

Fiducian Geared Australian Shares Fund



Monthly Report - September 2024

Fund description

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

In this Fund, the underlying managers can borrow against the investor’s assets in the fund to purchase additional shares and provide a leveraged exposure. This can amplify returns in rising markets, and magnify losses when markets decline.

Share investment can be volatile over the short term, especially when geared, and the recommended holding period is at least 9 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 105 996 192

APIR code: FPS0011AU

Benchmark: ASX 200 Accumulation Index

Current fund size: \$20 million (September 2024)

Management cost: 1.12%

Total management costs: 1.45%

Application/Exit fee: Nil

Inception Date: September 2003

Manager	Style			Size		
	Value	Core	Growth	Large	Broad	Small
First Sentier			●	●		
Ausbil	●			●		
Fiducian	●			●		

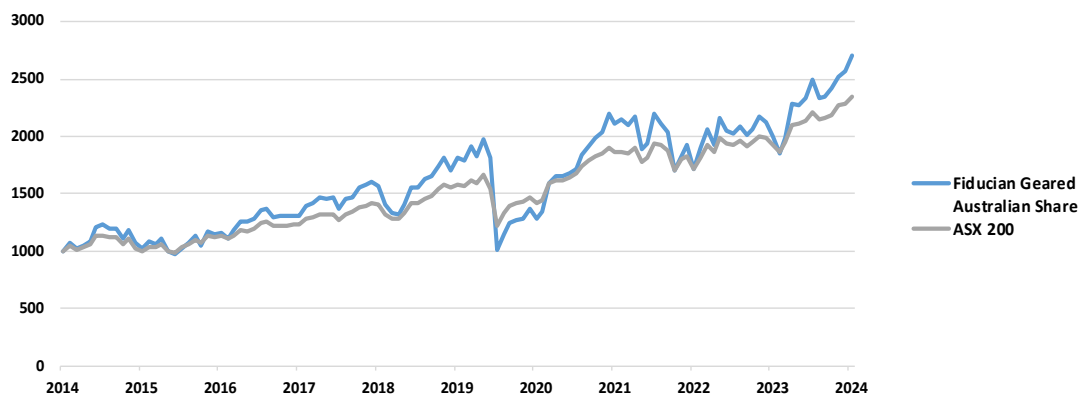
Performance and Risk

After fee returns as at 30 September 2024

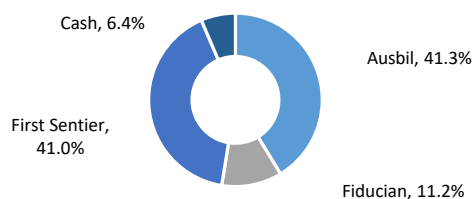
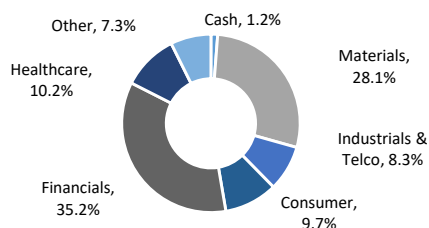
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	5.7%	13.4%	9.6%	37.4%	9.1%	8.8%	11.2%	10.6%
Index	3.0%	7.8%	6.7%	21.8%	8.4%	8.4%	9.7%	8.9%
Excess	2.7%	5.6%	2.9%	15.7%	0.7%	0.4%	1.4%	1.7%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	19.9%	25.1%	31.2%	25.4%
Benchmark (Std Dev %)	10.4%	13.6%	16.4%	13.9%
Beta	1.70	1.75	1.83	1.77
Tracking Error (% pa)	10.4%	12.2%	15.5%	12.2%



Sector exposures and current manager weights



Fiducian Geared Australian Shares Fund



Monthly Report - September 2024

Market Commentary and Outlook

In the year to date, the global economy has continued to expand despite monetary policy conditions remaining restrictive as central banks seek to lower inflation to target. However, as inflation has moved closer to target, several central banks, including in Europe and then the US, have begun rate cutting cycles. In China, the central bank has cut interest rates and policy makers have announced stimulus measures to revive the country's ailing economy.

The broad US stock market (S&P 500 Index) gained 2.1% in September. The Australian market (ASX 200 Accumulation index) increased by 3.0%. Chinese stock market also experienced strong growth in September, gaining 17.4%. The Australian and global bonds recorded positive returns during the month. The Australian dollar rose by 1.5% relative to the US dollar.

For some time now, key global share markets have been 'pricing-in' a shift in monetary policy from tightening to loosening and have been trading upwards. However, geopolitical risks remain heightened and continue to represent potential headwinds. Despite this, the IMF is forecasting global growth to be 3.2% in 2024 and 3.3% 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 Geared Australian Shares Fund returned 5.7% in September, which was above the index return of 3.0%. Over the last 12 months, the fund has returned 37.4% compared to the index return of 21.8%.

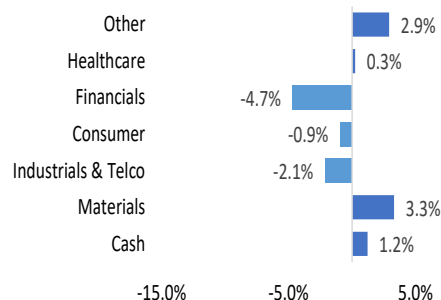
The broad Australian share market (ASX 200 Accumulation index) rose 3.0% in September. However, economic data released during the month indicated that the economy remains in a per capita recession and despite some hopes that interest rates may soon be reduced, the Governor of the Reserve Bank, Michele Bullock, has indicated that there will not be a rate cut until 2025.

The best performing sectors in September were Materials (+13.1%), Information Technology (+7.4%) and Property (+6.6%). Healthcare (-3.2%), Consumer Staples (-1.7%) and Telecommunications (-0.9%) were the worst performing sectors for the month.

At an aggregate level, the largest sectoral tilts in the Fund are an underweight to financials, primarily property trusts, with this funding overweight positions in the materials and healthcare sectors. As at the end of September, the average gearing level in the Fund was 43%.

Top stock holdings and sector tilts

First Sentier Top Holdings	Weight	Ausbil Top Holdings	Weight
BHP	11.4%	BHP	23.0%
Commonwealth Bank	10.2%	Commonwealth Bank	16.0%
CSL	8.2%	CSL	13.9%
National Australia Bank	6.6%	National Australia Bank	13.3%
Goodman Group	4.8%	Macquarie Group	10.4%
Aristocrat Leisure	4.5%	Goodman Group	9.6%
Brambles	4.0%	ANZ Bank	7.8%
QBE Insurance Group	3.8%	Xero	7.0%
Westpac Banking Corporation	3.5%	Rio Tinto	6.6%
Resmed	3.4%	Aristocrat Leisure	6.1%



Fiducian Investment Management Services Limited

Issued by Fiducian Investment Management Services Limited ABN 28 602 441 814 AFS Licence number 468211. This document provides general information only. It does not have regard to your objectives, financial situation or needs. We recommend that you seek financial planning advice, and consider whether this investment is appropriate to your objectives, financial situation and needs before making any investment decision.

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.