

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 8 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 093 542 271

APIR code: FPS0006AU

Benchmark: ASX 300 Accumulation Index

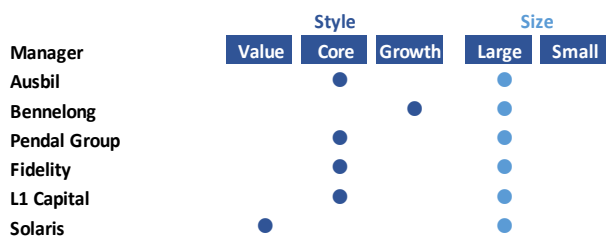
Current fund size: \$720 million (August 2023)

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 31 August 2023

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-0.5%	4.0%	3.2%	8.1%	9.6%	6.3%	8.4%	8.5%
Index	-0.8%	3.9%	2.9%	9.0%	10.5%	7.0%	8.5%	7.9%
Excess	0.2%	0.1%	0.3%	-0.9%	-0.9%	-0.7%	-0.1%	0.6%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	12.9%	13.2%	16.6%	13.9%
Benchmark (Std Dev %)	13.7%	13.6%	16.4%	13.8%
Beta	0.84	0.92	0.98	0.98
Tracking Error (% pa)	3.0%	2.6%	2.8%	2.4%

Investment Growth

Time Period: 9/1/2018 to 8/31/2023

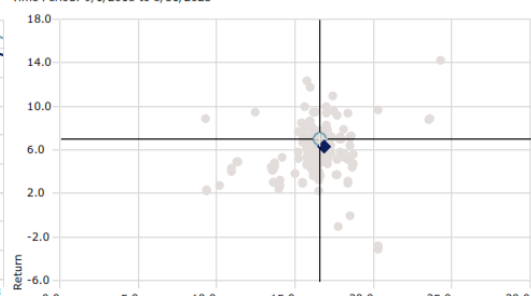


— Fiducian Australian Shares

— S&P/ASX 300 TR

Risk-Reward

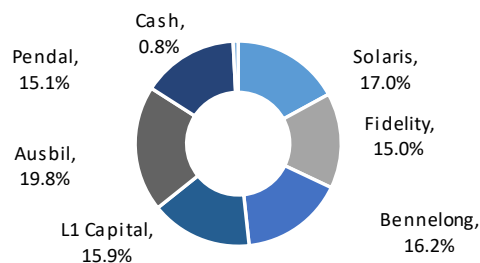
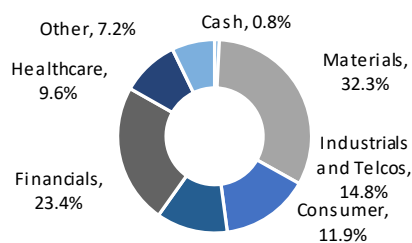
Time Period: 9/1/2018 to 8/31/2023



• Fiducian Australian Shares

○ S&P/ASX 300 TR

Sector exposures and current manager weights



Market Commentary and Outlook

Economic data across most developed countries continues to highlight sluggish growth at best in response to tight monetary policy being implemented in most jurisdictions. However, higher interest rates have been steadily pushing inflation lower, while unemployment rates have begun to rise modestly.

Overall, this combination of news was modestly negative for most asset class returns in August. The broad US market (S&P 500 index) declined by 1.7%, and the Australian stock market (ASX 200 index) declined by 0.7%. Australian listed property sector recorded gains during the month (+2.3%), and bulk commodity prices, including coal and iron ore, were also higher. The Australian dollar was weaker during the month, declining by 3.6% against the US dollar.

Looking ahead, geopolitical risks, alongside elevated interest rates and slower economic growth this year, represent potential headwinds for markets. The International Monetary Fund (IMF) is forecasting global growth to be 3.0% in both 2023 and 2024. The IMF expects growth rates to remain slightly below long-term trend levels for some time. However, in broad terms, share markets continue to appear more attractive than most other investment opportunities.

Fund Commentary

The Fiducian Australian Shares Fund declined by 0.5% in August, which was above the -0.8% return by the index. Bennelong (+2.9%) was the best performer for the month followed by Solaris(+0.3%). Over the last 12 months, L1 Capital (+10.4%) was the best performer followed by Pental (+9.8%).

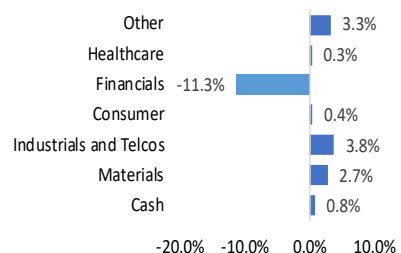
The broad Australian share market (ASX200 index) declined by 0.7% in August. During the month, the majority of companies listed on the Australian Stock Exchange reported full-year financial results. 40% of companies announced an increase in profits compared to last year, and almost half of companies increased dividends. Despite positive results in the most recent year, a number of companies provided a cautious outlook due to rising interest rates and weakening consumer spending.

The best performing sectors during the month were Consumer Discretionary (+5.7%) and Real Estate (+2.6%). The Utilities sector (-3.85%) and Consumer Staples sector (-3.2%) trailed the market.

At an aggregate level, the largest sectoral tilts in the Fund are an underweight to financials, primarily in listed property trusts, and small overweight positions in the industrials and materials sectors.

Top stock holdings and sector tilts

Stock	Industry	Weight
BHP Group	Diversified Metals & Mining	8.6%
CSL Limited	Biotechnology	7.5%
Commonwealth Bank	Diversified Banks	5.1%
Santos Limited	Oil & Gas	4.2%
National Australia Bank	Diversified Banks	3.5%
Qbe Insurance Group	Insurance	3.1%
Goodman Group	Industrial REITs	3.1%
Macquarie Group Ltd	Diversified Capital Markets	3.0%
Qantas Airways Ltd	Passenger Airlines	2.7%
Bluescope Steel	Steel	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.