

Fund description

The Fund invests in a diversified group of international equity managers. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting best of breed managers with different styles, sector and geographical exposures with the aim of achieving superior returns with reduced risk.

This Fund gives investors exposure to the growth of major global economies through investment in international companies. A currency overlay manages the exposure to international currencies.

International 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: 093 543 456

APIR code: FPS0005AU

Benchmark: MSCI World Ex-Aus Index

Current fund size: \$636 million (September 2024)

Management cost: 1.24%

Total management costs: 1.28%

Application/Exit fee: Nil

Inception Date: February 1997

Manager	Style			Sector	
	Value	Core	Growth	EM	DM
Franklin Templeton			●		●
Challenger		●			●
Wellington GRE		●			●
Wellington Value	●				●
Fiducian India			●	●	
Fiducian Technology			●		●
Vanguard Emerging Markets		●		●	

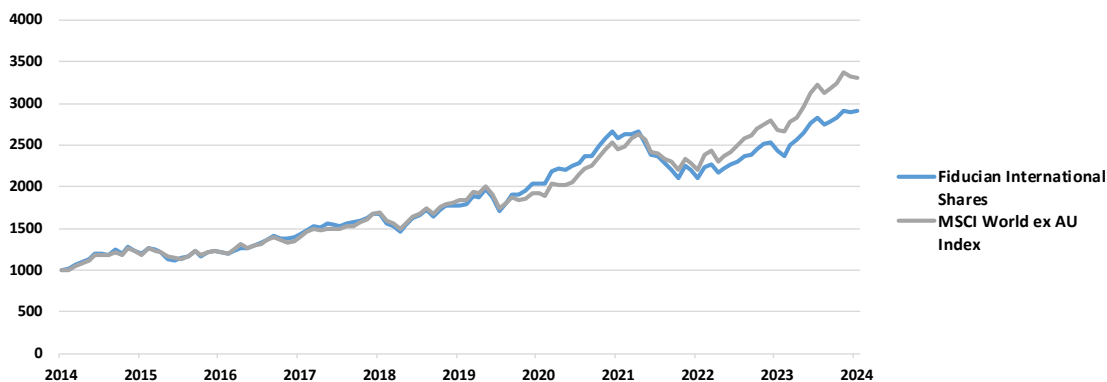
Performance and Risk

After fee returns as at 30 September 2024

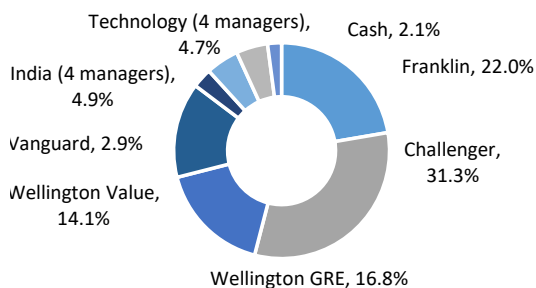
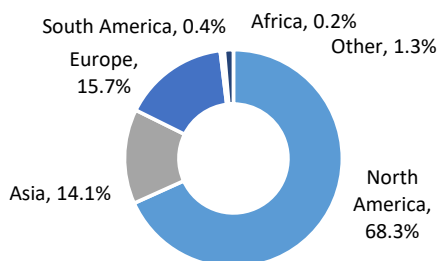
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	0.1%	2.8%	2.9%	19.6%	4.0%	10.3%	10.6%	11.2%
Index	-0.5%	2.3%	2.6%	23.2%	10.6%	12.5%	13.2%	12.7%
Excess	0.6%	0.5%	0.3%	-3.7%	-6.6%	-2.2%	-2.6%	-1.5%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	8.5%	11.6%	12.2%	11.5%
Benchmark (Std Dev %)	9.3%	11.7%	11.8%	11.2%
Beta	0.78	0.90	0.95	0.95
Tracking Error (% pa)	3.6%	4.2%	4.4%	3.9%



Geographic exposures and current manager 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.

Fund Commentary

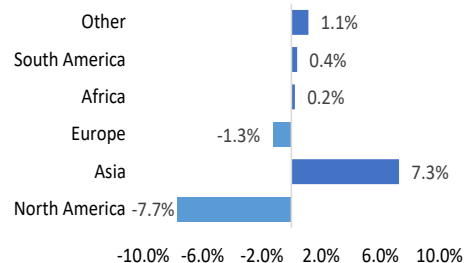
The Fund gained by 0.1% in September, which was above the index return of -0.5% for the MSCI World ex-Australia index (in AUD). Over the month, Vanguard (+4.2%) was the top performer followed by Wellington Value (+0.3%).

For the 12 months to the end of September, the Fund rose by 19.6%. The Fiducian Technology Fund (+32.7%) has been the best performer over the period followed by Challenger (+23.8%).

The Fund remains strongly diversified, with 14 underlying managers and exposure to over 50 different countries and a broad range of industries. The United States and Europe remain the largest regional exposures by virtue of their size in global markets. The largest regional tilt is towards Asian equities (predominantly India), which offer relatively high earnings growth rates, and overall the Fund has a marginal overweight exposure to emerging markets relative to developed markets.

Top stock holdings and geographic tilts

Stock	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%



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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.