

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

**Investment Advisor:** Sundaram Alternate Assets Ltd, India

**Launch Date:** 7 July 2014

**Domicile:** Singapore

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

**Investor Restriction:** Only Accredited Investors and Institutional Investors

**AUM:** US\$ 116 million

**Positioning:** Pure India focused mid-cap and small-cap equity 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.

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

#### Platforms Available on

- Allfunds
- iFast

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)	8,761
Weighted Average Market cap	2,752
Median Market Cap	2,651
Largest-value stock by market cap	6,700
Smallest-value stock by market cap	251

Source: Bloomberg Analysis: Sundaram Asset Management

#### Distribution History

Ex-Date	Distribution
24 September 2020	USD 5 cents per unit
03 April 2019	USD 5 cents per unit
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 27 November 2020, unless specified

#### USD Returns (%)

Period	Fund	Nifty Midcap 100 TR Index**	Excess Return	MSCI India TR Index#	Excess Return
1 Month	13.1	16.6	-3.5	8.6	4.5
Year to Date	3.0	12.0	-9.0	4.9	-1.9
1 Year	3.9	12.1	-8.2	6.5	-2.6
3 Years	-7.1	-3.8	-3.3	3.1	-10.2
5 Years	4.1	7.2	-3.1	7.9	-3.8
Since Inception*	6.2	6.5	-0.3	4.5	1.7

\* 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 27 November 2020.

Data Source: Bloomberg

Analysis: Sundaram Asset Management

#### Fund Manager Comments

The Fund underperformed the Nifty Midcap 100 TR Index during the month but significantly outperformed the MSCI India TR Index. Stocks that contributed in particular to the Fund's performance were Cholamandalam Investment (+42% on market share gain in vehicle financing plus conservative provisioning), Mahindra & Mahindra Financial Services (+40% on healthy operating performance and asset quality improvement), Cummins India (+35% improved outlook on higher domestic growth) and Varun Beverages (+31% on faster than expected recovery in revenues). Key detractors were Bayer Cropsciences (-7%) and IPCA Laboratories (-6%) on weak September quarter results.

The Fund exited its positions in V Guard and UTI Asset Management during the month due to better prospects elsewhere. New positions were initiated in Godrej Properties (pick up in property market), Jindal Steel & Power (continued improving outlook for steel) and IDFC (potential beneficiary of the RBI Committee recommendations).

Covid-19 cases in India have crossed 9.6 mn while total recovered cases crossed 9.0 mn. Active cases are however 59% below peak levels and cumulative test positivity rate now stands at 6.6% versus 9% at the peak.

Economic indicators remained mixed during the month. GDP growth in the September quarter came in ahead of expectations, falling 7.5% yoy but improving 22% on a sequential basis. Most high frequency indicators showed a slow down largely due to more holidays on account of the festive season. Composite PMI fell by 1.7 points to a still solid 56.3 in November, after rising for three successive months. During the month, daily average electricity consumption was 3% higher yoy. IMPS and UPI payments, along with NETC transactions, were all at an all time high in November. The number of daily average e-waybills generated was lower in November (1.8 mn per day) compared to October (2.1 mn per day). Inflation surged to a 6 year high of 7.6% in October on account of elevated food inflation due to unseasonal rains.

Rupee (+0.1%) underperformed its emerging market peers as represented by the JPM EM FX which rose 3.8% during the month. Foreign exchange reserves continued its upward march and hit a record high of USD 575 bn during the month.

On the policy front, the Government announced another set of measures at an additional fiscal cost of INR 1.46 trn focused more on boosting urban consumption, infrastructure and Covid affected sectors. Also, the loan guarantee scheme was extended to 26 stressed sectors and healthcare. In its early December monetary policy meeting, the RBI signalled the continuation of an accommodative monetary policy. Rates were left unchanged even as GDP growth forecast for FY21 was upgraded by 200bps to -7.5% and H2 FY21 inflation forecast hiked by 130bps to 6.3%.

The September quarter result season turned out to be a stellar one for the Fund. Aggregate revenue for the Fund's portfolio rose 2.6% yoy as compared to a decline of 6.7% for Nifty 50 corporates. Aggregate profit after tax for the portfolio grew at a healthy 21.6% yoy as compared to 17% growth for the Nifty 50.

Indian equities were upbeat during the month supported by strong foreign investment flows which hit a monthly record of USD 8.3 bn. We remain positive on the medium and long term prospects of the Indian economy.

#### Active Stock Exposures (%)

Sectors	Sundaram India Midcap	Nifty Midcap 100 TR Index	Active Exposure
<b>Overweight</b>			
Ramco Cements	4.1	1.4	2.8
Honeywell Automation	2.5	—	2.5
Indraprastha Gas	2.2	—	2.2
Sundaram-Clayton	2.2	—	2.2
Cummins India	2.9	0.9	2.0
<b>Underweight</b>			
Shriram Transport	—	2.4	-2.4
Yes Bank	—	1.6	-1.6
Page Industries	—	1.6	-1.6
REC	—	1.3	-1.3
Tata Power Co	—	1.3	-1.3

Active exposure is relative to benchmark.

#### Active Sector Exposures (%)

Sectors	Sundaram India Midcap	Nifty Midcap 100 TR Index	Active Exposure
<b>Overweight</b>			
Industrials	18.7	12.8	6.0
Consumer Staples	6.9	2.5	4.3
Information Technology	4.3	2.5	1.8
Materials	14.9	13.4	1.5
Consumer Discretionary	21.1	20.4	0.7
<b>Underweight</b>			
Financials	16.5	24.3	-7.8
Utilities	2.2	6.0	-3.8
Communication Services	1.5	3.6	-2.1
Real Estate	0.4	2.3	-2.0
Health Care	10.3	11.9	-1.6
Energy	0.0	0.4	-0.4

#### Risk Metrics\*

Parameter/Period	One Year	Three Year	Since Launch	Parameter/Period	One Year	Three Year	Since Launch
<b>Sharpe Ratio</b>				Standard Deviation	38.07	25.11	20.46
Fund	0.23	-0.21	0.28	Beta	0.89	0.85	0.88
Nifty Midcap 100 TR	0.42	-0.04	0.32	Alpha	-7.15	-4.51	-0.58
MSCI India TR#	0.26	0.19	0.19	Information Ratio	-1.10	-0.61	-0.23
<b>Sortino Ratio</b>				Tracking error	8.30	7.13	6.27
Fund	0.19	-0.23	0.29	Treynor ratio	9.68	-6.30	6.52
Nifty Midcap 100 TR	0.40	-0.04	0.36	Correlation	0.98	0.97	0.96
MSCI India TR#	0.25	0.21	0.23				

\*Ratios based on INR returns

Analysis: Sundaram Asset Management

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\*\* The index reference of the Sundaram India Midcap Fund has changed from S&P BSE Midcap Index-TR to Nifty Midcap 100 Index-TR with effect from 1 July 2020. The Nifty Midcap 100 Index-TR is a better representative of the constituents and positioning of the Fund as it contains a much smaller representation of large cap stocks compared to the S&P BSE Midcap Index-TR. This change is also in line with the change effected by the parent, Sundaram Asset Management Company Limited, for funds with similar investment objectives.

#### 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).