2021

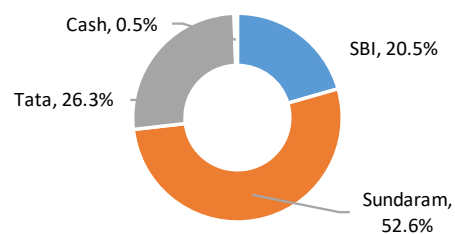
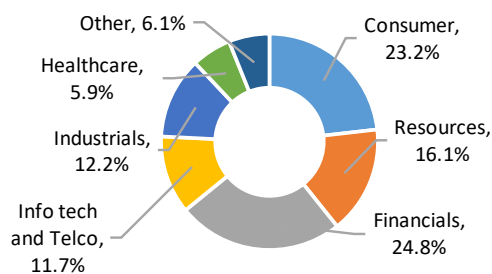


Risk-Reward

Time Period: 1/09/2012 to 31/08/2021



Sector exposures and current manager weights



Market Commentary and Outlook

The Indian Stock market recorded further gains in August. Large cap stocks were particularly strong, rising by 8.7%. Mid cap stocks (+2.2%) and Small Cap stocks (-2.5%) trailed, but have significantly outperformed over the last 12 months. The top performing sectors over the month were IT (+13.4%) and Financial Services (+10.3%). The Real Estate sector (-3%) and Metals (-1%) underperformed.

The majority of companies have now reported financial results for the first quarter of the financial year. Aggregate earnings forecasts saw an upgrade of approximately 1% for the month, and now sit 4-5% higher than previous forecasts.

Economic data release during the month was broadly positive. Real GDP increased by 20% year-on-year, reflecting a low base from last year. GDP growth for the year is still expected to be around 9%. Inflation remains near the top of the Reserve Bank on India's tolerance range, and is expected to average approximately 6% for the rest of the calendar year.

The economic backdrop for the Indian market remains broadly positive. A recovery in earnings expected through the current financial year appears to have 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 gained 8.3% in August, underperforming the 10.1% rise in the index (in Australian dollar terms). Tata was the top performer (+9.9%) followed by Sundaram (+8.2%) and SBI (+7.2%). In a reversal of recent trends, large cap stocks led the gains in the market. This impacted the relative performance of the Fund, which is overweight the mid and small cap parts of the market. A 2.3% decline in the Indian Rupee also assisted performance for the month.

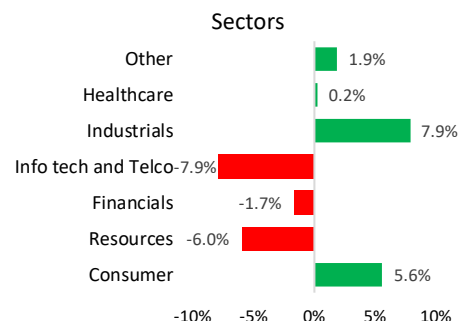
Over the last 12 months the Fund has gained 70.0%, well above the index return of 53.3%. Small and mid cap manager Sundaram (+76.0%) has been the best performer.

The top stock contributors to performance for the month included the IT outsourcing company Mindtree, financial services companies Bajaj Finserv, watches and accessories business Titan and agricultural chemicals company PI Industries. The main detractors were Au Small Finance Bank and cement company Birla Corp.

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
Bajaj Finserv	Diversified Financials	4.7%
Titan Co	Apparel Accessories	4.5%
Mindtree	IT Consulting	4.4%
ICICI Bank	Diversified Banks	3.7%
Au Small Finance Bank	Regional Banks	3.5%
Infosys	IT Consulting	3.4%
Pi Industries	Agricultural Chemicals	3.2%
Dr Lal Pathlabs	Health Care Services	2.9%
Tata Elxsi	Systems Software	2.8%
Reliance Industries	Oil & Gas Refining	2.8%



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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.