

## 2021 Q3 Top 10 Performing Funds

Fund Name	Category	2021 Q3 Return (USD)	2021 YTD Return (USD)
BlackRock Global Funds - India Fund	India Equity	15.5	27.0
RAMS Equities Portfolio Fund - India Equities Portfolio Fund	India Equity	15.1	39.1
UTI India Dynamic Equity Fund	India Equity	13.6	29.1
Allianz Global Investors Fund - Allianz India Equity	India Equity	13.1	28.1
HSBC Global Investment Funds - Indian Equity	India Equity	12.4	26.4
Goldman Sachs India Equity Portfolio	India Equity	12.1	32.1
Franklin India Fund	India Equity	11.8	24.9
Amundi Funds - SBI FM India Equity	India Equity	11.6	21.5
iFAST-DWS India Equity Fund	India Equity	11.2	21.8
AIA India Equity Fund	India Equity	11.1	19.1

For funds available for sale in Singapore.

Source: Morningstar

**Highlights:** All top 10 performing funds of the quarter were India equity funds. India equity funds on average returned 9.72% during the third quarter of 2021.

### What's going on here?

The Covid-19 surge in India earlier this year appears to have limited impact on its financial market despite being one of the most trying times for the country in recent years. By August, India's equity emerged as the best performing stock market in Asia with its market capitalisation crossing USD 3 trillion.

A series of successful IPOs in India this year attracted significant domestic investor participation, unlocking domestic savings and diversifying the investor base. A robust start-up ecosystem in India is driving market growth. Just in the first eight months of this year, at least 24 startups have already made it to the list of unicorns (start-ups valued at US\$1 billion or more).<sup>1</sup>

### What should I be looking out for?

From a macro-economic perspective, India is in a strong position with record-high foreign exchange reserves, reasonable current account balance, and much improved corporate balance sheet. Current forex reserves (of around US\$641 billion) indicates that the country will be able to fund any outflow without any runaway currency depreciation.<sup>2</sup>

Over a longer term horizon, India's favourable demographic and rising GDP per capita bring about long term growth drivers for the country. India has a population of 1.3 billion, of which 63.5% are in the working age segment (15-59 years). India's 'demographic dividend' (defined by the United Nations Population Fund (UNFPA) as the growth potential that results from shifts in a population's

<sup>1</sup> Please see "Here Are The 24 Indian Startups That Entered The Unicorn Club In 2021," Inc24, 3 September 2021, <https://inc42.com/buzz/indian-startups-that-entered-the-unicorn-club-in-2021-in-india/>

<sup>2</sup> Reserve Bank of India, as of 10 September 2021

age structure) is expected to last until 2055. India's GDP growth per capital (CAGR) in the last 15 years to 2020 stood at 6.28%, higher than the emerging market average of 2.76% in the last 15 years.

### **Our recommended fund: UTI India Dynamic Equity Fund**

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