

Fiducian Australian Smaller Company Shares Fund



Monthly Report - October 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: \$419 million (October 2025)	
Management cost: 1.19%	
Total management costs: 1.23%	
Application/Exit fee: Nil	
Inception Date: November 1997	
Manager	
Ausbil	
Pendal	
Phoenix	
Perpetual	

	Style			Size	
	Value	Core	Growth	Small	Micro
Ausbil		●			●
Pendal		●		●	
Phoenix	●				●
Perpetual	●			●	

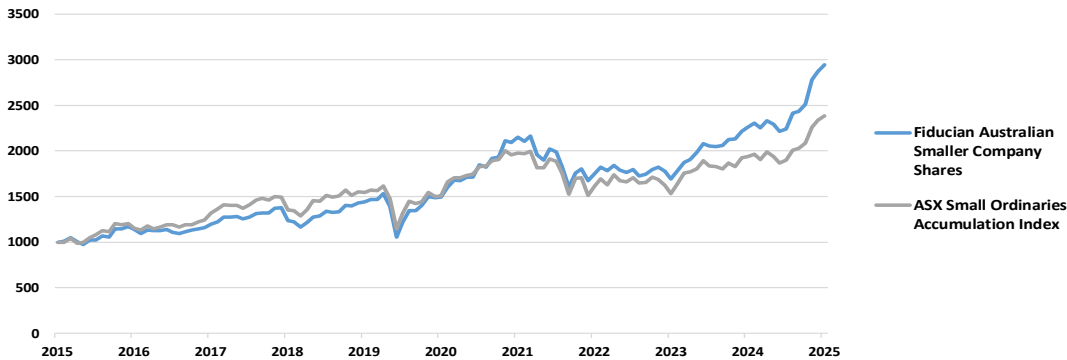
Performance and Risk

After fee returns as at 31 October 2025

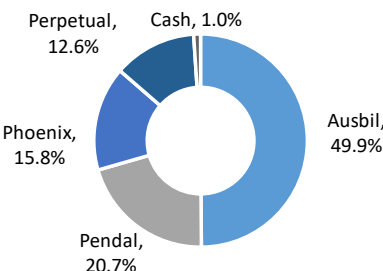
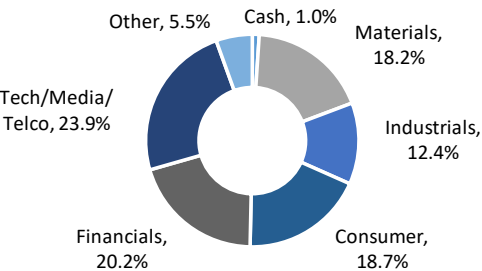
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	2.5%	17.3%	31.5%	30.6%	19.0%	14.5%	13.2%	11.4%
Index	1.9%	14.3%	25.3%	22.8%	13.9%	9.6%	8.4%	9.1%
Excess	0.6%	3.1%	6.2%	7.8%	5.1%	4.9%	4.8%	2.3%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	13.5%	11.4%	15.3%	16.6%
Benchmark (Std Dev %)	12.1%	12.8%	16.2%	16.8%
Beta	1.00	0.80	0.87	0.93
Tracking Error (% pa)	3.3%	4.8%	5.8%	5.4%



Sector exposures and current manager weights



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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 Australian Smaller Company Shares Fund gained 2.5% in October, which was above the benchmark return of 1.9%. Pendal (+3.2%) was the top performer for the month, followed by Ausbil (+3.1%). Over the last 12 months, Ausbil was the top manager (+39.9%) followed by Phoenix (+30.5%). For the 12 months to the end of October, the Fund has returned 30.6% compared to the index return of 22.8%.

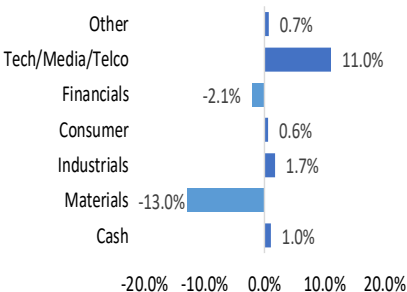
The Small Ordinaries Index continued its uptrend, gaining 1.9% in October, outperforming the broader market (ASX 200 Accumulation index) return of +0.4%.

The Small Industrials Index increased by 1.4% while the Small Resources Index grew by 3.1% over the same period. Microcap stocks fell by 0.4% 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
Tuas	Telecommunication Services	3.7%
Life360	Software	3.2%
Generation Development Group	Diversified Financial Services	2.9%
Codan	Information Technology	2.8%
Genesis Minerals Ltd	Diversified Minerals	2.5%
Zip Co	Commercial Services	2.4%
Qoria Ltd	Computer Software	2.3%
Aussie Broadband	Telecommunication Services	2.2%
Arb Corporation	Automotive Equipment	2.1%
Superloop	Telecommunication Services	2.1%



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