

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)

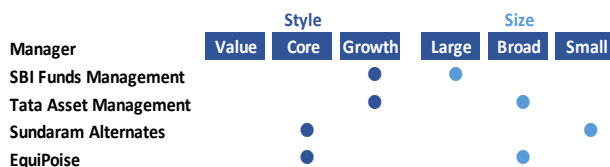
Current fund size: \$116 million (June 2023)

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 June 2023

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	1.9%	15.0%	11.1%	22.8%	23.9%	9.6%	10.4%	15.2%
Index	1.7%	11.6%	9.2%	21.3%	20.9%	10.1%	11.0%	12.1%
Excess	0.1%	3.5%	1.9%	1.4%	3.1%	-0.5%	-0.6%	3.1%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	15.7%	15.5%	20.6%	19.3%
Benchmark (Std Dev)	14.2%	14.5%	19.0%	16.6%
Beta	0.92	0.97	0.98	0.97

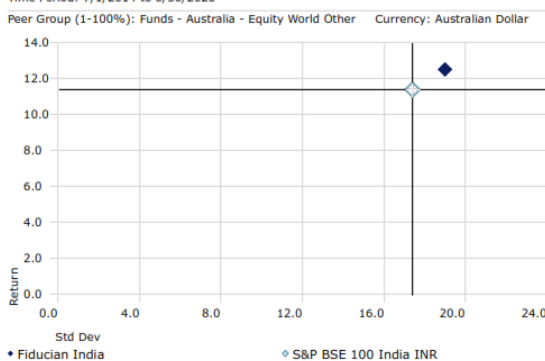
Investment Growth

Time Period: 7/1/2014 to 6/30/2023

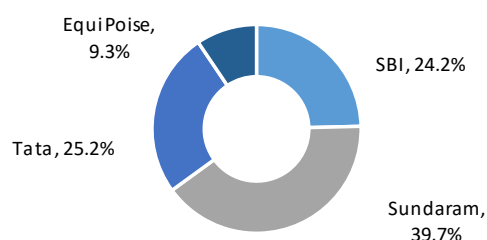
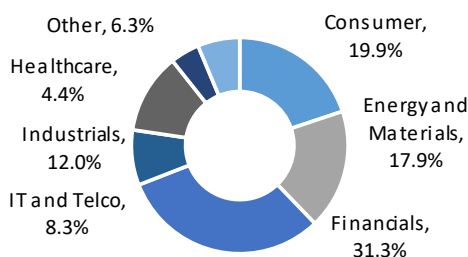


Risk-Reward

Time Period: 7/1/2014 to 6/30/2023



Sector exposures and current manager weights



Market Commentary and Outlook

The Indian stock market had another positive month in June. Large cap stocks gained 3.5%, with mid-caps returning 5.9% and small caps rising 6.6%. The top performing sectors for the month were Healthcare (+8.8%), Real Estate (+8.6%) Pharmaceuticals (+8.6%). Media (-0.7%) was the only sector to record a decline.

Economic data released during the month continued to be positive, supporting forecast GDP growth of around 6%-7% for the coming year. Business activity and investment continued to expand, and the latest measures of activity in both manufacturing and services industries remain close to peaks. Government capital expenditure is forecast to increase by 23% in the current year, as a large pipeline of infrastructure projects continues to be delivered. Despite strength in the domestic economy, there are some signs that a weaker global economy is having an impact on some export-driven industries.

The inflation rate in India continues to decline, with the latest measure of 4.3% approaching the 4.0% mid-point of the target band set by the Reserve Bank of India. The RBI last increased interest rates in February.

The corporate sector remains very healthy. Recent quarterly profit announcements have generally been in line or slightly above expectations, with strength being observed in the chemicals, automotive and industrials sectors. Current market forecasts are for strong earnings growth this financial year.

The economic backdrop for the Indian market remains broadly positive. Company earnings are growing, 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 generally slower global economic growth.

Fund Commentary

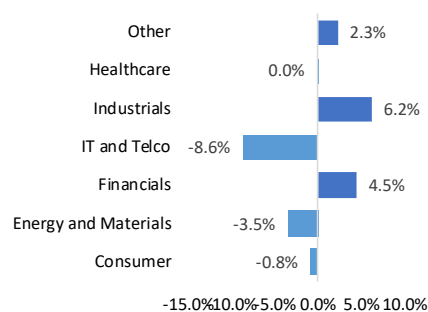
The Fiducian India Fund gained 1.9% in June, which was above the 1.7% return for the index (in Australian dollar terms). Over the last 12 months the Fund has gained 22.8%, compared to the index return of 21.3%. Large cap managers SBI (+26.5%) and Tata (+26.1%) have been the top performers over the last year.

The top stock contributors for the month included Axis Bank, jewelry manufacturer Titan Co, and diversified conglomerate L&T India. There were no major detractors, with Navin Fluorine and SRF Limited lower for the month.

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	4.4%
Titan Co Ltd	Apparel Accessories	4.3%
Hdfc Bank Limited	Diversified Banks	4.1%
Cholamandalam Investment	Consumer Finance	3.7%
Infosys Ltd	IT Consulting & Other Ser	3.5%
Reliance Industries Ltd	Oil & Gas Refining	3.4%
Berger Paints India Ltd	Commodity Chemicals	2.9%
Navin Fluorine International	Specialty Chemicals	2.9%
Au Small Finance Bank Ltd	Regional Banks	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. 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.