

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: \$108 million (November 2022)

Management cost: 1.54%

Total management costs: 1.82%

Application/Exit fee: Nil

Inception Date: September 2007

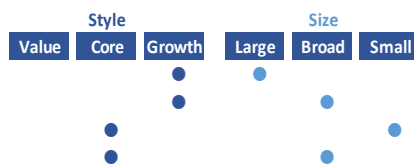
Manager

SBI Funds Management

Tata Asset Management

Sundaram Alternates

EquiPoise



Performance and Risk

After fee returns as at 30 November 2022

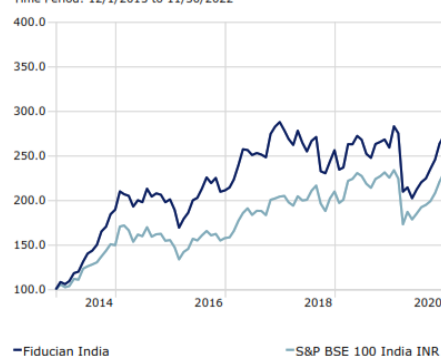
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-1.3%	1.5%	13.1%	0.1%	12.7%	6.3%	10.0%	15.3%
Index	-0.6%	3.1%	14.0%	6.1%	11.3%	9.2%	10.4%	12.0%
Excess	-0.8%	-1.6%	-0.9%	-5.9%	1.4%	-2.9%	-0.5%	3.3%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	17.1%	21.5%	20.5%	19.1%
Benchmark (Std Dev)	15.6%	22.2%	19.1%	16.7%
Beta	1.02	0.96	0.99	0.96

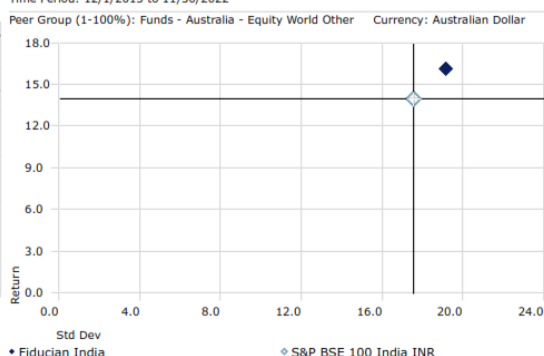
Investment Growth

Time Period: 12/1/2013 to 11/30/2022

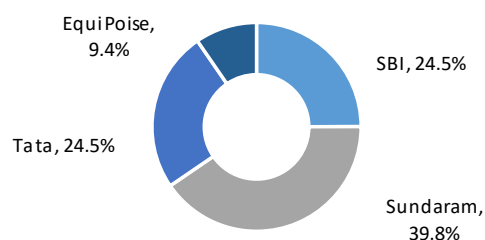
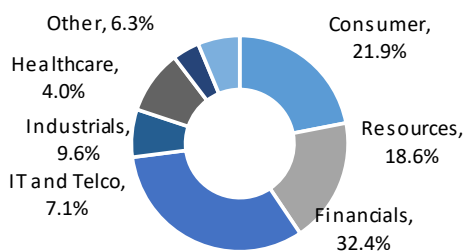


Risk-Reward

Time Period: 12/1/2013 to 11/30/2022



Sector exposures and current manager weights



Market Commentary and Outlook

The Indian stock market finished higher in November. Large cap stocks were again the best performers, recording gains of 3.9%, with mid-caps returning 1.9% and small caps returning 3.0%. The Metals (+6.5%), Oil & Gas (+5.8%) and Information Technology (+5.5%) sectors all finished higher for the month. Power (-3.5%), Consumer Durables (-2.37%) and Auto (-1.1%) were the only major sectors to finish lower.

Recent earnings updates continue to show positive trends for most companies. In aggregate, sales were 29% higher than last year, with profit growth a more modest 9%, reflecting the impact of higher input costs seen across most of the world. The market is currently forecasting earnings growth of 13% for Financial Year 2023, increasing to 19% the following year.

Economic data released during the month continued to be positive, supporting forecast GDP growth of around 7% for the coming year. This would make India one of the fastest growing economies in the world. Employment growth is strong, business confidence is high, consumer confidence is recovering and capital spending is also seeing high growth year-on-year. Export growth has moderated further, reflecting a slowing global economy.

The inflation rate remain somewhat high at 5.9%. This is higher than recent years, but effectively in line with the 10-year average for India, implying that the economy could be relatively well-placed to manage the impact of rising prices. Further, this is below rates of inflation observed in the USA, Europe and Australia.

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, along with generally slower global economic growth.

Fund Commentary

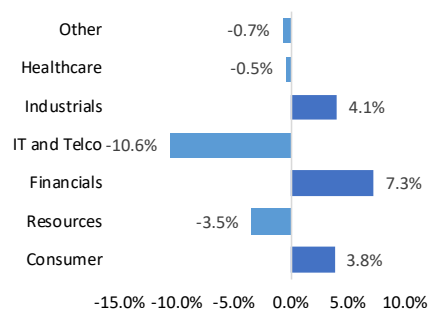
The Fiducian India Fund declined by 1.3% in November, which was below the 0.6% fall for the index (in Australian dollar terms). Over the last 12 months the Fund has gained 0.1%, compared to the index return of 6.1%. Large cap managers SBI (+12.9%) and Tata (+12.0%) has been the top performer over the last year.

The top contributors for the month were within the banking sector, with gains seen in HDFC Bank, ICICI Bank and AU Small Finance Bank. Modest falls in chemicals company SRF and accessories manufacturer Titan Co detracted from performance.

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
Axis Bank Ltd	Diversified Banks	5.1%
ICICI Bank Ltd	Diversified Banks	5.0%
Titan Co Ltd	Apparel Accessories	4.0%
Infosys Ltd	IT Consulting	3.8%
HDFC Bank Limited	Diversified Banks	3.6%
Reliance Industries Ltd	Oil & Gas Refining	3.3%
Navin Fluorine International	Specialty Chemicals	3.0%
Berger Paints India Ltd	Commodity Chemicals	2.8%
AU Small Finance Bank Ltd	Regional Banks	2.5%
Bajaj Finserv Ltd	Diversified Financials	2.4%



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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. 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.