

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 8 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 093 542 271

APIR code: FPS0006AU

Benchmark: ASX 300 Accumulation Index

Current fund size: \$837 million (May 2025)

Management cost: 0.96%

Total management costs: 0.98%

Application/Exit fee: Nil

Inception Date: February 1997

| Manager | Style | | | Size | |
|--------------|-------|------|--------|-------|-------|
| | Value | Core | Growth | Large | Small |
| Ausbil | | ● | | ● | |
| Bennelong | | | ● | ● | |
| Pendal Group | | ● | | ● | |
| Fidelity | | ● | | ● | |
| L1 Capital | | ● | | ● | |
| Solaris | ● | | | ● | |

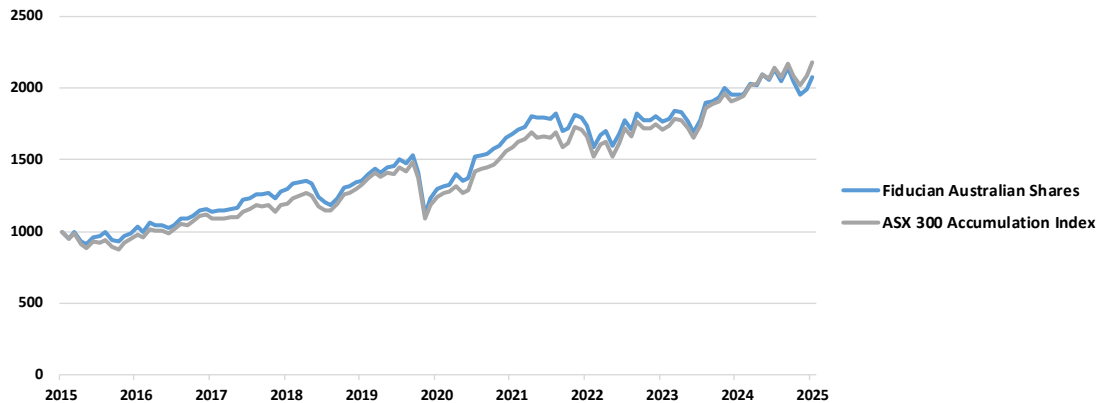
Performance and Risk

After fee returns as at 31 May 2025

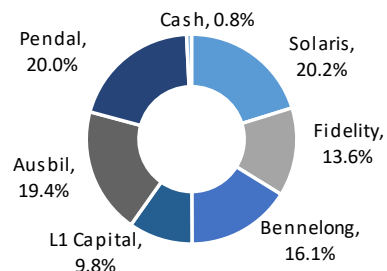
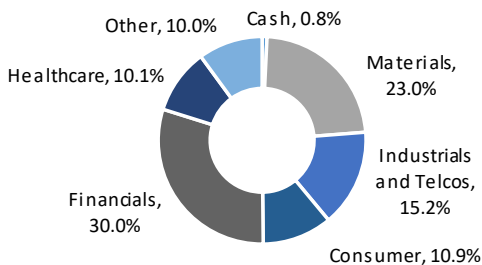
| | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yrs | 5 Yrs | 7yrs | 10 Yrs |
|--------|-------|-------|-------|-------|-------|-------|-------|--------|
| Fund | 4.1% | 1.5% | -2.5% | 6.4% | 6.0% | 9.9% | 7.0% | 7.6% |
| Index | 4.2% | 4.3% | 1.6% | 13.2% | 9.3% | 12.0% | 9.0% | 8.1% |
| Excess | -0.1% | -2.9% | -4.1% | -6.8% | -3.3% | -2.1% | -2.0% | -0.5% |

Risk Exposure

| | 1 Yr | 3 Yrs | 5 Yrs | 10 Yrs |
|------------------------------|-------|-------|-------|--------|
| Fund Volatility (Std. Dev %) | 11.8% | 13.4% | 12.7% | 14.2% |
| Benchmark (Std. Dev %) | 10.7% | 13.4% | 12.6% | 14.0% |
| Beta | 1.00 | 0.96 | 0.97 | 0.99 |
| Tracking Error (% pa) | 2.1% | 1.9% | 2.4% | 2.3% |



Sector exposures and current manager weights



Market Commentary and Outlook

The global economy is expected to slow marginally this year, according to the latest forecast provided by the International Monetary Fund (IMF). This year, global growth is forecast at 2.8% and 3.0% in 2026, which is below the IMF's previous forecast of 3.3% each year (around the long-term trend rate). In the IMF's words, this lowering of its growth forecasts is due to 'the swift escalation of trade tensions and extremely high levels of policy uncertainty', after 'a series of new tariff measures by the US and countermeasures by its trading partners'. The IMF adds that 'while the situation remains fluid, risks remain firmly tilted to the downside', although 'if countries de-escalate from their current tariff stance, the outlook could immediately brighten'.

Uncertainty surrounding US trade policies has caused market volatility in recent weeks, but the broad US stock market (S&P 500 Accumulation Index) rebounded by 6.3% over the month. The Australian market (ASX 200 Accumulation Index) rose 4.2% over the same period, benefiting from a de-escalation of trade conflict and a view that domestic interest rates are likely to be lowered. The Australian dollar gained 0.5% relative to the US dollar. Most commodity prices rose, with Thermal Coal (+6.0%) the standout.

Until recently, key global share markets had been 'pricing-in' a shift by central banks towards less restrictive monetary policy, which led to strong returns for equity investors. However, equity markets fell heavily in the lead up to and after the announcement in early April that the US would be implementing hefty tariffs on most imports. Share markets are likely to be volatile in this environment but could rebound as and when an improved balance in international trade relations can be achieved.

Fund Commentary

The Fiducian Australian Shares Fund gained 4.1% in May, which was below the 4.2% return by the index. The best performing managers for the month were Pental (5.2%), followed by Fidelity (4.8%). Over the last 12 months, Pental (+13.7%) and Solaris (+12.2%) were the best performers.

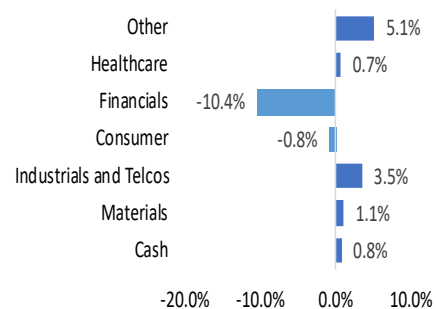
Following the Federal election and the de-escalation of trade wars, the broad Australian share market (ASX 200 Accumulation Index) gained 4.2% in May. The Australian economy remains weak, growing by only 0.2% in the first quarter of 2025. Elevated interest rates have kept a lid on growth, as the Reserve Bank of Australia (RBA) has continued to fight inflation. However, annual inflation continues to trend downwards, with the RBA's preferred measure of inflation, the trimmed mean, falling with the 2% to 3% target range (2.8% in April). The RBA cut the cash rate by 0.25% in May and markets now expect two-to-three further cuts over coming months.

Over the month, there were gains across all market sectors. Information Technology (+19.8%), Energy (+8.6%) and Telecommunications (+5.5%) were the best performing sectors for the period.

At an aggregate level, the largest sectoral tilts in the Fund is an underweight to Financials, primarily in Listed Property Trusts, and an overweight position in the Industrials and Telecommunications sectors.

Top stock holdings and sector tilts

| Stock | Industry | Weight |
|-------------------------|------------------------------|--------|
| Commonwealth Bank | Diversified Financials | 8.0% |
| BHP Group | Diversified Metals & Mining | 6.3% |
| CSL | Biotechnology | 6.2% |
| National Australia Bank | Diversified Financials | 4.0% |
| Goodman Group | REITS - Warehouse/Industrial | 3.4% |
| Macquarie Group | Diversified Financials | 3.2% |
| Aristocrat Leisure | Casino Services | 2.6% |
| Santos | Oil & Gas | 2.6% |
| ANZ Group | Diversified Financials | 2.4% |
| Telstra Corporation | Cellular Telecommunication | 2.3% |



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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.