

Fund description

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

Typically, property securities provide attractive levels of income plus a small amount of capital growth. Returns from property trusts are generally lower than shares, but typically exhibit lower variance in price during market declines.

The recommended holding period for this fund is at least 6 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 093 544 079

APIR code: FPS0007AU

Benchmark: ASX 200 Property Accumulation Index

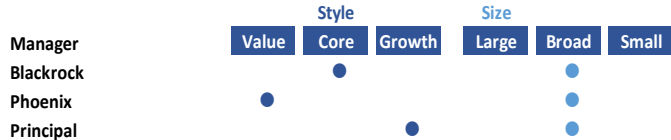
Current fund size: \$310 million (October 2025)

Management cost: 0.96%

Total management costs: 0.99%

Application/Exit fee: Nil

Inception Date: March 1997



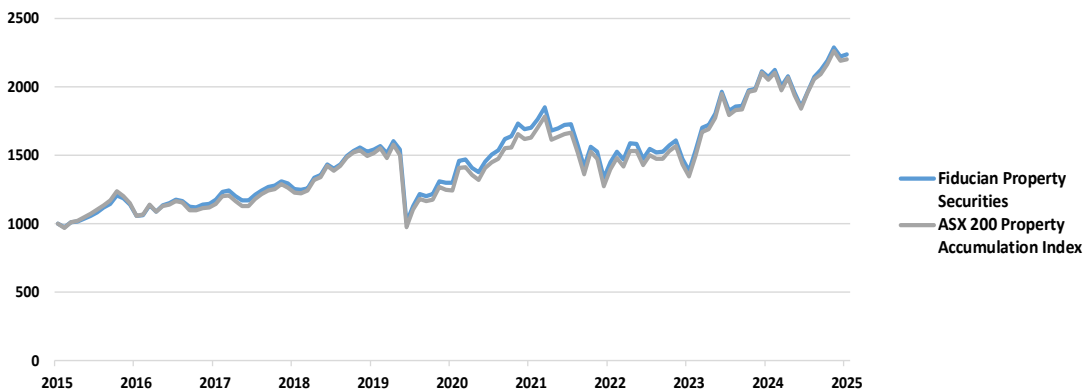
Performance and Risk

After fee returns as at 31 October 2025

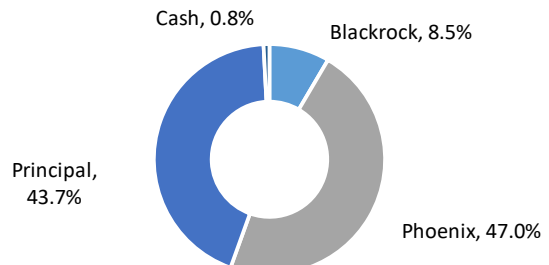
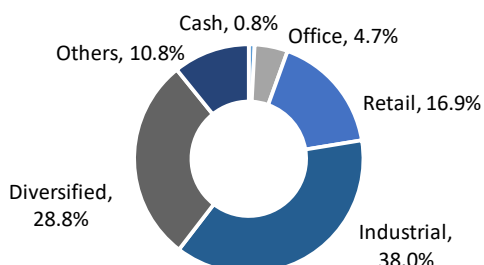
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	0.7%	2.1%	13.6%	8.0%	15.6%	11.5%	8.6%	8.4%
Index	0.6%	1.8%	12.5%	7.4%	16.4%	12.1%	8.7%	8.2%
Excess	0.1%	0.3%	1.2%	0.6%	-0.8%	-0.6%	-0.1%	0.2%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	14.6%	17.5%	19.2%	19.5%
Benchmark (Std Dev %)	15.2%	18.5%	20.5%	20.7%
Beta	0.88	0.92	0.92	0.93
Tracking Error (% pa)	1.6%	1.5%	1.9%	2.1%



Sector exposures and current manager weights



Market Commentary and Outlook

The global economy is forecast to expand this year and the next, according to the latest estimates provided by the International Monetary Fund (IMF). Global growth is forecast to be 3.2% this year and 3.1% in 2026 (both above the IMF's previous forecast). In the IMF's words, 'the good news is that the negative impact on the global economy (of US tariffs) is at the modest end of the range'. Growth in the advanced economies is forecast to be 1.6% this year and in 2026, but with 'risks tilted to the downside'. The IMF is now forecasting the US economy to grow by 2.0% for the whole of 2025 and 2.1% in 2026, although the US administration is aiming for a higher rate of growth than this, with fiscal stimulus, reduced regulation and incentives for investment aimed at propelling growth going forward.

The broad US stock market (S&P 500 Accumulation Index) has been on an uptrend since early April, gaining 2.3% in October alone. The Australian market (ASX 200 Accumulation Index) gained 0.4% over the month, held back by strong third quarter inflation data, causing markets to scale back their expectations for cuts by the Reserve Bank of Australia (RBA). The Australian dollar fell by 1.1% relative to the US dollar. Commodity prices were mixed, with lithium, gold and iron ore posting gains, while oil and natural gas declined over the month.

Key global share markets have been 'pricing-in' a shift by central banks towards less restrictive monetary policy, despite some signs of inflation rising again in some economies. However, share markets are likely to remain volatile until a resolution of trade tensions is achieved.

Fund Commentary

The Fiducian Property Securities Fund gained 0.7% October, which was above the index return of 0.6%. For the 12 months to the end of October, the Fund returned 8.0%, which was above the index return of 7.4%.

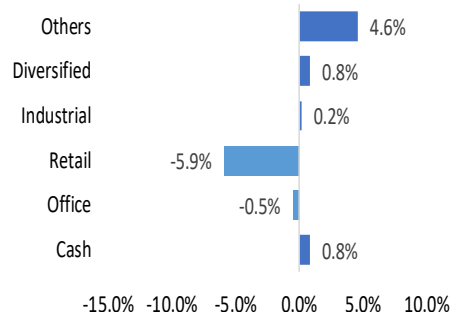
The listed property sector gained 0.6% in October, outperforming the broader market (ASX 200 Accumulation Index), which returned +0.4%.

Over the coming year, conditions in the Industrial property sector are expected to remain strong, while operating conditions for Retail landlords could continue to improve. The outlook for Residential Developers appears more balanced, while the outlook for Office valuations remains uncertain due to ongoing high vacancy rates. The production in interest rates we have seen this year could assist the sector, while listed property trust share prices continue to be attractive given ongoing discounts to net asset valuations across the sector.

Overall, the underlying sector exposures of the Fund are an overweight in the 'Others' category and an underweight to the Retail sector, with other sectors broadly in line with the index. The 'Others' category includes asset classes such as self storage facilities, data centers and residential development companies. This broad category has exhibited strong growth in recent years.

Top stock holdings and sector tilts

Top Australian Stocks	Industry	Weight
Goodman Group	REITS - Warehouse/Industrial	36.3%
Scentre Group	REITS - Shopping Centers	9.4%
Stockland	REITS - Diversified	9.3%
Mirvac Group	REITS - Diversified	5.9%
GPT Group	REITS - Diversified	5.8%
Charter Hall Group	REITS - Diversified	5.6%
Vicinity Centers	REITS - Shopping Centers	3.0%
Dexus	REITS - Office Property	2.3%
Centuria Capital Group	Private Equity	2.2%
National Storage	REITS - Storage	2.0%



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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.