India Avenue
Investment Management

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

- GDP-per-capita should rise from the current US$2,600 as productivity, driven by recent reforms, improves. India is currently 16 years behind China on this measure.
- 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

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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$100m of assets. Our founders, who worked together at ING Investment Management, have an accumulated 100 years plus of experience.

WHY INDIA AVENUE?

Knowledge

We reduce the risk of investing in India's capital markets by passing on knowledge to our client network through:

- ✓ Fact Sheet
- ✓ Webinars
- ✓ Research Notes
- ✓ Media
- ✓ Grassroots Tours
- ✓ Access to Local Network

Portfolio Insights

Through our connectivity and network in India, proximity to our investors and our founder's wealth management experience, we can provide insights on the following questions:

- ❑ Why and how much India in client portfolios?
- ❑ What role does an allocation to India play in portfolios?
- ❑ How to implement a long-term positive view on India?
- ❑ When is the right time to invest?

Partnerships

1. We recognise that local stock picking skillsets are essential when investing in India's equity markets.
2. We build strong advisory partnerships through careful selection of locally based fund managers in India.
3. Through our "mandated" advice agreements with our selected partners we build a robust portfolio

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INVESTING IN INDIA’S GROWTH

WITH INDIA AVENUE

OUR PHILOSOPHY

- India with 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 50-70 companies listed on India’s stock exchanges
- Diversified spread of sectors, industries and companies
- We seek to invest in growth companies, but are cautious of valuations
- The fund has a mid and small cap bias relative to its market-cap weighted benchmark. Typically India’s large cap stocks tend to be ‘over-researched’ and ‘over-owned’ due to substantial broker coverage and foreign and institutional ownership

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HOW TO INVEST

Lonsec : Recommended[1]

FUND FACTS

FUND DETAILS – INDIA AVENUE EQUITY FUND

No. of Stocks : 50-70 companies listed on Indian Stock Exchanges
Benchmark : MSCI India (Net) in AUD
Objective : To outperform the benchmark over rolling 5-year periods
Valuation & Liquidity : Daily
Planned Access Routes : PDS, Select Platforms, m-Fund
Responsible Entity : Equity Trustees Limited
Administrator : Apex Group
Custodian : BNP Paribas (India) / Apex (Australia)
Fund Auditors : KPMG Australia

FEE'S

M Class ($50k minimum) : 1.10% MER + 10% performance fee*
H Class ($10k minimum) : 1.50% MER + 10% performance fee*
L Class ($50k minimum) : 0.95% MER + 15% performance fee*
*performance fees are subjects to a high watermark

FUND CONSTRAINTS

Maximum Stock Weight : 10%

Maximum Cash Weight : 30%

Maximum Futures Exposure : 20%

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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.

Any and all forward looking statements are expressions of our intent, belief or current expectations with respect to market conditions. Readers are cautioned not to place undue reliance on these statements. 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. You should consider its appropriateness regarding your particular objectives, financial situation and needs and consider obtaining independent advice
before making any financial decisions.

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

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