

**Investment Manager:** Sundaram Asset Management Singapore Pte Ltd

**Investment Advisor:** Sundaram Asset Management Company Ltd, India

**Launch Date:** 7 July 2014

**Domicile:** Singapore

**Fund Type:** Open-end Equity, Daily dealing

**Investors:** Accredited Investors and Institutional Investors

**AUM:** US\$ 169.8 million

**Positioning:** Pure mid-cap and small-cap fund-Picking tomorrow's winners on ability to grow.

**Approach:** Generate capital appreciation by taking a predominantly bottom up approach to stock picking with a strict adherence to the mid and small cap mandate.

**Style:** Own stocks of companies that exhibit the ability to grow in a sustainable manner.

**Benchmark:** S&P BSE Mid Cap TR Index

**Mid-Cap Definition:** Stocks with market-cap lower than that of the 50th stock on the NSE.

Class Name	ISIN / Bloomberg Ticker
Classic Class	SG9999011928 / SIMFCLA SP
Institutional Class	SG9999011944 / SIMFINS SP
Emerald Class	SG9999011936 / SIMFEME SP
Cornerstone Class	SG9999011910 / SIMFCOR SP

#### Market-cap profile of the portfolio

USD Million

Mid-cap threshold (market-cap of 50th stock)	8,060
Weighted Average Market cap	2,092
Median Market Cap	1,902
Largest-value stock by market cap	4,589
Smallest-value stock by market cap	141

Source: Bloomberg Analysis: Sundaram Asset Management

#### Distribution History

Ex-Date	Distribution
17 January 2018	USD 5 cents per unit
06 October 2017	USD 3 cents per unit
02 May 2017	USD 3 cents per unit
15 February 2017	USD 5 cents per unit
18 October 2016	USD 5 cents per unit
21 June 2016	USD 3 cents per unit
09 July 2015	USD 5 cents per unit
12 February 2015	USD 5 cents per unit

#### Fund Manager

**Mr. Anish Mathew** is the Chief Executive Officer and Chief Investment Officer of Sundaram Asset Management, Singapore. Anish has over 25 years of experience in Indian and Asian capital markets. Prior to joining Sundaram Asset Management, Anish has worked with Societe Generale Asset Management, Singapore as the Deputy Chief Investment Officer, where he was responsible for Asia Pacific ex-Japan investments. Anish was formerly Director-Investments of Deutsche Asset Management, Singapore, where he was responsible for Asian equity investments with a focus on Asian Emerging Markets. Anish holds a Bachelor's degree in Commerce (Honours) from Delhi University, India and a Post Graduate Diploma in Management (MBA) from the Xavier Institute of Management, India.

Information as of 31 December 2018, unless specified

#### USD Returns (%)

Period	Fund	S&P BSE Mid Cap TR Index	Excess return	MSCI India TR Index	Excess return
1 Month	3.0	2.7	0.3	-0.1	3.1
1 Year	-23.0	-19.9	-3.2	-7.3	-15.7
3 Years	6.6	10.8	-4.3	8.2	-1.7
Since Inception*	9.2	8.9	0.3	3.7	5.6

\* Fund inception date: 7 July 2014. Performance details provided is for the Classic unit class and includes dividends paid out. Performance greater than one year on a compounded annualised basis. Past performance may or may not be sustained in the future. Performance as of 31 December 2018  
Data Source: Bloomberg Analysis: Sundaram Asset Management

#### Fund Manager Comments

During the month, the Fund outperformed the S&P BSE Midcap and MSCI India indices. Performance was boosted by strong gains in financials, in particular Ujjivan, Karur Vysya and City Union Bank, as liquidity concerns eased. Other notable outperformers were Jyothy Labs (falling raw material prices), HSIL (rebound from oversold levels) and PVR (GST reduction on small value tickets).

News flow on the macro front remained mixed. Industrial Production rose 1% mom and 8.1% yoy in October, well ahead of expectations. Further, September figure was revised upwards by 0.2% yoy. Inflation continued to surprise positively, undershooting expectations at 2.3% yoy in November. As a result, the benchmark 10 year treasury yields fell 24bps during the month. Auto sales however continued to disappoint, with December figures showing tepid growth in passenger vehicle sales and a sharp fall in heavy commercial vehicle sales. GST collections continued to track behind expectations, falling 3% mom in December. After a strong rebound in the previous month, the Rupee depreciated by 0.3% versus the USD during the month, more or less in line with its emerging market peer universe as measured by the JPM EM FX Index.

In a surprising development, the RBI Governor, Dr Urjit Patel, tendered his resignation citing personal reasons. The Government appointed Mr Shaktikanta Das, a retired career bureaucrat, as his replacement.

On the policy front, GST rates were cut for some goods, most of which were under the 28% tax slab. Government also announced plans to infuse an additional Rs 410 bn in PSU banks by March 2019. This is over and above the Rs 2.1 trn recap plan announced in 2017, whereby the government had already infused capital amounting to Rs 881 bn in FY18.

Market was mostly flat during the month, outperforming the EM universe for the third consecutive month. We remain positive on the medium to long term prospects of the Indian economy and market. The fund portfolio is currently trading at 21.6x March 2020 internally estimated earnings, with an average RoE of 14.8% and an average estimated annual earnings growth of 30.8% over the next 2 years.

#### Active Stock Exposures (%)

Stocks	Sundaram India Midcap	S&P BSE Mid Cap	Active Exposure
<b>Overweight</b>			
Trent	3.1	—	3.1
Sundaram-Clayton	3.0	—	3.0
Mahindra CIE Automotive	2.7	—	2.7
Schaeffler India	2.7	—	2.7
Ramco Cements	3.8	1.1	2.7
<b>Under weight</b>			
Divi's Laboratories	—	2.5	-2.5
Shriram Transport Finance	—	2.4	-2.4
Colgate-Palmolive India	—	2.4	-2.4
Havells India	—	2.3	-2.3
Bajaj Holdings & Invest.	—	2.2	-2.2

Active exposure is relative to benchmark.

#### Active Sector Exposures (%)

Sectors	Sundaram India Midcap	S&P BSE Mid Cap	Active Exposure
<b>Overweight</b>			
Industrials	22.0	12.1	9.9
Consumer Discretionary	22.6	16.6	6.0
Information Technology	5.7	3.7	1.9
Materials	10.9	9.7	1.1
Communication Services	1.57	1.18	0.39
<b>Underweight</b>			
Financials	19.4	29.8	-10.3
Health Care	5.9	11.4	-5.5
Utilities	2.2	6.4	-4.3
Consumer Staples	6.5	8.8	-2.3
Energy	0.0	0.2	-0.2

#### Risk Metrics\*

Parameter/Period	One Year	Three Year	Since Launch	Parameter/Period	One Year	Three Year	Since Launch
<b>Sharpe Ratio</b>				Standard Deviation	16.5	17.5	15.7
Fund	-1.5	0.1	0.4	Beta	0.8	0.9	0.9
S&P BSE Midcap	-1.0	0.3	0.4	Alpha	-8.0	-3.6	-0.1
MSCI India	-0.4	0.2	0.0	Information Ratio	-0.8	-0.7	-0.1
<b>Sortino Ratio</b>				Tracking error	5.9	5.7	5.5
Fund	-2.3	0.1	0.5	Treynor ratio	-29.3	1.7	6.1
S&P BSE Midcap	-1.5	0.5	0.5	Correlation	1.0	1.0	0.9
MSCI India	-0.6	0.3	0.0				

\*Ratios based on INR returns

Analysis: Sundaram Asset Management

**Disclaimer**

An Offer Document for the Sundaram India Midcap Fund ("Fund") may be obtained from the Manager or any of its appointed distributors. **Investors should read the Offer Document before deciding whether to subscribe for or purchase units in the Fund** ("Units"). All applications for Units must be made on application forms accompanying the Offer Document or otherwise as described in the Offer Document.

Past performance of the Fund or the Manager and any prediction, projection or forecast on the economy or markets are not necessarily indicative of the future or likely performance of the Fund or the Manager. Any extraordinary performance may be due to exceptional circumstances which may not be sustainable. The value of Units and any income from the Fund may fall or rise.

The above information is **strictly for general information only and must not be construed as an offer or solicitation to deal in Units**, nor a recommendation to invest in any company mentioned herein. The Manager reserves the right to make any amendments to the information at any time, without notice. Performance data and analytics provided above are as of the stated dates.

Investments in unit trusts are not obligations of, deposits in, or guaranteed or insured by Sundaram Asset Management Singapore, or any affiliates or distributors. **The Fund may use or invest in financial derivative instruments and you should be aware of the risks associated with investments in financial derivative instruments which are described in the Fund's Offer Document.** An investment in unit trusts is subject to investment risks and foreign exchange risks, including the possible loss of the principal amount invested.

**Investors may wish to seek advice from a financial adviser before making a commitment to invest in Units.** In the event an investor chooses not to seek advice from a financial adviser, the investor should consider carefully whether the Fund is suitable for his/her investment.

**Information for Swiss based Qualified Investors**

The domicile of the Fund is Singapore. The Representative of the Fund in Switzerland is OpenFunds Investment Services AG, with its registered office at Seefeldstrasse 35, 8008 Zurich, [www.open-funds.ch](http://www.open-funds.ch). The Paying Agent in Switzerland is Società Bancaria Ticinese SA, Piazza Collegiata 3, 6501 Bellinzona, Tel. +41 91 821 51 21, Fax. + 41 91 825 66 18, [www.bancaria.ch](http://www.bancaria.ch). The distribution of Shares of the Fund (the "Interests") in Switzerland must be made exclusively to Qualified Investors. The place of performance and jurisdiction for the Interests in the Fund distributed in Switzerland is at the registered office of the Representative. Publications in respect of the Shares of the Fund are effected on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).