

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 9 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 125 089 456

APIR code: FPS0013AU

Benchmark: BSE 100 Index (in AUD)

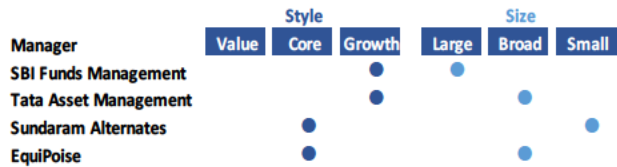
Current fund size: \$150 million (April 2024)

Management cost: 1.54%

Total management costs: 1.82%

Application/Exit fee: Nil

Inception Date: September 2007



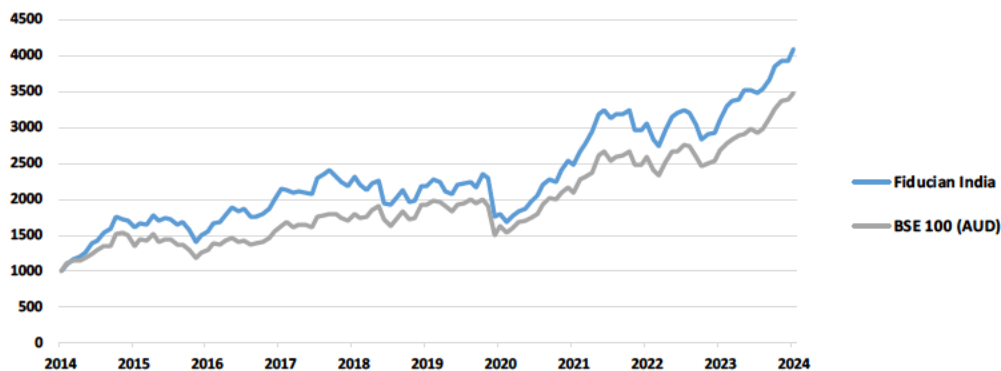
Performance and Risk

After fee returns as at 30 April 2024

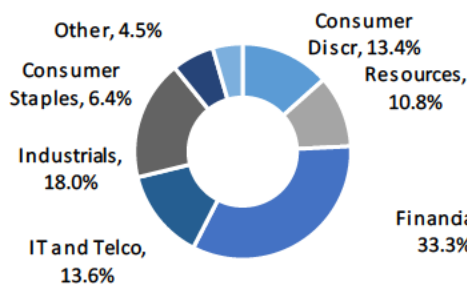
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	4.4%	6.2%	17.3%	31.2%	18.2%	13.3%	9.7%	15.2%
Index	2.5%	6.5%	18.6%	29.5%	18.5%	12.5%	11.5%	13.3%
Excess	1.9%	-0.2%	-1.3%	1.7%	-0.3%	0.7%	-1.8%	1.9%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	7.3%	14.4%	18.2%	18.3%
Benchmark (Std Dev)	5.8%	13.7%	16.8%	16.9%
Beta	0.82	0.97	1.00	1.00
Tracking Error (% pa)	5.2%	4.5%	6.1%	6.7%



Sector exposures and current manager weights



Market Commentary and Outlook

The Indian stock market recorded a positive month in April. Large cap stocks gained 2.0%, mid cap stocks gained 7.1% and small cap stocks were 9.6% higher. The best performing sectors for the month were Metals (+11.2%), Real Estate (+8.0%) and Consumer Staples (+7.1%). Information Technology (-4.9%), Healthcare (-0.7%) and Pharmaceuticals (-0.1%) were the main detractors.

Growth in the Indian economy remains strong. In its most recent policy statement, the Reserve Bank of India (RBI) noted that the ‘domestic economy is experiencing strong momentum’. Looking ahead over the coming year, the expectation is for continued growth in the manufacturing sector and above trend growth in service industries. Inflation is slightly elevated at 5.1%, but remains within the target band of between 2% and 6%.

Profit announcements for the fourth quarter of the current financial year have generally been in line or slightly above expectations. Revenue growth has accelerated again, with larger companies reporting an aggregate 11% growth in sales compared to last year, which has resulted in earnings growth of around 20%. Companies that are exposed to domestic economic growth have generally been performing better than those that are more exposed to the global economy.

The economic backdrop for the Indian market remains broadly positive. Company earnings are growing strongly, 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 be affected if developed economies remain sluggish.

Fund Commentary

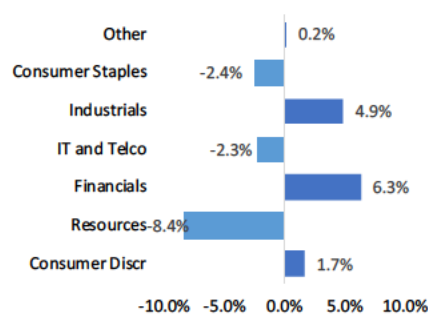
The Fiducian India Fund gained 4.4% in April, which was above the 2.5% return for the index (in Australian dollar terms). Over the last 12 months the Fund has gained 31.2%, compared to the index return of 29.5%. Equipoise (+46.8%) was the top performer over this period followed by SBI Funds (+34.7%)

The most significant sector tilts in the Fund remain overweight positions in the Financials and Industrial sectors, which are set to benefit from the strong anticipated growth in the domestic economy, and underweight positions in the Resources sector and Consumer Staples sector, where the underlying fund managers are broadly expecting a more modest growth outlook relative to other parts of the market.

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
HDFC Bank	Banks	4.6%
ICICI Bank	Banks	4.4%
Titan Co	Retail	3.5%
Reliance Industries	Oil & Gas	3.4%
Larsen & Toubro	Engineering & Constructio	3.3%
Cholamandalam Investment	Diversified Banks	2.8%
INFOSYS	Computers	2.4%
State Bank Of India	Banks	2.1%
Bharat Heavy Electricals	Electrical Components	2.0%
Bharti Airtel	Telecommunications	2.0%



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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.