

Commentary on Equity Markets

The MSCI India Index started the month at 19.00 and closed at 18.39, decreasing by 3.3% over the month. As per latest data, FIIs were net buyers in Equity with inflow of USD 2.05 Bn compared to outflow of USD 1.92 Bn seen last month. FIIs sold USD 1.12 Bn in Indian debt compared to outflow of USD 0.42 Bn last month. Domestic Mutual Funds were net buyers in equities with net buying of USD 0.76 Bn in the month.

Commodities and Inflation

NYMEX Crude Oil prices rose by ~5.4% from the previous month levels, ending at 64.94 per barrel; the prices were higher by 28.3% yoy. LMEZ closed at 3204.8 lower by 4.04% over the month (higher ~12.1% yoy). Gold prices closed at USD 1327/oz higher by ~0.6% over the previous month (higher by ~6.8% yoy). The USD Index weekend vs. other currencies with USD falling ~0.7% over the month; over the year the USD Index was lower by ~10.3%.

February CPI at 4.44% was substantially lower than 5.06% seen in January. CPI index reflects a sharp fall in the food index, a flat fuel index and an uptick in core index. The key drivers of February inflation were: (1) pass through of lower vegetable prices (2) flat fuel index balanced by higher electricity & kerosene prices and lower LPG and firewood inflation, (3) positive core momentum largely led by higher petrol & diesel and gold prices and (4) higher rent inflation driving a higher housing index. The last two inflation readings have come in lower than RBI's projection of 5.1% for Jan-Mar quarter. The food index (-1.2% MoM) exhibited a decline in prices of vegetables (-7.3% MoM), sugar (-1.5%), pulses (-1.2%) as well as heavyweight item cereals (-0.1%). The Housing index (0.6% MoM) rose in trend with the Jan-Feb seasonality whereby rentals mark an upper reset. 'Transport & Comm' (0.8% MoM) reflected higher petrol & diesel prices. Core inflation remained flattish at 5.17% vs 5.14% in January. Core inflation ex-transport & comm inched up to 4.4%. All services barring education, viz. household goods, health, transport & comm., recreation and personal care saw higher MoM prices.

Markets & Real Economy

January IIP at 7.5% corroborated the trend seen in stronger core industries growth in H2FY18. The production print came a tad higher than expectations supported by a favorable base

effect and an overall expansion in activity. Mining, Manufacturing & Electricity grew 0.1%, 8.7% & 7.6% respectively. Use based classification indicated a healthy broad based growth, both on the investment and consumption side. Capital goods (14.6% YoY) gained from items such as bodies of trucks, separators and commercial vehicles. Consumer durables at 8% YoY (two wheelers reflecting rural demand) and non-durables at 10.5% YoY marked good growth. Primary goods (5.8% YoY) reflected growth in heavyweight items such as electricity and diesel. 5th consecutive growth in Intermediate goods (4.9% YoY) remains supportive of future production. Infrastructure/ construction goods (6.8% YoY) marked healthy growth in items such as cement.

As per the latest RBI data, Forex reserves position increased to USD 422.53 Bn over the month. The Rupee remained flattish closing at 65.14 Rs/USD vs. 65.175 Rs/USD last month.

Sector-wise Performance

Key outperforming sector during the month was Consumer Goods. The sector has remained resilient during the current phase of market correction given the robust long term growth potential for most consumption categories as well as low penetration levels. Companies within the consumer goods sector also boast of very healthy Balance Sheets and cash flow generation which makes them resilient to market downturns. We continue to remain positive on the sector and maintain exposure toward category leaders who continue to improve their market share on a secular basis. GST implementation is medium to long term positive for the sector as the organised players are gaining market share from the unorganised ones.

Key underperforming sector during the month was Metals. Global commodity prices fell sharply over the month as concerns of a trade war between US and China erupted after the US decided to impose restrictions on imports of steel and aluminium through higher tariffs. This has given rise to concerns of large exporters of these commodities, especially China, dumping their products in other global markets which will put pressure on prices. Stocks within the metals sector have reacted negatively to this development. This reaffirms our view that commodity companies are largely price takers and lack any fundamental capability to remain resilient to global developments. Given that

visibility both on pricing as well as profitability is very low for the sector, we continue to remain cautious on the sector.

Market Outlook

Global markets corrected sharply over the month and Indian market followed suit driven by concerns of a global trade war. The recent announcements of tariffs by US on steel and aluminium followed by 25% tariff on ~USD 60 bn Chinese goods stoked fears of a full blown global trade war leading to risk-off sentiment in the global markets. Donald Trump's views with respect to trade wars viz "trade wars are good and easy to win" have put to question America's position as the bastion of free trade and globalization. In response, China has imposed restrictions and increased tariffs by 15-25% on imports from US worth USD 3 bn, further fuelling the concerns. While no end to this posturing is visible, we do not see this as having an impact on the long term fundamentals for the Indian economy. While the possibility of a further correction cannot be ruled out, growth potential of the Indian economy continues to remain robust and a pick-up in the earnings growth momentum shall act the key driver for the market going ahead.

	USD Institutional	USD RDR	USD Retail	Euro	Euro Retail	GBP RDR
ISIN	IE00BYPC7R45	IE00BYPC7S51	IE00BYPC7Q38	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.

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 obtain independent professional advice. The Fund has not been authorized by the Securities and Futures Commission in Hong Kong pursuant to Section 104 of the Securities and Futures Ordinance nor has the offering memorandum been registered by the Registrar of Companies in Hong Kong pursuant to the Hong Kong Companies Ordinance ("Companies Ordinance"). Accordingly, unless permitted by the Securities and Futures Ordinance no person may issue or have in its possession for issue in Hong Kong this material or any other invitation, advertisement or document relating to the Participating Shares interests in the Fund to anyone other than (1) to professional investors within the meaning of the Securities and Futures Ordinance and any rules made there under, (2) to persons and in circumstances which do not constitute an invitation or offer to the public within the meaning of the Securities and Futures Ordinance or the Companies Ordinance, or (3) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the Securities and Futures Ordinance and the Companies Ordinance.

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.

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.

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.

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.