

Fiducian Australian Smaller Company Shares Fund



Monthly Report - July 2025

Fund description

The Fiducian Australian Smaller Company Shares Fund invests in a diversified group of specialist Australian smaller company share managers. The Fund utilises the Fiducian “Manage the Manager” process, selecting best of breed managers with different styles with the aim of achieving superior returns with reduced risk.

Smaller companies typically offer better growth opportunities and perform differently at different stages of the business cycle compared to larger companies.

Smaller company shares tend to be more volatile over the short term, and the recommended holding period is at least 9 years.

Fund facts

Portfolio manager: Conrad Burge								
ARSN: 093 542 020								
APIR code: FPS0008AU								
Benchmark: ASX Small Ordinaries Acc Index								
Current fund size: \$356 million (July 2025)								
Management cost: 1.19%								
Total management costs: 1.23%								
Application/Exit fee: Nil								
Inception Date: November 1997								
	Manager	Style		Size				
	Ausbil	Value	Core	Growth	Small	Micro		
	Pendal							
	Phoenix							
	Perpetual							

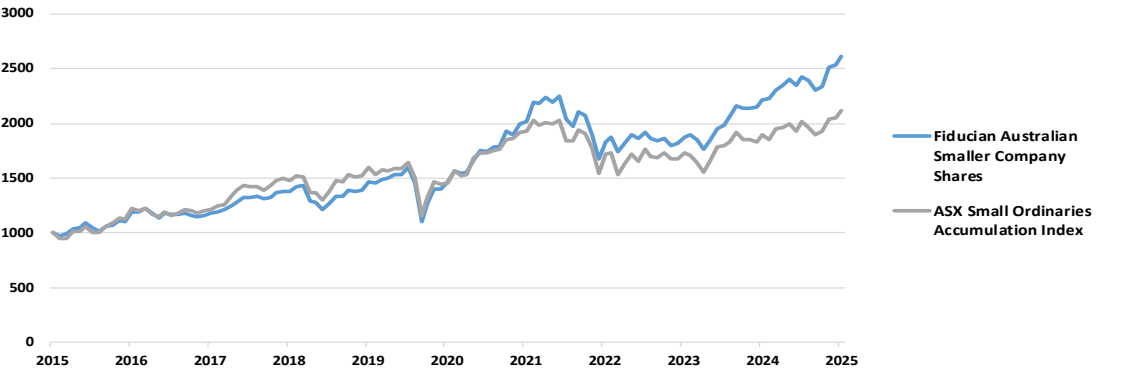
Performance and Risk

After fee returns as at 31 July 2025

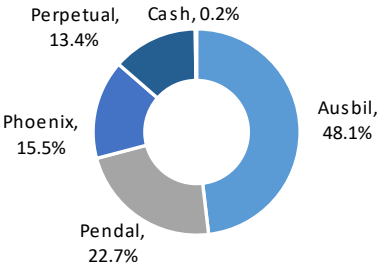
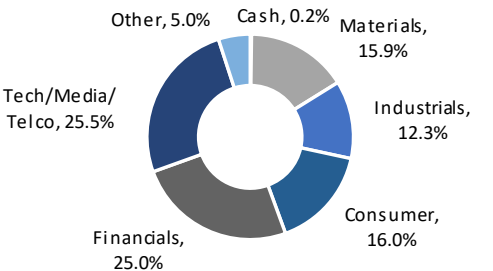
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	3.2%	12.1%	7.6%	18.3%	12.7%	12.3%	9.6%	10.1%
Index	2.8%	9.7%	4.6%	11.5%	7.1%	7.7%	5.2%	7.8%
Excess	0.4%	2.4%	3.0%	6.8%	5.6%	4.7%	4.4%	2.3%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	10.3%	11.2%	14.9%	16.4%
Benchmark (Std Dev %)	10.8%	14.2%	16.1%	16.8%
Beta	0.81	0.72	0.85	0.92
Tracking Error (% pa)	3.8%	5.4%	5.8%	5.4%



Sector exposures and current manager weights



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Market Commentary and Outlook

The global economy is forecast to slow marginally this year, according to the latest estimates provided by the International Monetary Fund (IMF). Global growth is forecast to be 3.0% this year and 3.1% in 2026, which is above the IMF's previous forecast of 2.8% this year and 3.0% in 2026 (marginally below the long-term trend rate). In the IMF's words, 'the global economy has continued to hold steady', with recent 'macroeconomic data turning out better than expected'. While this year's lower growth has been due to what the IMF has termed 'the swift escalation of trade tensions and extremely high levels of policy uncertainty', it now notes that 'a new wave of credible trade agreements could usher in a broader reform momentum to lift medium-term growth'. Growth in developed economies is forecast to be 1.5% this year, with 'risks to the outlook remaining tilted to the downside'.

The broad US stock market (S&P 500 Accumulation Index) has been on an uptrend since early April, gaining 2.2% in July alone. The Australian market (ASX 200 Accumulation Index) rose 2.4% over the same period, benefiting from a view that domestic interest rates are likely to be lowered. The Australian dollar declined by 2.4% relative to the US dollar and most commodity prices rose, with Lithium (+17.5%) and Oil (+6.5%) the strongest gainers.

Key global share markets have been 'pricing-in' a shift by central banks towards less restrictive monetary policy. However, share markets are likely to remain volatile in the current environment, with a full resolution of trade friction not yet achieved.

Fund Commentary

The Fiducian Australian Smaller Company Shares Fund gained 3.2% in July, which was above the benchmark return of 2.8%. Ausbil (+4.2%) was the top performer for the month, followed by Phoenix (+3.1%). Over the last 12 months, Ausbil was the top manager (+27.1%) followed by Phoenix (+21.8%). For the 12 months to the end of July, the Fund has returned 18.3% compared to the index return of 11.5%.

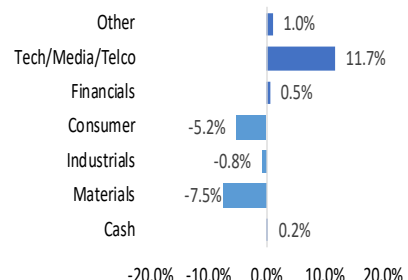
The Small Ordinaries Index rose 2.8% in July, outperforming the broader market (ASX 200 Accumulation index) gain of 2.4%.

The Small Industrials Index increased by 5.3% while the Small Resources Index fell 3.0% over the same period. Microcap stocks gained 4.0% over the month.

At an aggregate level, the largest sectoral tilts in the Fund are overweight positions in the Information Technology and Telecommunication sectors, followed by the Industrials sector. The biggest underweight position is in the Materials sector.

Top stock holdings and sector tilts

Stock	Industry	Weight
Generation Development Group	Diversified Financial Services	3.5%
Codan	Information Technology	3.4%
Aussie Broadband	Telecommunications	3.2%
Life360	Software	2.8%
Superloop	Telecommunication Services	2.7%
Maas Group Holdings	Engineering & Construction	2.3%
Genesis Minerals Ltd	Diversified Minerals	2.3%
Catapult Group	Software	2.3%
Pinnacle Investments	Diversified Financial Services	2.1%
Tuas	Leisure Time	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.