

Global Equities

October 2025 review



Liontrust India Fund



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Key highlights

- Indian equities delivered strong performance, supported by resilient macroeconomic fundamentals, festive season demand, and policy tailwinds.
- Financials sector holdings RBL Bank and IIFUL Finance among the top contributors.
- With credit growth ticking up and asset quality improving, we have increased the portfolio's financials weight.

Performance

The Liontrust India Fund returned 3.9% in sterling terms during October, compared with the MSCI India Index return of 7.0% and the 5.7% average return in the IA India sector (both of which are comparator benchmarks).

Commentary

Indian equities delivered strong performance in October, supported by resilient macroeconomic fundamentals, festive season demand, and policy tailwinds. Domestic investor confidence remained robust, offsetting foreign outflows of \$2.5 billion during the month. The GST 2.0 Reform (sales tax), aimed at boosting small and medium-sized enterprise competitiveness and consumption, was officially rolled out. The RBI chose to maintain a cautious stance and hold rates steady at 5.5% despite a positive Inflation print of 1.5%, the lowest in eight years.

Real estate, telecoms and technology led the market while consumer staples and consumer discretionary sectors lagged, giving back the gains in September.

Fund review

Healthcare, materials and real estate were the best performing sectors in the portfolio in October whilst consumer discretionary, communication services and information technology lagged. Consumer discretionary in particular saw profit taking following the strong performance in September. Financials performed in line as a sector,

although our holdings in **RBL Bank** (+21% in sterling terms) and **IIFL Finance** (+21%) were amongst the top contributors in the month.

Sify Technologies (-29%) was the largest drag over the month. The market is anticipating the spin off via IPO of the data centre subsidiary and lack of newsflow caused profit taking. We remain positive given that the sum of the parts is well above the current share price if we value the data centres on a global peer multiple.

Portfolio changes

Portfolio changes were largely limited to the financial sector where we increased our sector weight. Private banks have underperformed the market year to date, but with credit growth starting to tick up and asset quality issues improving, we saw an opportunity to increase our weight back to neutral. This proved timely given the positive contribution that the banks delivered over the month.

Outlook

Despite a slightly more positive October, India still significantly lags the broader emerging market index year to date as geopolitics, tariffs and the dominance of the AI theme have kept investor focus elsewhere. In our view, the risk is now to the upside as some of those issues could be resolved, including a US-India trade deal.

At the same time, domestic consumption has now returned to focus and could be an important growth driver for the economy with GDP estimates still above 6%. The recent GST rate cut and the central bank reduction of bank asset risk-weights are both signs in our view that the government acknowledges this and is willing to intervene with policy activity to stimulate domestic demand. Domestic investors also remain active, providing a cushion against foreign outflows.

The portfolio is well positioned currently and, whilst we remain vigilant for ongoing risks, we are confident of the high-quality growth potential of the current holdings.

Discrete years' performance (%) to previous quarter-end:

	Sep-25	Sep-24	Sep-23	Sep-22	Sep-21
Liontrust India C Acc GBP	-14.6%	23.7%	5.2%	4.0%	59.3%
MSCI India	-13.5%	27.7%	0.7%	8.8%	46.8%
IA India/Indian Subcontinent	-10.5%	23.9%	3.0%	5.8%	48.6%
Quartile	4	2	1	3	1

Source: FE Analytics, as at 30.09.25, primary share class, total return, net of fees and income reinvested.

Key Risks

Past performance does not predict future returns. You may get back less than you originally invested. We recommend any fund is held long term (minimum period of 5 years). We recommend that you hold funds as part of a diversified portfolio of investments.

Overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund.

This Fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Fund's value than if it held a larger number of investments.

The Fund may encounter liquidity constraints from time to time. The spread between the price you buy and sell shares will reflect the less liquid nature of the underlying holdings.

Investments in emerging markets may involve a higher element of risk due to less well-regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the fund over the short term.

Outside of normal conditions, the Fund may hold higher levels of cash which may be deposited with several credit counterparties (e.g. international banks). A credit risk arises should one or more of these counterparties be unable to return the deposited cash.

Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.

The issue of units/shares in Liontrust Funds may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.

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