

**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

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

**AUM:** US\$ 158.0 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.

**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)	7,758
Weighted Average Market cap	2,142
Median Market Cap	1,896
Largest-value stock by market cap	5,570
Smallest-value stock by market cap	42

Source: Bloomberg Analysis: Sundaram Asset Management

### Distribution History

Ex-Date	Distribution
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 30 September 2019, unless specified

### USD Returns (%)

Period	Fund	S&P BSE Mid Cap TR Index	Excess return	MSCI India TR Index	Excess return
1 Month	5.9	6.0	-0.1	3.1	2.9
Year to Date	-6.5	-9.1	2.6	2.1	-8.6
1 Year	-0.2	-0.9	0.8	4.7	-4.9
3 Years	-0.8	1.4	-2.2	6.5	-7.3
Since Inception*	6.5	5.6	0.8	3.5	2.9

\* 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 30 September 2019  
Data Source: Bloomberg Analysis: Sundaram Asset Management

### Fund Manager Comments

During the month, the Fund performed in line with the S&P BSE Midcap Index while outperforming the MSCI India index. Performance was boosted in particular by strong double digit gains in IICICI Securities, Whirlpool, PVR, P&G India and Sundaram Clayton, largely on the back of perceived benefits accruing from the corporate tax cut.

Economic data continued to remain mixed. July Industrial Production came in above expectations at 4.3% yoy but June numbers were revised down from 2% to 1.2% yoy. Composite PMI hit a 19 month low in September as the Services PMI dipped below the crucial 50 level mark. Auto sales remained weak, falling by double digits in September across most categories on a year on year basis. On a month on month basis however, most categories showed solid improvement, raising expectations for the ongoing festive season. GST collections disappointed, dipping to a 18 month low in September. Inflation remained subdued, coming in flat at 3.2% yoy in August. The monsoon season finished on a strong note with cumulative rainfall 10% above its long term average and total crop area under cultivation flat yoy.

Rupee was firmer during the month, rising 0.8% mom versus the US Dollar, marginally outperforming its emerging market peers as represented by the JPM EM FX. August trade deficit was flat mom, coming in line with expectations. June quarter current account deficit, at 2% of GDP, was ahead of expectations.

On the policy front it was another busy month. During the month, the Government announced meaningful cuts in corporate taxes for domestic companies reducing the peak corporate tax rate (excluding cess and surcharge) to 22% from 30%. Minimum Alternate Tax (MAT) was also reduced from 18.5% to 15%. The estimated revenue loss on account of these measures is Rs. 1.45 trn, about 0.7% of GDP. The Government also reversed the increased surcharge on capital gains from sale of equities introduced in the July budget. In its early October meeting, the RBI cut policy rates for the fifth consecutive time, taking the cumulative cuts for the year to 135 bps. They also reduced their growth expectations for FY20 sharply, from 6.9% to 6.1%.

Market was buoyant during the month enthused by the corporate tax cuts. We remain positive on the medium and long term prospects of the Indian economy. The fund portfolio is currently trading at 20.5x March 2021 internally estimated earnings, with an average RoE of 15.4% and an average estimated annual earnings growth of 19.5% over the next 2 years.

### Active Stock Exposures (%)

Stocks	Sundaram India Midcap	S&P BSE Mid Cap	Active Exposure
<b>Overweight</b>			
Trent	4.3	—	4.3
Ramco Cements	4.5	1.3	3.2
Honeywell Automation	3.6	0.9	2.8
Schaeffler India	2.5	—	2.5
Varun Beverages	2.3	—	2.3
<b>Underweight</b>			
Divi's Laboratories	—	2.9	-2.9
Colgate-Palmolive India	—	2.8	-2.8
Bajaj Holdings & Invest.	—	2.5	-2.5
Shriram Transport Finance	—	2.5	-2.5
Container Corp Of India	—	2.3	-2.3

Active exposure is relative to benchmark.

### Active Sector Exposures (%)

Sectors	Sundaram India Midcap	S&P BSE Mid Cap	Active Exposure
<b>Overweight</b>			
Industrials	20.9	12.7	8.2
Consumer Discretionary	19.2	16.2	3.0
Information Technology	5.5	3.9	1.6
Materials	10.5	9.2	1.3
<b>Underweight</b>			
Financials	19.4	27.2	-7.8
Health Care	7.1	10.5	-3.4
Utilities	3.6	6.7	-3.2
Consumer Staples	7.4	10.3	-2.9
Communication Services	1.4	2.5	-1.0
Energy	0.0	0.8	-0.8

### Risk Metrics\*

Parameter/Period	One Year	Three Year	Since Launch	Parameter/Period	One Year	Three Year	Since Launch
<b>Sharpe Ratio</b>				Standard Deviation	15.5	15.3	15.9
Fund	-0.5	-0.3	0.3	Beta	1.0	0.9	0.9
S&P BSE Midcap	-0.6	-0.1	0.3	Alpha	0.6	-2.8	0.4
MSCI India	-0.4	0.2	0.1	Information Ratio	0.2	-0.5	0.0
<b>Sortino Ratio</b>				Tracking error	3.4	5.1	5.3
Fund	-0.9	-0.4	0.4	Treynor ratio	-8.6	-5.1	4.5
S&P BSE Midcap	-1.0	-0.2	0.4	Correlation	1.0	1.0	1.0
MSCI India	-0.5	0.3	0.1				

\*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).