

Commentary on Equity Markets

The MSCI India Index gave a positive one month return of 10.13%. As per latest data, FII's were net buyers in Equity markets with inflow of USD ~7.18 Bn and net buyer in Fixed Income markets with inflow of USD ~0.64 Bn. Domestic Institutions were net sellers in equities with net outflow of USD ~4.95 Bn over the month.

Commodities and Inflation

NYMEX Crude Oil prices appreciated by 7% from the previous month levels, ending at 48.52 per barrel; the prices were lower by 20.5% yoy. LME closed at 3414.5, higher by 1.1% over the previous month (higher by 20.1% yoy). Gold prices closed at USD 1893.11/oz ~7.1% higher than the previous month level (higher by 24.3% yoy). The USD Index fell by 2.1% vs. other currencies over the month; over the year the USD Index was lower by 6.7%.

November CPI inflation moderated to 6.93% as against 7.3% in October on account of lower food prices (led by vegetables). Food inflation eased to 8.8% as prices of cereals, meat & fish and sugar & confectionery declined on a sequential basis. While prices of potatoes and onions continued to rise, they were more than offset by the decline in prices of other vegetables. Core inflation remained stable at 5.5%. Within core, while inflation in 'miscellaneous' items remained flat for the third consecutive month at 6.9%, inflation in 'housing' inched slightly lower at 3.2% (from 3.3% last month). Inflation in 'clothing and footwear', however, rose to 3.3% from 3.1% in October.

Markets & Real Economy

October IIP growth surprised on the upside, probably on account of support from festive season and pent-up demand. October IIP grew 3.6% as against an upward revised print of 0.5% for September, amid growing momentum. Manufacturing production grew 3.5% as against a fall of 0.2% in September, electricity production grew by 11.2% (4.9% in September) while mining activity fell 1.5% in October. The data as per the use-based classification points out that production of consumer durables saw a sharp increase of 17.6% (3.4% in September) on the back of festive and pent-up demand. Signs of recovery were also visible in the expansion across capital goods (3.3%) and the infrastructure/construction goods (7.8%). Meanwhile, production of consumer non-durables went up by 7.5%, while intermediate goods were almost at par with last year's levels. Production of primary goods registered a fall of 3.3%.

As per the latest RBI data, Foreign exchange reserves inched up to USD 580.84 Bn over the month. The USD depreciated by ~1.32% over the month closing at 73.07 Rs/USD vs. 74.04 Rs/USD last month.

RBI Monetary Policy

RBI's Monetary Policy Committee (MPC) kept the repo rate unchanged at 4%. The reverse repo was also left unchanged at 4.25%. All members of the MPC voted unanimously to continue the accommodative stance for as long as necessary, at least during the current fiscal year and into next fiscal year. The MPC projected headline CPI inflation at 6.8% for 3QFY21, 5.8% for 4QFY21,

and 5.2-4.6% for 1HFY22. Real GDP growth in FY21 is projected to be (-)7.5% (as compared to 9.5% de-growth estimated earlier), 0.1% in 3QFY21, 0.7% in 4QFY21, and in 1HFY22 between 21.9%-6.5%. RBI proposed to bring the 26 stressed sectors identified by Kamath Committee within the ambit of sectors eligible under the on-tap Targeted Long-Term Repo Operations (TLTRO), wherein banks are encouraged to avail funds from RBI under on-tap TLTRO and seek guarantee under Emergency Credit Line Guarantee Scheme to provide credit support to stressed sectors. This would enable increased flow of credit to the stressed sectors at a lower cost and ease the financial stress of borrowers. The accommodative stance adopted by the RBI shall aid a faster recovery towards normal for the Indian economy, especially by helping small and mid-size businesses with required liquidity to pass through the challenging period.

Sector-wise Performance

The key outperforming sector during the month was Information Technology. The positive momentum was driven by large deal announcements from Tier-1 Indian IT services players. While market leader TCS announced two large deals with Prudential Financial and Deutsche Bank in November, Infosys followed up the Vanguard deal announced in July with a deal with Daimler in December, and Wipro announced a deal with Metro AG, also in December. Indian IT services sector could be at the cusp of many such deals over the next 12-18 months as customers accelerate their digital transformation efforts. As several industries are undergoing significant transformations due to dramatic changes in business needs, competition and cost pressures which have accelerated due to the pandemic, there is an effort from customers to move to the Cloud and accrue benefits of being more agile, resilient, scalable and cost efficient. Indian IT services players shall benefit from this trend by building a deeper relationship with their customers and garnering a larger share of the customer's wallet. We remain positive on the sector.

The key underperforming sector during the month was Automobiles. Stocks within the sector have done well during previous months as revival in sales volume was much sharper than anticipated aided by some pent-up demand as well as festival period driven sales. As such, there was some profit booking visible in the sector during the month. Also, uptick in commodity prices could have an impact on the profit margins and the ability of automobile manufacturers to pass the same to customers by taking price hikes is an important factor in the near term. The penetration levels of automobiles in India is much lower than global standards which provides a healthy long-term growth potential. The industry is coming out of a cyclical downturn witnessed over the last couple of years and if volume growth sustains going ahead, the industry shall benefit significantly from operating leverage benefits. We remain positive on the sector.

Key Stock Movement

Crompton Greaves Consumer Electricals Ltd – Crompton Greaves Consumer Electricals was formed in October 2015 after the electrical and lighting business of Crompton Greaves Ltd was demerged into a separate company. Currently, the company has four business segments - fans,

lighting, pumps and electrical appliances. It is a market leader in fans and residential pumps segments with over 20% and 25% market share respectively. The company follows a robust strategy of investing in long term strategic initiatives like, (1) distribution and Go To Market initiatives, (2) creating new legs of growth in large durable categories, and (3) sustained product innovations to consolidate its position in existing product categories. The stock has outperformed on the back of robust revival in growth which is likely to sustain as demand momentum continues and company continues to garner market share from small/un-organized players. A potential revival in the real estate sector is also positive for the company. We remain positive on the company given its strategy to enter into large product categories where it has potential to reach the top two position, robust free cash flow generation and healthy return on capital.

3M India Ltd – 3M India is an industrial products company catering to a broad range of industries like automotive, energy, manufacturing, mining, transportation, consumer, etc with a wide product portfolio including abrasives, chemicals, safety products, home improvement, medical solutions, electrical solutions, etc. Its US parent, 3M Company, owns 75% stake in the company. The stock has corrected driven by profit booking as a rally during previous months had led to expensive valuations. We like the company as it is present in niche product categories and has displayed strong pricing power providing it the ability to generate consistent growth along with free cash flows. We remain positive on the company.

Market Outlook

A few jitters from new strains of the Covid-19 virus notwithstanding, the equity market continued to march ahead during the month as emergency usage authorization was granted to multiple vaccine candidates and vaccination exercises commenced in many parts of the world. Swift action from pharmaceutical companies to successfully develop a vaccine in a short span of time has boosted the expectations that the pandemic will be brought under control soon and normalization of economic growth will be achieved earlier than previously anticipated. In addition, stimulus plans by global central banks continue to ensure adequate liquidity in the system. On the domestic front, high frequency data-points indicate that the bounce-back from the bottom is sustainable. We continue to maintain that a sustained economic recovery, opportunities for Indian companies to cater to exports markets, and lasting benefits from cost efficiency measures are factors that can drive an earnings recovery. While valuations appear to be above fair value zone, earnings growth will be the key driver for the market going ahead.

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

Important Legal Information

This report has been supplied solely for use by the person to whom it is made available. The Company makes no representation with regard to the completeness and accuracy of the data or information contained herein, and it accepts no responsibility and disclaims all liability for loss or damage whatsoever suffered or incurred by any other person resulting from the use of, or reliance upon, the data or information contained herein. Certain information in this document has been provided by third-party sources and, although believed to be reliable, it has not been independently verified and its accuracy or completeness cannot be guaranteed. The content of the statement are for illustration/ information & discussion purpose only without regard to the specific objectives, financial situation and particular needs of any specific person who may receive this statement, such person may wish to seek advice from a financial adviser before committing to invest in any of the Fund. If such person chooses not to do so, he should consider carefully whether the investment is suitable for him.

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.

Denmark

The fund is registered with the Danish Financial Supervisory Authority and has appointed StockRate Asset Management A/S (company number 30729722) as the Danish Representative Agent for the marketing and distribution of fund units to retail and professional investors in Denmark. Investors may seek assistance regarding the subscription and redemption procedures, and other information such as prospectus, semi-annual and annual reports applicable to the fund from the Representative Agent at Sønder Jernbanevej 18D, DK-3400 Hillerød, Denmark.

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 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.

Italy

The fund has been registered with the Commissione Nazionale per le Società e la Borsa (CONSOB) for the offer to Professional Investors (as defined in applicable CONSOB regulations) only. The promotion of the Fund and the distribution of its offering documents in Italy should be restricted to professional investors only and cannot be made by any means which may constitute a public offer or is addressed to or could result in the involvement of the public.

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.

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

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. This is an advertising document.

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