

Fund description

The Fund invests in a diversified group of specialist Australian Share managers, utilising the Fiducian “Manage the Manager” process, to carefully select best of breed managers with different styles to provide diversification with the aim of achieving superior returns with reduced risk.

The Fund gives investors an opportunity to participate in Australia’s economic growth and enables Australian resident investors to benefit from favourable tax treatment of franked dividends.

Share investment can be volatile over the short term, and the recommended holding period is at least 5 to 7 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 093 542 271

APIR code: FPS0006AU

Benchmark: ASX 300 Accumulation Index

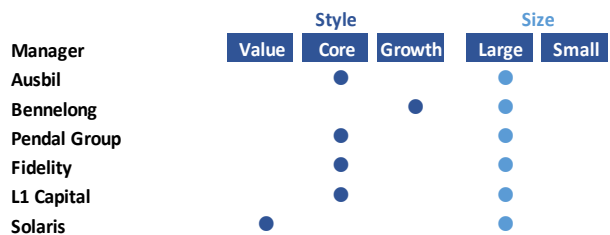
Current fund size: \$685 million (April 2023)

Management cost: 0.96%

Total management costs: 1.03%

Application/Exit fee: Nil

Inception Date: March 1997



Performance and Risk

After fee returns as at 30 April 2023

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	1.6%	-1.0%	7.1%	0.1%	13.6%	7.2%	9.0%	8.6%
Index	1.8%	-1.0%	8.4%	2.1%	14.0%	8.2%	9.1%	7.9%
Excess	-0.2%	-0.1%	-1.2%	-2.0%	-0.4%	-1.0%	-0.2%	0.7%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	18.6%	19.7%	16.9%	14.1%
Benchmark (Std Dev %)	19.1%	19.2%	16.5%	14.0%
Beta	0.97	1.00	1.01	0.99
Tracking Error (% pa)	1.9%	3.5%	3.1%	2.8%

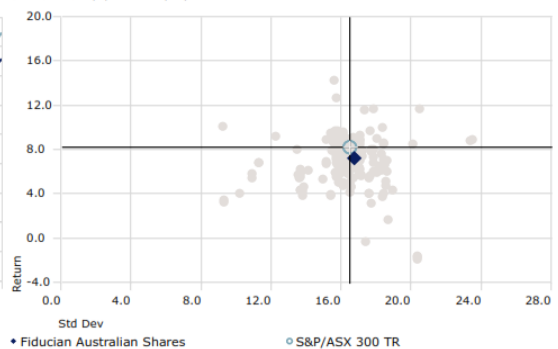
Investment Growth

Time Period: 5/1/2018 to 4/30/2023

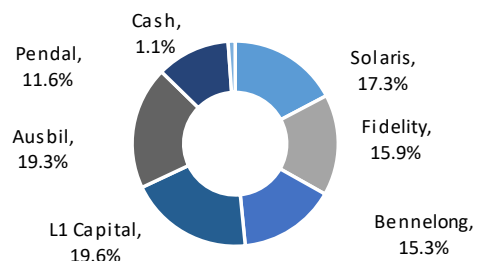
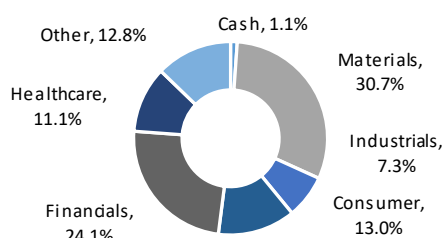


Risk-Reward

Time Period: 5/1/2018 to 4/30/2023



Sector exposures and current manager weights



Market Commentary and Outlook

The global economy has continued to slow, with manufacturing output contracting in most major economies in recent months. However, measures of activity in April for service industries continue to expand. Headline inflation numbers were lower during the month due to a decline in energy prices, but core measures of inflation generally remain well above central bank target ranges.

The Reserve Bank of Australia (RBA) elected to hold interest rates steady in April following ten consecutive increases. However, this pause was short-lived, with the RBA, along with the US Federal Reserve and European Central Bank increasing rates in early May.

Global equity markets recorded gains for the month. In the absence of any material surprises in economic data, the focus was on quarterly profit results from large US companies, which were generally above expectations. The US market (S&P 500 index) gained 1.5% for the month, and the Australian market (ASX 200 index) was 1.8% higher. Listed property stocks rebounded (+5.3%), but some key commodity prices declined over the month.

Looking ahead, elevated geopolitical risks, alongside higher interest rates and slower economic growth this year, represent potential headwinds for markets. The International Monetary Fund (IMF) recently made a small downgrade to its economic forecasts, with global growth now expected to be 2.8% in 2023. The IMF expects growth rates to remain slightly below long-term trend levels for some time. In broad terms, share markets continue to appear more attractive than most other investment opportunities.

Fund Commentary

The Fiducian Australian Shares Fund rose by 1.6% in April, which was below the 1.8% return by the index. Froth manager Bennelong (+2.5%) was the best performer for the month. Over the last 12 months, L1 Capital (+4.3%) was the best performer followed by Ausbil (+2.5%)

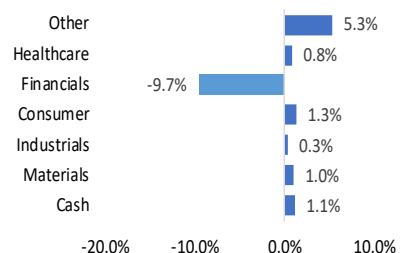
The broad Australian share market (ASX200 index) gained 1.8% for the month, as a pause in interest rate rises by the RBA in April aided investor sentiment. A positive earnings result season in the United States also provided support for global stock markets.

The top performing sectors were Property (+5.3%), Information Technology (+4.8%) and Industrials (+4.5%). The Materials sector (-2.6%) was the only segment of the market to record declines for the month, as some key commodity prices, including iron ore and copper, declined.

At an aggregate level, the largest sectoral tilts in the Fund are an underweight to financials, primarily lower returning and less volatile property trusts, and small overweight position in the consumer, materials and healthcare sectors.

Top stock holdings and sector tilts

Stock	Industry	Weight
BHP Group	Diversified Metals & Mining	9.4%
CSL Limited	Biotechnology	8.5%
Commonwealth Bank	Diversified Banks	4.8%
National Australia Bank	Diversified Banks	3.8%
Telstra Group Limited	Telecommunication Services	3.5%
Macquarie Group Ltd	Diversified Capital Markets	3.1%
Santos Limited	Oil & Gas	2.9%
Rio Tinto Ltd	Diversified Metals & Mining	2.7%
QBE Insurance Group	Property & Casualty Insurance	2.7%
James Hardie Industries	Construction Materials	2.6%



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The information has been compiled from sources considered reliable, but is not guaranteed. Past performance is not indicative of future performance and we do not guarantee the performance of the Fund or any specific rate of return. Potential investors should also obtain and consider the relevant Target Market Determination (TMD) and Product Disclosure Statement (PDS) (available from your financial adviser and via fiducian.com.au) before making a decision about whether to acquire or continue to hold any financial product.