

### 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 5 to 7 years.

### Fund facts

**Portfolio manager:** Conrad Burge

**ARSN:** 093 542 271

**APIR code:** FPS0006AU

**Benchmark:** ASX 300 Accumulation Index

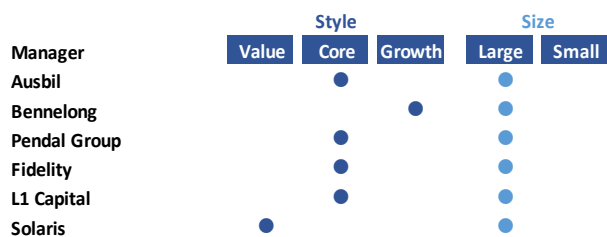
**Current fund size:** \$676 million (March 2023)

**Management cost:** 0.96%

**Total management costs:** 1.03%

**Application/Exit fee:** Nil

**Inception Date:** March 1997



### Performance and Risk

After fee returns as at 31 March 2023

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-0.4%	3.9%	11.3%	-2.4%	16.8%	7.7%	9.1%	8.8%
Index	-0.2%	3.3%	12.8%	-0.6%	16.6%	8.6%	9.4%	8.1%
Excess	-0.2%	0.6%	-1.5%	-1.9%	0.2%	-0.9%	-0.3%	0.6%

#### Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	18.6%	19.7%	16.9%	14.1%
Benchmark (Std Dev %)	19.1%	19.2%	16.5%	14.0%
Beta	0.97	1.00	1.01	0.99
Tracking Error (% pa)	1.9%	3.5%	3.1%	2.8%

#### Investment Growth

Time Period: 4/1/2018 to 3/31/2023

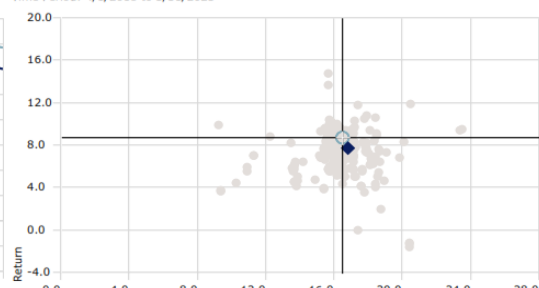


—Fiducian Australian Shares

—S&P/ASX 300 TR

#### Risk-Reward

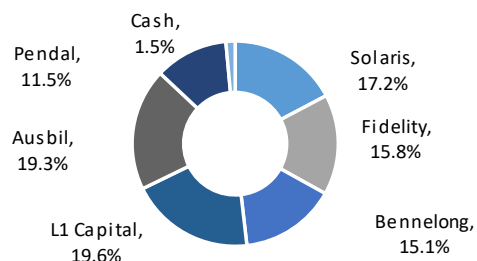
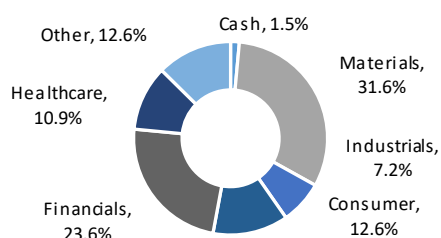
Time Period: 4/1/2018 to 3/31/2023



\* Fiducian Australian Shares

○ S&P/ASX 300 TR

### Sector exposures and current manager weights



### Market Commentary and Outlook

The trend of slowing global growth has continued in recent months due to a tightening of monetary policy by key central banks in response to an acceleration last year in the rate of inflation. In some regions, inflation now appears to be moderating. However, the persistent strength in employment conditions and to a lesser extent retail sales has created uncertainty regarding the amount of monetary tightening that will be necessary to bring inflation back towards target ranges.

Global financial markets experienced a turbulent month in March. The failure of some regional US banks, as well as the Swiss Government mandated takeover of Credit Suisse by larger rival UBS initially sent markets lower. However, over the rest of the month, due to a lack of further bank failures, most markets enjoyed a broad recovery. The US market (S&P 500 index) gained 3.5% for the month, while the Australian market (ASX 200 index) was down by 0.2%. A shift towards assets that are perceived as being safer resulted in gains for bonds, gold, and large cap equities.

Looking ahead, elevated geopolitical risks, alongside higher interest rates and slower economic growth this year, represent potential headwinds for markets. The International Monetary Fund (IMF) recently made a small downgrade to its economic forecasts, with global growth now expected to be 2.8% in 2023. The IMF expects growth rates to remain slightly below long-term trend levels for some time. In broad terms, share markets continue to appear more attractive than most other investment opportunities.

### Fund Commentary

The Fiducian Australian Shares Fund declined by 0.4% in March, which was below the -0.2% return by the index. L1 Capital (+1.7%) was the best performer for the month along with Pental (+0.6%). Over the last 12 months, L1 Capital (+5.5%) was the best performer followed by Solaris (+0.3%)

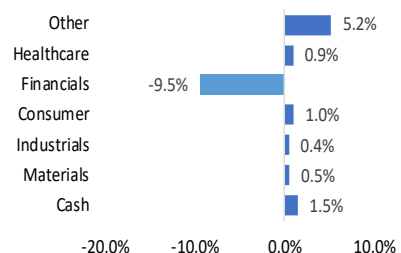
The Australian share market declined by 0.2% in March, but finished the first quarter of the year 3.5% higher. The Materials sector (+5.9%) was the top performer for the month due to elevated commodity prices, notably iron ore and coal. Instability in the global banking sector resulted in Financials (-4.9%) finishing the month lower along with Real Estate (-6.8%).

The Reserve Bank of Australia (RBA) raised interest rates by 0.25% at the start of March, before pausing in April following ten consecutive increases which started in May 2022. The RBA commented that it believes that inflation in Australia may have peaked, and that it wishes to take some time to assess the impact of increases made to date.

At an aggregate level, the largest sectoral tilts in the Fund are an underweight to financials, primarily lower returning and less volatile property trusts, and an overweight position in the consumer sector and the healthcare sector.

### Top stock holdings and sector tilts

Stock	Industry	Weight
BHP Group	Diversified Metals & Mining	10.1%
CSL Limited	Biotechnology	8.3%
Commonwealth Bank	Diversified Banks	4.8%
National Australia Bank	Diversified Banks	3.6%
Telstra Group Limited	Telecommunication Services	3.4%
Rio Tinto Ltd	Diversified Metals & Mining	3.1%
Macquarie Group Ltd	Diversified Capital Markets	3.0%
Santos Limited	Oil & Gas	2.9%
Qantas Airways Ltd	Airlines	2.6%
QBE Insurance	Insurance	2.6%



### 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](http://fiducian.com.au)) before making a decision about whether to acquire or continue to hold any financial product.