

# ACTIVE ETF CODE: IAEF

*India Avenue Equity Fund*

## WHY INDIA?

- GDP growth has averaged over 6% since 1991, when liberalisation of the economy began. India's GDP growth should lead other developed and emerging economies over the next two decades.
- Currently India is the world's 5th largest economy and this should rise to 3rd during this decade, only behind the US and China.
- India's growth is underpinned by attractive demographics of 1.4 billion people, with an average age of 29 years. India's working age population will contribute 22% of the global workforce by the end of this decade
- According to the IMF World Economic Outlook (October 2024) GDP (nominal) per capita of India in 2025 is projected at US\$2,937 at current prices.
- India's economy and equity markets have low correlation to other economies and equity markets due to its unique demographics
- India is urbanising, financialising, formalising and digitising – all factors which are accelerating productivity and growth
- There is increasing spend on infrastructure by the government and corporations, which is leading to lower costs of doing business, increasing appeal for foreign investors and improving productivity
- A focus on 'Make in India' is leading to India becoming an export economy which is more resilient and self-reliant. India's economic prominence is rising as global supply chains diversify and new partnerships are built among nations
- Significant opportunity for India's listed companies to partake in this growth as corporate balance sheets are robust given low debt and strong cash flows.
- Several companies are experiencing strong compounding growth through rising addressable market size and competitive advantages.

[indiaavenue.com.au](https://indiaavenue.com.au)

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# INDIA AVENUE

India Avenue is a boutique investment firm, domiciled in Sydney and Mumbai, with a focus on India as an investment destination. Our investment solutions are built to allow our clients to participate and benefit from India's multi-decade growth story. Our firm was set up in 2015 and now has accumulated approximately A\$150m of assets. Our founders, who worked together at ING Investment Management, have an accumulated 100 years plus of experience.



## WHY INDIA AVENUE? ➤

- Our Founders have collectively over 100 years of investing and operational experience when it comes to Indian equity markets
- Our firm has a singular focus on India as an investment destination for Australian and New Zealand clients. This allows us to help our clients think about how to “position” India in their investment portfolios
- Our Fund now has a track record which spans over 8 years
- Our advisory partnerships with locally based, highly skilled investors (in our opinion) allow us to build portfolios with our advisers embedded acumen and insights, for the benefit of our investors.



# HARNESSING INDIA'S GROWTH



## OUR PHILOSOPHY

- India will be a high GDP region relative to other developed and developing countries over the next two decades at least
- Active investors in India's equity markets are more likely to prosper, as we believe there is significant opportunity for those undertaking primary research to benefit, relative to those investing passively
- Partnering with locally based asset managers by benefitting from their stock selection capabilities through an advisory structure is crucial in building robust investment portfolios

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## OUR FUND

- Invests in a range of 60-80 companies listed predominantly on India's stock exchanges
- Is actively managed and diversified across a spread of sectors, industries, and companies
- Has a bias towards mid and small cap companies relative to its benchmark, given our focus is to invest in not only large well-established companies but also find growth companies at an earlier stage of their addressable market growth. Typically, this would be prior to "discovery" by large institutional investors.

# HOW TO INVEST



## ACTIVE ETF FACTS

### INDIA AVENUE EQUITY FUND

|                                     |                                                                                                                                                                                          |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>No. of Stocks</b>                | 60-80 Indian companies, listed on predominantly on Indian Stock Exchanges                                                                                                                |
| <b>Benchmark</b>                    | MSCI India (Net) in AUD                                                                                                                                                                  |
| <b>Objective:</b>                   | To outperform the benchmark over rolling 5-year periods                                                                                                                                  |
| <b>Valuation &amp; Liquidity:</b>   | Exchange Traded                                                                                                                                                                          |
| <b>Investment Manager:</b>          | India Avenue Investment Management Australia Pty Ltd                                                                                                                                     |
| <b>Responsible Entity:</b>          | Equity Trustees Limited                                                                                                                                                                  |
| <b>Administrator and Custodian:</b> | Apex Fund Services Pty Ltd                                                                                                                                                               |
| <b>Fund Auditor</b>                 | KPMG Australia                                                                                                                                                                           |
| <b>Management Fees &amp; Costs:</b> | 1.10% of Net Asset Value and a Performance Fee, when the Fund's investment performance exceeds of the MSCI India Index (Net) in AUD, of 10% of the excess. The Fund has a high watermark |

### FUND CONSTRAINTS

**Maximum Stock Weight : 10%**

**Maximum Cash Weight : 30%**

# DISCLAIMER

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the India Avenue Equity Fund ("the Fund"). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). The Investment Manager for the Fund is India Avenue Investment Management Australia Pty. Ltd. ("IAIM") (ABN 38 604 095 954), AFSL 478233. This publication has been prepared by IAIM to provide you with general information only. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Equity Trustees, IAIM nor any of their related parties, their employees, or directors, provide any warranty of accuracy or reliability in relation to such information or accept any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product.

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India Avenue Equity Fund's Target Market Determination is available on our website:

[www.indiaavenueinvest.com/our-fund](http://www.indiaavenueinvest.com/our-fund)

A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

