

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: \$821 million (July 2024)

Management cost: 0.96%

Total management costs: 0.98%

Application/Exit fee: Nil

Inception Date: March 1997

Manager	Style			Size	
	Value	Core	Growth	Large	Small
Ausbil		●		●	
Benelong			●	●	
Pendal Group		●		●	
Fidelity		●		●	
L1 Capital		●		●	
Solaris	●			●	

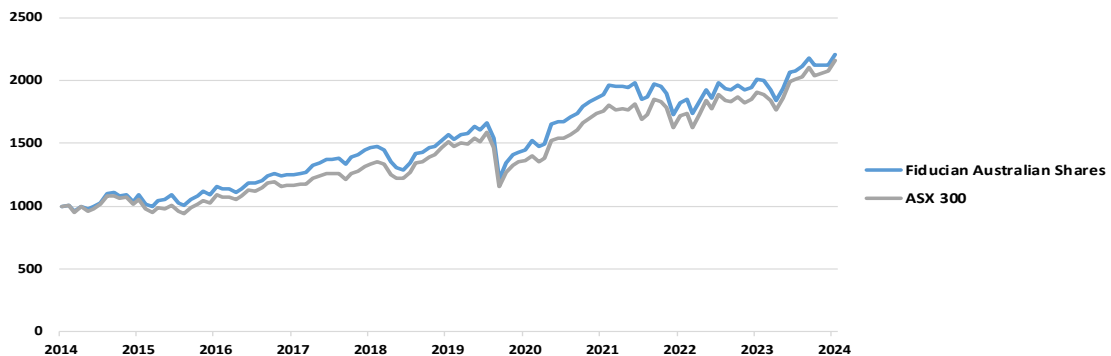
Performance and Risk

After fee returns as at 31 July 2024

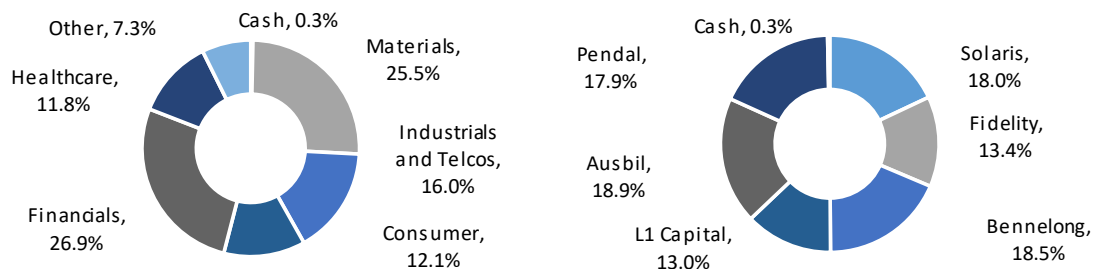
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	4.0%	4.0%	6.2%	9.9%	5.4%	7.1%	8.5%	8.3%
Index	4.1%	6.0%	7.3%	13.3%	7.1%	7.5%	9.3%	8.0%
Excess	-0.1%	-2.0%	-1.0%	-3.4%	-1.7%	-0.3%	-0.7%	0.3%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	11.3%	13.2%	16.6%	14.1%
Benchmark (Std Dev %)	11.3%	13.6%	16.5%	14.0%
Beta	0.91	0.93	0.98	0.98
Tracking Error (% pa)	1.6%	2.1%	2.4%	2.3%



Sector exposures and current manager weights



Market Commentary and Outlook

Measures taken by central banks over the last two years to reduce rates of inflation by implementing restrictive monetary policies have continued to take effect. Globally, unemployment rates remain low, but have risen from the historically low levels observed during 2023. Consumer spending growth has also moderated, but still remains positive. Inflation rates are now gradually moving back towards the target ranges of most central banks, and some (including Europe and Canada) have recently cut interest rates.

Over the month, the Australian market (ASX 200 index) gained 4.2% and the broad US stock market (S&P 500 index) increased by 1.1%. European markets also had a positive month as the European Central Bank recently moved to a less restrictive monetary policy setting. Australian and international bonds recorded positive returns during the month, and the Australian dollar fell by 2% against the US dollar.

Looking ahead, monetary policy could continue to become less restrictive over coming months if inflation rates continue to decline. While this could help to sustain markets, ongoing wars and other geopolitical issues could continue to act as potential headwinds. With the IMF forecasting global growth to be positive (3.2% in 2024 and 3.3% in 2025) and a likely 'soft landing' for the global economy, share markets continue to appear more attractive than most other investment opportunities.

Fund Commentary

The Fiducian Australian Shares Fund returned 4.0% in July, which was in line the 4.1% return by the index. The best performing managers for the month were Bennelong (4.8%), Pental (4.5%) and L1 Capital (4.5%). Over the last 12 months, Solaris (+16.0%) was the best performer followed by Pental (+14.5%).

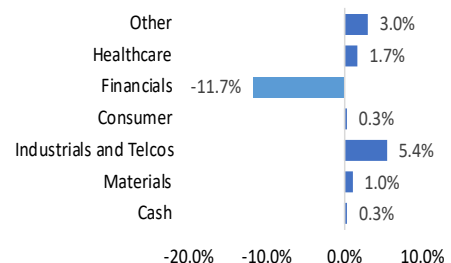
The broad Australian share market (ASX 200 Accumulation index) had another positive month in July, rising by 4.2%. However, the economy remains in a per capita recession and despite some hopes that interest rates may soon be reduced, the Governor of the Reserve Bank, Michele Bullock, has indicated that there will not be a rate cut 'in the next six months'.

The best performing sectors in July were Consumer Discretionary (+9.1%), Property (+6.8%) and Financials (+6.3%). Utilities (-2.9%), Energy (-0.1%) and Materials (-0.1%) were the worst performing sectors for the month.

At an aggregate level, the largest sectoral tilts in the Fund is an underweight to Financials, primarily in Listed Property Trusts, and an overweight position in the Industrials sector.

Top stock holdings and sector tilts

Stock	Industry	Weight
BHP Group Ltd	Mining	7.6%
CSL Ltd	Biotechnology	7.5%
Commonwealth Bank	Banks	6.0%
Goodman Group	REITS	4.3%
Santos Ltd	Oil & Gas	3.7%
National Australia Bank Ltd	Banks	3.6%
Macquarie Group Ltd	Banks	3.2%
Qantas Airways Limited	Airlines	2.8%
Aristocrat Leisure Ltd	Entertainment	2.4%
James Hardie Industries	Building Materials	2.2%



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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.