

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: \$787 million (June 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		●		●	
Bennelong			●	●	
Pendal Group		●		●	
Fidelity		●		●	
L1 Capital		●		●	
Solaris	●			●	

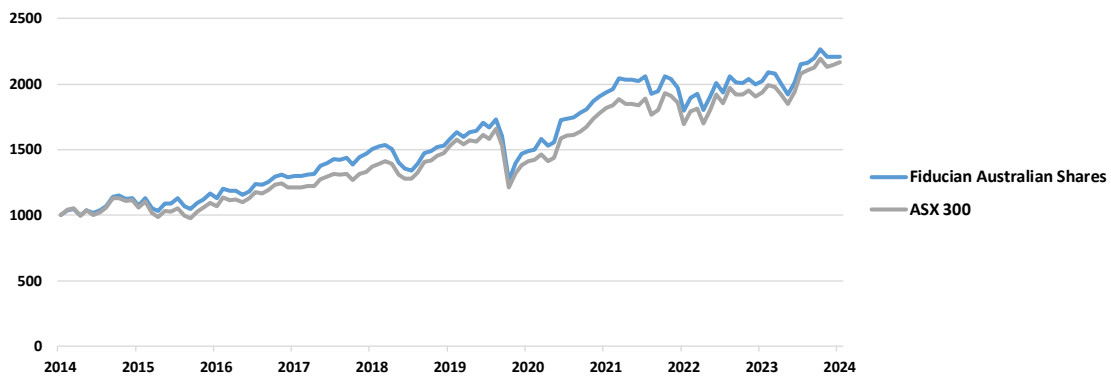
Performance and Risk

After fee returns as at 30 June 2024

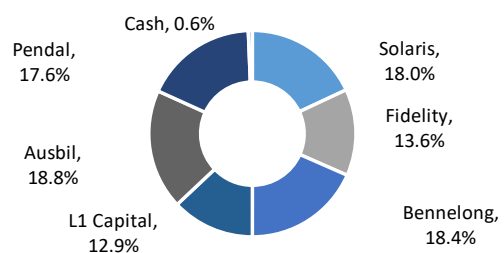
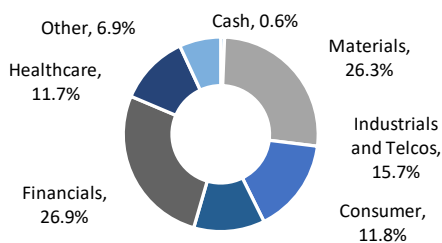
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	0.0%	-2.6%	2.8%	9.2%	4.5%	7.0%	7.9%	8.3%
Index	0.9%	-1.2%	4.2%	11.9%	6.1%	7.2%	8.7%	8.0%
Excess	-1.0%	-1.4%	-1.4%	-2.7%	-1.6%	-0.2%	-0.8%	0.2%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	11.2%	13.1%	16.6%	14.1%
Benchmark (Std Dev %)	11.0%	13.5%	16.4%	14.0%
Beta	0.92	0.93	0.98	0.98
Tracking Error (% pa)	1.8%	2.1%	2.5%	2.3%



Sector exposures and current manager weights



Market Commentary and Outlook

The global economy has continued to expand at a moderate pace, although growth in some of the advanced economies remains weak. Inflation data continues to point to a moderation in pricing pressures, although at a slightly slower rate than had been expected. This has delayed the implementation of interest rate cuts by most central banks.

Overall, the combination of slower growth and moderating inflation has increased market expectations that major economies can achieve a 'soft landing' and avoid a recession. Over the months, the broad US market (S&P 500 index) gained 4.8%, and the Australian market (ASX 200 index) rose by 0.9%. Political uncertainty due to elections in France and the UK resulted in weakness in most European stock markets. Bond returns were slightly positive, while some key commodity prices declined.

Looking ahead, monetary policy could begin to become less restrictive towards the end of this year if inflation rates continue to decline, which could help to sustain markets. However, geopolitical risks represent potential headwinds. Despite this, the IMF is now forecasting global growth to be 3.2% in 2024 and in 2025, which is close to its long-term trend rate. In broad terms, share markets continue to appear more attractive than most other investment opportunities.

Fund Commentary

The Fiducian Australian Shares Fund returned 0.0% in June, which was below the 0.9% return by the index. The best performing managers for the month were Fidelity (1.3%) and Pental (1.2%). Over the last 12 months, Solaris (+14.7%) was the best performer followed by Bennelong (+13.2%).

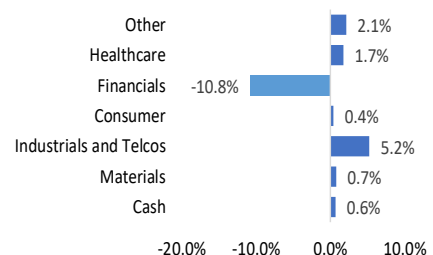
The broad Australian share market (ASX 200 Accumulation index) gained 1.0% in June. For the financial year ending 30 June 2024, the Australian stock market increased by 12.1%. The Financials sector rose strongly during the month, driven by gains in the big 4 banks. Resources stocks were weaker due to lower prices for key commodities.

The best performing sectors in June were Financials (+5.1%), Consumer Staples (+4.6%) and Utilities (+4.6%). Materials (-6.5%), Energy (-1.6%) and Industrials (-0.2%) were the worst performing sectors for the month. For the 12 months ending June 2024, the best performing sectors were Financials (+29.2%), Information Technology (+28.4%) and Listed Property (+24.6%). The worst performing sectors were Consumer Staples (-3.7%), Materials (-2.3%) and Energy (-1.8%).

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	Mining	8.1%
CSL Ltd	Biotechnology	7.6%
Commonwealth Bank	Banks	5.7%
Goodman Group	REITS	4.5%
National Australia Bank	Banks	3.8%
Santos Ltd	Oil & Gas	3.8%
Macquarie Group Ltd	Banks	3.3%
Qantas Airways Limited	Airlines	2.7%
WorleyParsons Ltd	Engineering & Construction	2.3%
ANZ Group Holdings Ltd	Banks	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.