

Commentary on Equity Markets

The MSCI India Index started the month at 17.81 and closed at 17.79, decreasing by 0.2% over the month. As per latest data, FIIs were net buyers in Equity with inflow of USD 2.03 Bn and net sellers in Fixed Income with outflow of USD 0.83 Bn. Domestic Institutions were net sellers in equities with net outflow of USD 0.08 Bn in the month

Commodities and Inflation

NYMEX Crude Oil prices rose by ~6.4% from the previous month levels, ending at 57.22 per barrel; the prices were lower by ~7.2% yoy. LME closed at 3058.0 higher by 3.7% over the month (lower by ~8.4% yoy). Gold prices closed at USD 1324.65/oz marginally higher over the previous month (higher by ~0.36% yoy). The USD Index rose by ~0.6% vs. other currencies over the month; over the year the USD Index was higher by ~6.1%.

January CPI at 2.05% came in lower than the revised 2.11% seen in December reflecting comfort on cost push as well as demand pull inflation. Supply side pressures remained contained with food inflation declining further while oil and INR remained stable. Core inflation came off to a fiscal year low of 5.38% (compared to 5.67% in December) supported by lower retail fuel prices (petrol & diesel). The steep uptick seen in two specific services, viz. 'Health' & 'Education' in the past two months has reversed and this further supported lower core pressures. April-January core inflation and headline CPI have averaged 5.94% and 3.6% respectively. Headline inflation is likely to remain subdued until food prices pick up.

Markets & Real Economy

December IIP at 2.4% came in higher than lower revised 0.3% seen in November. The previous two months (October: 8.4% and November: 0.3%) production data had reflected the festive demand surge and correction post that. December IIP marked normalization of the trend. April-December IIP stands at 4.6% v/s 3.7% seen in the same period of FY18. Mining, Manufacturing and Electricity grew -1%, 2.7% and 4.4% respectively. Primary goods (-1.2%) marked the first contraction in 18 months with negative contribution from petrol and diesel. Capital goods (5.9%) marked expansion in seasonally adjusted activity while Intermediate goods (-1.5%) declined. Infrastructure goods (10.1%) remained healthy with Consumer durables (2.9%) and non-durables (5.3%) turning positive post contraction in November.

As per the latest RBI data, Forex reserves position improved to USD 399.22 Bn over the month. The Rupee remained flattish over the month closing at 71.1025 Rs/USD vs. 71.1690 Rs/USD last month

Sector-wise Performance

Key outperforming sector during the month was Automobiles. Stocks within the sector have seen underperformance over the previous couple of months as volumes remained muted due to the impact of higher fuel prices / interest rates, insurance cost increase, and muted festival season. This led to inventory correction by dealers driving low primary sales for manufacturers. However, post the sharp correction in the stock prices, valuations now appear to be reasonable. Also, margins are likely to improve going ahead as benefit of low commodity prices starts to play out. Expectations of a pick-up in volumes, improvement in margins and reasonable valuations have driven outperformance for the sector during the month. We believe that the overall low penetration levels in India compared to global standards shall act as a long term driver for growth and remain positive on the sector as a long term play on India's economic growth and rising income levels.

Key underperforming sector during the month was Consumer Goods. While the sector continues to deliver healthy volume growth, there was some pressure seen on the margins due to raw material cost pressures. Given that the valuations within the sector were on the higher side, there was some selling pressure witnessed during the month which led to underperformance for the sector. We continue to believe that the sector is best placed to benefit from the long term growth in the economy and rise in living standards. We continue to remain positive on the sector

Key Stock Movements

Yes Bank Ltd – The stock has rallied sharply during the month as Yes Bank received the risk assessment report from RBI which observed Nil divergences in the Bank's asset classification and provisioning from the RBI norms for FY2018. This comes as a big positive for the bank as it removes all uncertainty regarding classification of non-performing assets. The appointment of MD & CEO Mr. Ravneet Gill is also a big positive for the bank as the former MD & CEO Mr. Rana Kapoor's term expired in January. The biggest overhangs on the stock in the

recent past were concerns on asset quality and the continuity of the top management which have now been addressed. We maintain our positive view on the bank.

La Opala RG Ltd – The stock has been under pressure as demand environment has remained muted and volume growth has been below expectations. Also, there is a concern of increasing competition within the opal ware category. However, we believe that the opportunity for growth for the category is large as the penetration levels are low, and there is scope for multiple players to grow. Also, the company is putting up new capacities which shall become operational within the next 12 months driving further growth. We are using the current weakness in the stock price to build up exposure gradually.

Market Outlook

A budget with a clear focus on providing growth impetus to the economy through support for the agriculture sector and higher discretionary income in the hands of the middle class failed to enthuse the equity market as investors remain on the sideline waiting to see outcome of the general elections. Corporate results for Q3FY19 presented a mixed bag with no clear-cut evidence of a broad based recovery. Towards the end of the month, tensions between India and Pakistan due to a pre-emptive non-military strike by the Indian Air Force of terrorist camps in Pakistan and retaliation by the Pakistan Air Force led to some nervousness in the market. While market may remain volatile in the near term due to this, we believe that the probability of the current situation escalating into a full blown war is very low and the long term fundamental drivers of the economy shall continue to lead. We would also like to emphasize that India is a large and stable economy with the ability to absorb such minor skirmishes without any material impact on the core growth potential. To re-iterate, at the current point in time, probability of an escalation seems very low and as such, we would encourage investors to keep focusing on the long term growth potential of the Indian economy.

	USD Institutional	USD RDR	USD Retail
ISIN	IE00BYPC7R45	IE00BYPC7S51	IE00BYPC7Q38
	Euro Institutional	Euro Retail	GBP RDR
ISIN	IE00BYPC7T68	IE00BDH6RQ67	IE00BDH6RR74

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Austria

Erste Bank der oesterreichischen Sparkassen AG (the "Paying Agent") having its registered office at OE 01980869, AM Belvedere 1, A-1100 Wien, Austria has been appointed as the paying agent and information agent in Austria in accordance with sec. 141 para 1 of the IFA 2011. Investors may seek further information as to the subscription and redemption procedure applicable to the Fund from the Paying Agent.

Finland

The Funds are established under the laws of the Ireland and are marketed in Finland in accordance with Chapter XI of Directive 2009/65/EC as transposed into national legislation, including Section 128 of the Finnish Act on Mutual Funds (48/1999, as amended) unless otherwise stated herein.

France

The Fund has been authorised for sale in France by the Autorité des Marchés Financiers. The centralising correspondent in France is CACEIS Bank, located at 1-3, place Valhubert, 75013 Paris. The Fund's Prospectus, key investor information document (KIID), most recent annual reports, half-yearly reports and Articles of Incorporation may be obtained from CACEIS Bank.

Germany

Germany

The Bundesanstalt für Finanzdienstleistungsaufsicht (Federal Agency for Financial Services Supervision) has been notified pursuant to Sec. 132 Investmentgesetz (Investment Act) of the intention to publicly distribute Shares of the Fund in the Federal Republic of Germany. The legal documents can be obtained in German, free of charge, from the information agent. The Information Agent in Germany is GerFIS - German Fund Information Service UG (haftungsbeschränkt), Zum Eichhagen 4, 21382 Brietlingen, Germany.

Guernsey

UTI International Ltd, Guernsey (UTI IL) is a regulated entity in Guernsey, governed by Guernsey law, and is under the Protection of Investors (Bailiwick of Guernsey) Law 1987.

Hong Kong

The distribution of this document/ the prospectus / KIID or any marketing material ("this material") of the Fund ("the Fund"), may only be made in Hong Kong in circumstances that do not constitute an issue, invitation or offer to the public under the Hong Kong Securities and Futures Ordinance ("Securities and Futures Ordinance"). This material is confidential to you. The contents of this material have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offering of the shares described in this material. If you are in any doubt about any of the contents of this material, you should

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Ireland

The Fund is an open-ended investment company with variable capital incorporated with limited liability in Ireland under the Companies Acts, 1963 to 2012 with registration number 516063 and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011). The Fund is both authorised and supervised by the Central Bank. Authorisation of the Fund by the Central Bank shall not constitute a warranty as to the performance of the Fund and the Central Bank shall not be liable for the performance or default of the Fund. The authorisation of the Fund is not an endorsement or guarantee of the Fund by the Central Bank and the Central Bank is not responsible for the contents of the Prospectus of the Fund.

Luxembourg

The Fund is established under the laws of Ireland and is marketed in Luxembourg in accordance with Chapter XI of Directive 2009/65/EC as transposed into national legislation, including Chapter 7 of the Luxembourg Law dated 17 December 2010 relating to undertakings for collective investment (as amended) unless otherwise stated herein.

CACEIS BANK, LUXEMBOURG BRANCH having its registered office at 5, allée Scheffer, L-2520 Luxembourg, Grand-Duchy of Luxembourg, acting as a branch of CACEIS BANK, a public limited liability company (société anonyme) incorporated under the laws of France, has been appointed as paying agent and representative agent in Luxembourg for the Fund. Shareholders resident in Luxembourg may request the subscription and redemption of Shares and the payment of distributions in accordance with the provisions of the Prospectus directly from the Fund or via the Paying Agent.

Luxembourg relevant taxation aspects as well as other additional information for Investors in Luxembourg can be found in the Luxembourg Country Supplement, which forms part of, and should be read in conjunction with the Fund Prospectus.

Netherlands

UTI Goldfinch Funds Plc is a UCITS umbrella fund passported to offer participations in the UTI India Dynamic Equity Fund (the "Sub-Fund") in the Netherlands. The Company and the Sub-Fund are registered with the Dutch Authority for Financial Markets (Autoriteit Financiële Markten). The register can be consulted through www.afm.nl/registers. The Company's prospectus, key investor information document (KIID), most recent annual reports, half-yearly reports and Articles of Incorporation are available at www.utifunds.com.sg

Singapore

The Fund is a recognised scheme under the Securities and Futures Act, Chapter 289 of Singapore ("SFA"). A copy of the Singapore Prospectus has been lodged with and registered by the Monetary Authority of Singapore ("MAS"). Investors from Singapore must read the Singapore prospectus and the product highlights sheet before making any investment decision. The MAS assumes no responsibility for the contents of the Singapore Prospectus. Registration of the Singapore Prospectus by the MAS does not imply that the SFA or any other legal or regulatory requirements have been complied with. The MAS has not, in any way, considered the investment merits of the Company. The distribution of this Singapore Prospectus and the offering or sale of the Shares in the Company in some jurisdictions may be restricted or prohibited. Persons who have possession of the Singapore Prospectus of the Fund must inform themselves about and observe such restrictions or prohibitions.

Switzerland

The Company is authorized for public distribution in and from Switzerland by the Swiss Financial Market Supervisory Authority ("FINMA"). Investors from Switzerland should read the Consolidated Prospectus for use solely in Switzerland. The representative and paying agent in Switzerland is RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Bleicherweg 7, CH-8027 Zurich, Switzerland (the "Representative"). In Switzerland, the funds prospectus, Key Investor Information Document (KIID), the articles of association, the annual and semi-annual reports may be obtained free of charge from the Representative. In respect of the units distributed in and from Switzerland, the places of performance and jurisdiction is the registered office of the Representative.

Sweden

The Funds are registered in Sweden pursuant to Chapter 1, Section 7 of the Swedish Investment Funds Act ((Sw. lag (2004:46) om värdepappersfonder) and the Funds may be marketed and distributed in Sweden. Prospectuses, key investor information document (KIID), most recent annual reports and, where applicable, half-yearly reports published thereafter, are provided or sent free of charge to any investor intending to invest in the Funds. Prospectuses and KIID of the Funds may also be obtained from the Fund's Paying Agent in Sweden at MFEX Mutual Funds Exchange AB, Grev Turegatan 19, Box 5378, SE-114 38 Stockholm, Sweden. Tel: +46 (0)8 559 03 600 / Fax: +46 (0)8 545 186 29.

Spain

The UTI Goldfinch Funds Plc, SICAV is duly registered in the CNMV official registry of foreign collective investment institutions as authorised to be marketed to the public in Spain with number 1668. In Spain, any investment must be made through the authorised distributors and on the basis of the information contained in the mandatory documentation that must be received from the authorised distributor of the SICAV prior to any subscription, or that may be obtained from the CNMV registries.

United Arab Emirates

The Fund is registered with the Securities and Commodities Authority ("SCA") of UAE as a foreign investment fund. The fund can be offered and marketed by licenced distributor who has individually obtained approval from SCA to distribute this Fund. The information on the list of licenced distributor for this fund will be available from the investment manager of the Fund.

U.K

Any financial promotion contained herein, as defined by UK regulations, has been approved by UTI International Limited (FCA no:183361); a firm authorised and regulated by the Financial Conduct Authority ("FCA") U.K. The Fund mentioned herein has been recognised by the FCA pursuant to section 264 of the FSMA. Facilities Agent is UTI International Limited, 120 New Cavendish Street, London W1W 6XX, United Kingdom. Copies of the legal

documents can be obtained in English, free of charge, from the Facilities Agent at 120 New Cavendish Street, London W1W 6XX, United Kingdom. The promotion of the Company in the United Kingdom can be carried out by persons authorized to carry on investment business in the United Kingdom under the FSMA and is not subject to the restrictions on promotion contained in section 238 of the FSMA. The FCA has not approved and takes no responsibility for the contents of the Prospectus or the UK Country Supplement or for any document referred to in them, nor for the financial soundness of the Fund or for the correctness of any statements made or expressed in the Prospectus or the UK Country Supplement or any document referred to in them.

United States of America

The Shares have not been nor will they be registered under the U.S. Securities Act of 1933, as amended (the "1933 Act"), or registered or qualified under the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any "U.S. Person" (as defined in Regulation S under the 1933 Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state securities laws. Neither the Company nor any Fund will be registered under the U.S. Investment Company Act of 1940, as amended (the "1940 Act"), pursuant to Section 3(c)(7) of the 1940 Act. Accordingly, Shares will only be sold to "U.S. Persons", as defined in Regulation S under the 1933 Act, who are "qualified purchasers", as defined in the 1940 Act or the regulations thereunder, or as otherwise consistent with Section 3(c)(7) of the 1940 Act. Each subscriber for Shares that is a U.S. Person, as defined in Regulation S under the 1933 Act will be required to certify that it is both an "accredited investor" as defined in Regulation D under the 1933 Act and a "qualified purchaser" as defined in Section 2(a)(51) of the 1940 Act or the regulations thereunder. The qualifications for an "accredited investor" and a "qualified purchaser" are set out in detail in Appendix III to this Prospectus. The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "SEC") or any state securities commission, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful. The Directors do not intend to permit Shares of any Fund of the Company acquired by investors subject to the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and by other benefit plan investors, as defined in ERISA, to equal or exceed 25% of the value of any such Class (determined in accordance with ERISA). Accordingly, each prospective applicant for Shares will be required to represent and warrant as to whether and to what extent he is a "benefit plan investor" for the purposes of ERISA. For additional information on investments by U.S. Persons, including certain U.S. securities law, U.S. federal tax, and ERISA and other benefit plan considerations, please see Appendix III to this Prospectus.

Other jurisdictions

The distribution of this document of the Fund or Prospectus of the Fund and the offering of Shares of the Fund may be restricted in certain jurisdictions. This document or the Prospectus of the Fund does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorised or the person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of this document or the Prospectus of the Fund and of any person wishing to apply for Shares of the Fund to inform himself of and to observe all applicable laws and regulations of the countries of his nationality, residence, ordinary residence or domicile

This advertisement has not been reviewed by the Monetary Authority of Singapore.