

Fiducian Growth Fund

Monthly Report - September 2024



Fund description

The Fiducian Growth Fund has a large allocation to growth style assets and is diversified between managers and countries, utilising the Fiducian “Manage the Manager” system that aims to achieve superior returns with reduced risk.

Over the long term, the Fund is expected to generate higher returns than funds with a lower allocation to growth assets, but will also be exposed to capital losses when markets turn down.

The Fund is suitable for investors seeking good long term capital growth with possible short term volatility. The recommended holding period is at least 7 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 093 543 241

APIR code: FPS0004AU

Benchmark: Zenith AMI Mixed Asset Growth Index

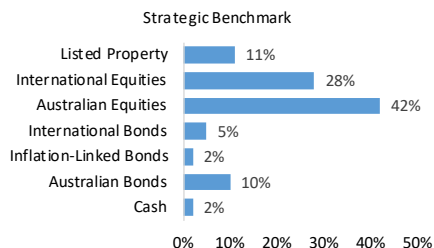
Current fund size: \$445 million (September 2024)

Management cost: 0.99%

Total management costs: 1.05%

Application/Exit fee: Nil

Inception Date: March 1997



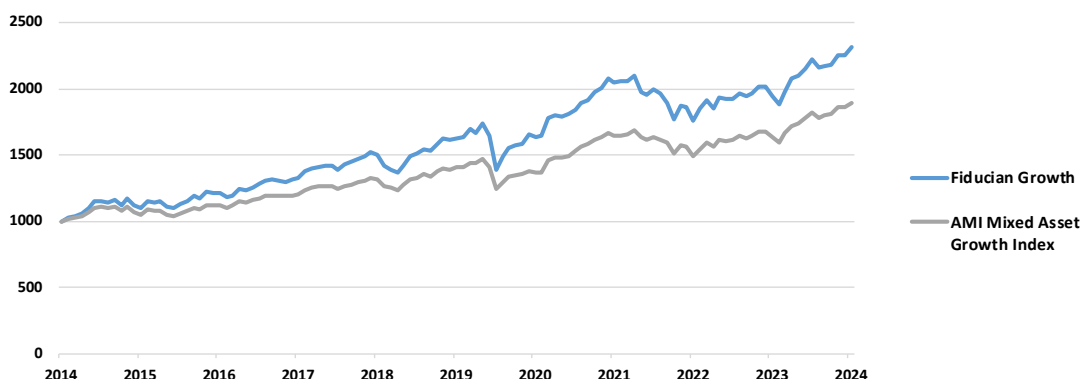
Performance and Risk

After fee returns as at 30 September 2024

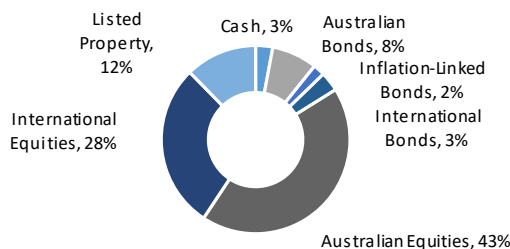
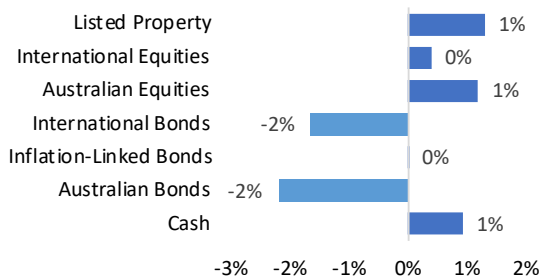
| | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yrs | 5 Yrs | 7yrs | 10 Yrs |
|---------|-------|-------|-------|--------|---------|-------|-------|--------|
| Fund | 2.5% | 6.0% | 4.0% | 19.3% | 4.2% | 7.3% | 8.2% | 8.7% |
| Index | 1.6% | 4.6% | 3.9% | 16.1% | 4.9% | 6.1% | 6.7% | 6.6% |
| Excess | 0.9% | 1.4% | 0.1% | 3.1% | -0.7% | 1.1% | 1.6% | 2.1% |
| Ranking | | | | 23/168 | 112/163 | 5/152 | 3/145 | 2/135 |

Risk Exposure

| | 1 Yr | 3 Yrs | 5 Yrs | 10 Yrs |
|-----------------------------|------|-------|-------|--------|
| Fund Volatility (Std Dev %) | 9.1% | 11.0% | 13.0% | 10.9% |
| Benchmark (Std Dev %) | 6.6% | 8.2% | 9.6% | 8.1% |
| Beta | 1.25 | 1.28 | 1.31 | 1.31 |
| Tracking Error (% pa) | 2.7% | 3.3% | 4.0% | 3.3% |



Tactical tilts and current asset weights



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.

Managers and weights

| Asset Class | Fund Manager | Weight |
|------------------------------|--------------------------|--------|
| Australian Equities 43.0% | Solaris | 8.0% |
| | Fidelity | 5.8% |
| | Bennelong | 7.9% |
| | L1 Capital | 5.3% |
| | Ausbil Dexia | 8.1% |
| International Equities 28.0% | Pendal | 7.9% |
| | Franklin Templeton | 6.3% |
| | Challenger | 8.9% |
| | Wellington GRE | 4.8% |
| | Wellington Value | 4.0% |
| | State Bank of India | 0.3% |
| | Sundaram | 0.4% |
| | Tata | 0.3% |
| | EquiPoise | 0.3% |
| | Vanguard | 0.8% |
| | Wellington Technology | 1.0% |
| | Wellington Biotechnology | 0.2% |
| | Loftus Peak Technology | 0.5% |
| | Nordic Technology | 0.2% |
| Listed Property 12.3% | BlackRock | 1.1% |
| | Phoenix | 5.6% |
| | Principal | 5.5% |
| Australian Bonds 7.8% | Perpetual Fixed Interest | 2.9% |
| | BlackRock | 0.1% |
| | Challenger | 4.8% |
| Inflation Linked Bonds 2.0% | Challenger | 2.0% |
| International Bonds 3.4% | BlackRock | 3.4% |
| | BlackRock | 2.1% |
| Cash 3.6% | Cash | 1.5% |

Fund Commentary

The Fund outperformed its benchmark in September, with a return of 2.5%, compared to the benchmark return of 1.6%. Over the 12 months to the end of September, the Fund returned 19.3% compared to the 16.1% benchmark return for the same period.

All asset classes gained during the month, with Listed Property (+6.6%) and Australian Equities (+3.8%) being the best performing sectors.

The Fund currently has small overweight positions in Australian Equities, Listed Property and cash. The exposures to Australian and International Bonds are relatively underweight compared to the benchmark. Exposure to International Equities and Inflation-Linked Bonds are relatively neutral.

In the Zenith AMI Mixed Asset - Growth Category, the Fiducian Growth Fund returns were ranked 23 out of 168 funds over one year, 5 out of 152 funds over five years, and 2 out of 135 funds over the ten year period to 30 September 2024.

Top stock holdings

| Top Australian Stocks | Industry | Weight |
|-----------------------------|--------------------|--------|
| BHP Group | Mining | 7.2% |
| CSL Ltd | Biotechnology | 6.5% |
| Commonwealth Bank | Banks | 5.8% |
| Goodman Group | REITS | 4.4% |
| Macquarie Group | Banks | 3.4% |
| National Australia Bank Ltd | Banks | 3.4% |
| Santos Ltd | Oil & Gas | 2.8% |
| Qantas Airways Limited | Airlines | 2.7% |
| James Hardie Industries | Building Materials | 2.7% |
| Aristocrat Leisure Ltd | Entertainment | 2.6% |

| Top International Stocks | Industry | Weight |
|--------------------------|--------------------|--------|
| Microsoft Corp | Software | 3.3% |
| Nvidia Corp | Semiconductors | 3.3% |
| Amazon.Com Inc | Internet | 2.2% |
| Shopify Inc | Internet | 1.6% |
| Synopsys Inc | Software | 1.5% |
| Mercadolibre Inc | Internet | 1.5% |
| Tyler Technologies Inc | Software | 1.4% |
| Sika AG-BR | Building Materials | 1.4% |
| Apple Inc | Computers | 1.4% |
| Adv Micro Devices Inc | Semiconductors | 1.4% |

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. Unless indicated otherwise, all data is at 30 September 2024.

Ranking data © FE fundinfo (Australia) Pty Limited ABN 18 601 868 311 (FE fundinfo), Authorised Representative of Zenith Investment Partners Pty Ltd ABN 27 103 132 672, AFSL 226872 under AFS Representative Number 1297668. Data provided by FE fundinfo does not constitute financial product advice. However, to the extent that any information in this document constitutes advice, it is General Advice (s766B Corporations Act) for Wholesale clients only and FE fundinfo has not taken into account the objectives, financial situation or needs of any specific person who may read it, including target markets of financial products, where applicable. It is not a specific recommendation to purchase, sell or hold any product(s) and is subject to change at any time without prior notice. Individuals should seek their own independent financial advice before making any investment decision and should consider the appropriateness of any advice in light of their own objectives, financial situations or needs. Investors should obtain a copy of and consider any relevant PDS or offer document before making any decision. Data is provided in good faith and is believed to be accurate, however, no representation, warranty or undertaking in relation to the accuracy or completeness of the data is provided. Data provided is subject to copyright and may not be reproduced, modified or distributed without the consent of the copyright owner. Except for any liability which cannot be excluded, FE fundinfo does not accept any liability for any errors or omissions, whether direct or indirect, arising from use of data or information contained in this document. Past performance is not an indication of future performance. Full details regarding FE fundinfo's contact details are available at <https://www.fefundinfo.com/en-au/contact-us/>