

### 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:** \$94 million (June 2022)

**Management cost:** 1.54%

**Total management costs:** 1.82%

**Application/Exit fee:** Nil

**Inception Date:** September 2007

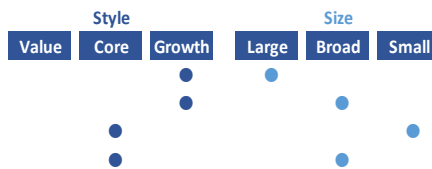
**Manager**

SBI Funds Management

Tata Asset Management

Sundaram Alternates

EquiPoise



### Performance and Risk

After fee returns as at 30 June 2022

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-3.0%	-7.5%	-14.1%	-1.6%	7.0%	5.6%	7.6%	15.3%
Index	-3.1%	-6.2%	-10.4%	1.0%	6.0%	7.8%	7.4%	11.4%
Excess	0.1%	-1.3%	-3.7%	-2.6%	1.1%	-2.2%	0.1%	3.9%

#### Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	17.5%	21.6%	20.6%	19.3%
Benchmark (Std Dev)	12.8%	21.8%	18.8%	16.6%
Beta	0.97	0.98	0.99	0.96

#### Investment Growth

Time Period: 1/07/2013 to 30/06/2022

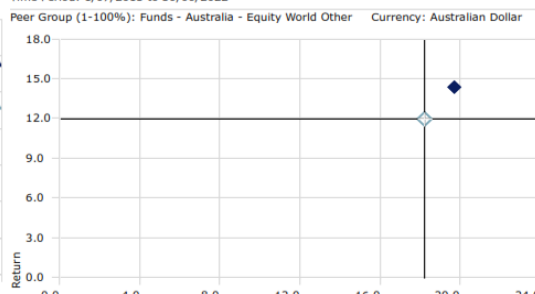


—Fiducian India

—S&P BSE 100 India INR

#### Risk-Reward

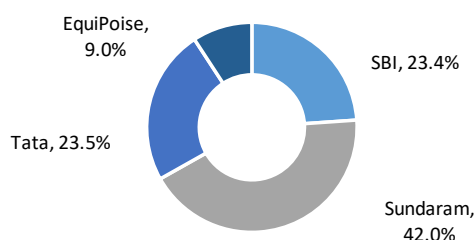
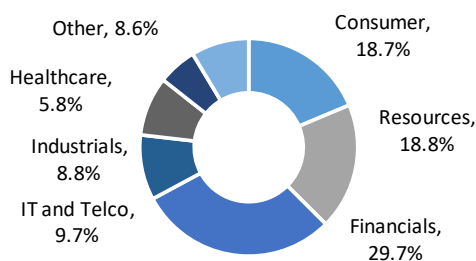
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### Sector exposures and current manager weights



### Market Commentary and Outlook

Indian large cap stocks were 4.5% lower in June, which was a better performance than most developed markets. Mid-caps and small caps marginally underperformed, returning -5.2% and -5.8% respectively. The automotive sector (+1.2%) was the best performer for the month followed by the consumer discretionary sector (-2.8%). The metals sector (-14.1%) declined on the back of weaker base metals prices, followed by consumer durables (-8.7%), with the market decline being relatively broad-based.

Economic data released during the month remained positive. However, as with much of the world, the rate of improvement moderated. For the 2022 Financial Year, the Indian economy recorded growth in real GDP of 8.7%. The current projections for 2023 are for real GDP growth of over 7%.

Corporate earnings results released during the last quarter were mostly positive. Across the large cap index, aggregate sales were 24% higher, and profit growth was 21%, although input cost increases limited margin expansion. A number of companies are now forecasting a moderate slowing in the rates of earnings growth due to cost pressures, with forecast earnings growth for the market sitting around 15% for the current year.

The Reserve Bank of India (RBI) has followed the lead of many central banks around the world by beginning to tighten monetary policy. In early May, the RBI announced a 0.4% increase in the repo rate (equivalent to a cash rate) from a record low 4.0% and also increased the cash reserve requirement for banks. This was subsequently increased to 4.9% in June, and further increases remain a possibility as long as inflation remains elevated.

The economic backdrop for the Indian market remains broadly positive. A recovery in earnings has begun, government policy reform is ongoing, monetary and fiscal policy remains supportive and an increase in capital spending is being seen across many industries. The forecasts for real GDP growth for the coming year remain among the strongest in the world. However, the market could continue to be affected for a time by large increases in energy prices and other effects of Russia's invasion of Ukraine.

### Fund Commentary

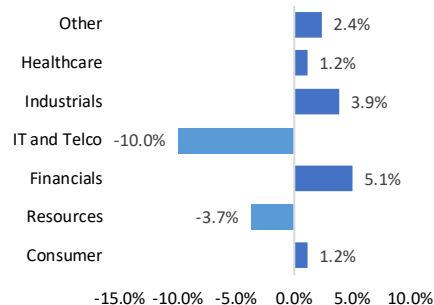
The Fiducian India Fund declined by 3.0% in June, which was slightly above the 3.1% fall for the index (in Australian dollar terms). Over the last 12 months the Fund has declined 1.6%, compared to the index return of 1.0%. Tata Asset Management has been the best performer over this period, with a return of 7.3%.

The top stock contributors for the month were concentrated in the automobile sector, with Maruti Suzuki, Ashok Leyland, And TVS Motor all recording gains. The main detractors were in the retail sector, with Vmart retail and Titan underperforming the market.

The most significant sector tilts in the Fund remain overweight positions in the Industrials and Financials sectors, which are set to benefit from the strong anticipated growth in the domestic 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, as well as the manufacturing sector are also expected to perform strongly in the medium term.

### Top stock holdings and sector tilts

Stock	Industry	Weight
ICICI Bank Ltd	Diversified Banks	4.7%
Titan Co Ltd	Apparel Accessories	4.3%
Infosys Ltd	IT Consulting	3.8%
Reliance Industries Ltd	Oil & Gas Refining	3.6%
Au Small Finance Bank Ltd	Regional Banks	3.4%
HDFC Bank Limited	Diversified Banks	3.4%
City Union Bank Ltd	Diversified Banks	2.6%
PI Industries Ltd	Fertilizers & Agricultural	2.5%
Berger Paints India Ltd	Commodity Chemicals	2.4%
Minda Industries Ltd	Auto Parts & Equipment	2.2%



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