

Fund description

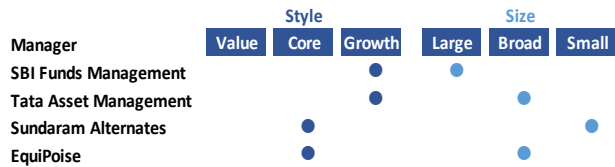
The Fiducian India Fund provides investors with the opportunity to invest in a well-diversified range of companies listed on Indian stock exchanges. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting dedicated Indian fund managers that are based in India.

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: \$148 million (May 2024)
Management cost: 1.54%
Total management costs: 1.82%
Application/Exit fee: Nil
Inception Date: September 2007



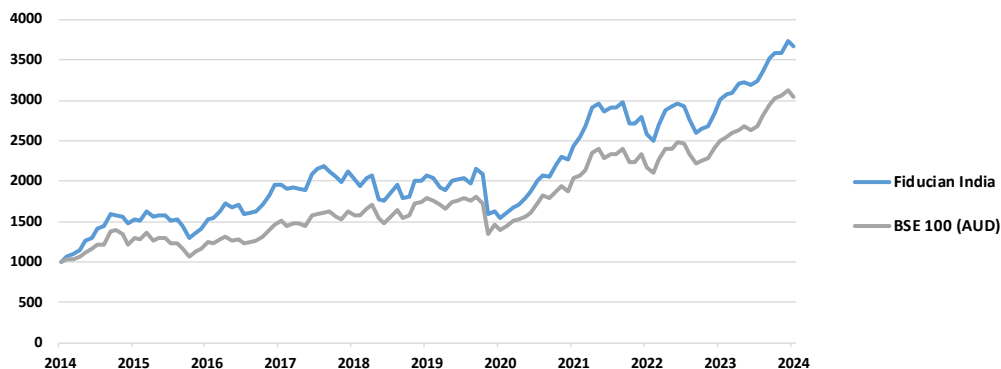
Performance and Risk

After fee returns as at 31 May 2024

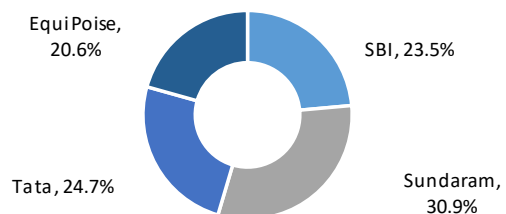
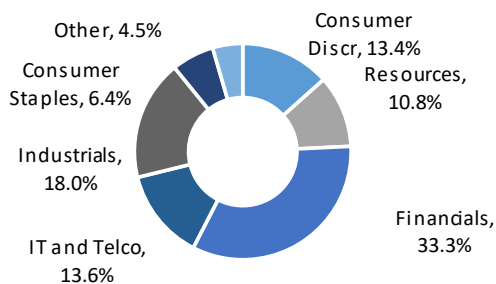
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-1.8%	2.2%	13.3%	21.7%	14.6%	12.1%	9.5%	13.9%
Index	-2.6%	0.6%	13.7%	21.7%	14.3%	11.2%	10.6%	11.8%
Excess	0.8%	1.6%	-0.4%	-0.1%	0.3%	0.9%	-1.1%	2.1%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev)	7.3%	14.0%	18.2%	18.2%
Benchmark (Std Dev)	7.2%	13.2%	16.9%	16.6%
Beta	0.73	0.98	1.00	1.01
Tracking Error (% pa)	4.8%	4.5%	6.1%	6.7%



Sector exposures and current manager weights



Market Commentary and Outlook

The Indian stock market had a mixed month in May. Large cap stocks declined 0.3%, whilst mid cap stocks gained 1.7% and small cap stocks were 0.5% higher. The best performing sectors for the month were Real Estate (+4.7%), Auto (+4.2%) and Consumer Staples (+1.4%). Public Sector Banks (-2.9%), Oil & Gas (-1.7%) and Healthcare (-1.5%) sectors were the main detractors.

India's economy posted strong growth for financial year 2024, with official figures (to March 31st) released during May. Gross domestic product (GDP) increased by 8.2%, confirming India's position as the world's fastest growing major economy. India's per capita GDP rose by 55% between 2014 and 2023. During this period, India also moved from the ninth largest economy in the world to the fifth largest.

Monthly macroeconomic data also remained positive. Indicators including credit growth, tax collections and consumer confidence continued to grow. Manufacturing activity also remained in strongly expansionary territory.

Corporate earnings for the final quarter of the financial year were strong. Domestic cyclical sectors, such as financials, automotives and capital goods led earnings growth. Global cyclical sectors, such as metals and energy were incrementally negative for overall profitability. Current market expectation are for strong earnings growth to continue for at least the medium term.

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.

Fund Commentary

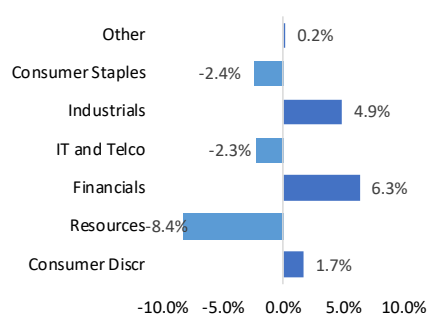
The Fiducian India Fund declined by 1.8% in May, which was above the -2.6% return for the index (in Australian dollar terms). Over the last 12 months the Fund has gained 21.7%, which was in line with the index return. Equipoise (+41.1%) was the top performer over this period followed by SBI Funds (+26.6%)

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	4.4%
ICICI Bank	Banks	4.2%
Larsen & Toubro	Engineering & Constructio	3.3%
Reliance Industries	Oil & Gas	3.2%
Cholamandalam Investment	Diversified Financial Serv	2.9%
Infosys	Computers	2.3%
Bharat Heavy Electricals	Electrical Components & E	2.1%
State Bank Of India	Banks	2.1%
Bharti Airtel	Telecommunications	2.0%
Cummins India	Machinery - Diversified	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.