Fiducian Balanced Fund

Monthly Report - December 2025

Fund description

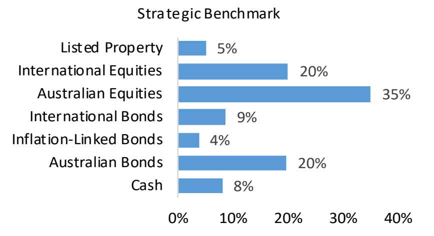
The Fiducian Balanced Fund includes holdings in shares, property, bonds and liquid assets diversified between managers and countries, utilising the Fiducian “Manage the Manager” system that aims to achieve superior returns with reduced risk.

Over the long term, the Fund is expected to generate higher returns than funds with a lower allocation to growth assets, but will also be exposed to capital losses when markets turn down.

The Fund is suitable for investors seeking good long term capital growth with possible short term volatility. The recommended holding period is at least 6 years.

Fund facts

Portfolio manager: Conrad Burge
ARSN: 093 541 612
APIR code: FPS0003AU
Benchmark: FE AMI Mixed Asset Balanced Index
Current fund size: $918 million (December 2025)
Management cost: 0.93%
Total management costs: 0.97%
Application/Exit fee: Nil
Inception Date: February 1997



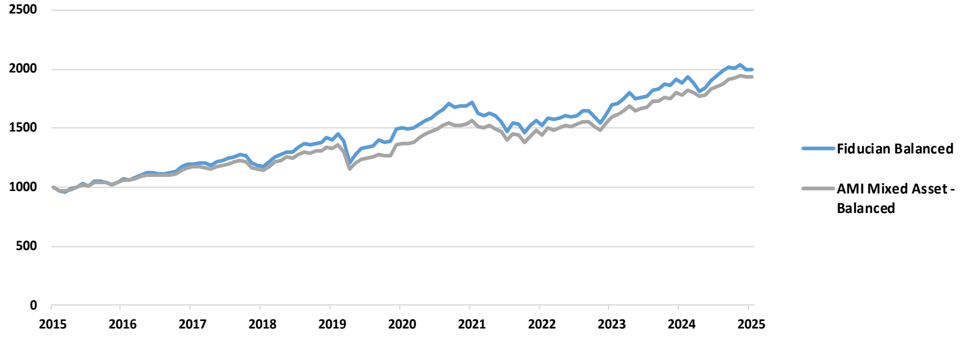
Performance and Risk

After fee returns as at 31 December 2025

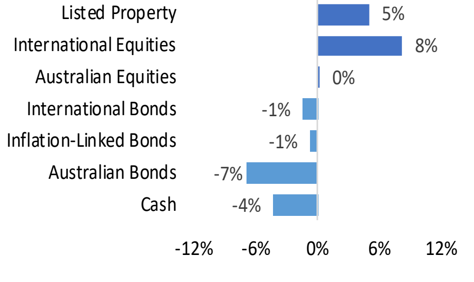
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	**0.1%**	**-0.6%**	**3.0%**	**6.2%**	**9.5%**	**5.8%**	**7.9%**	**7.1%**
Index	0.0%	0.7%	4.1%	8.2%	8.7%	5.7%	6.3%	5.6%
Excess	0.1%	-1.3%	-1.1%	-2.0%	0.8%	0.1%	1.6%	1.5%
Ranking				70/89	30/84	29/78	7/71	3/59

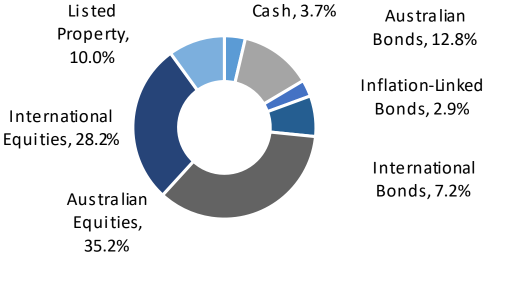
Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	7.3%	7.7%	8.7%	9.4%
Benchmark (Std Dev %)	4.7%	5.9%	7.0%	7.8%
Beta	1.34	1.23	1.18	1.17
Tracking Error (% pa)	3.1%	2.4%	2.4%	2.3%



Tactical tilts and current asset 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 have been 3.2% in 2025 and to be 3.1% in 2026 (both above the IMF's previous forecasts). As the IMF previously noted, this forecast of marginally lower growth is due to what it has termed 'the swift escalation of trade tensions and extremely high levels of policy uncertainty' following the announcement by the US in April of 'sizeable tariffs against most of its trading partners'. However, as the IMF now puts it, '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% in 2026, matching the forecast for 2025, but with 'risks tilted to the downside' in 2026.

The broad US stock market (S&P 500 Accumulation Index) has been on an uptrend since early April, gaining 0.1% in December. The Australian market (ASX 200 Accumulation Index) gained 1.3% over the month. The Australian dollar gained 1.9% relative to the US dollar over the month. Commodity prices were mixed with copper, gold, and iron ore posting gains, while coal and oil declined.

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

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities 34.7%	Solaris	7.8%
	Fidelity	4.7%
	Bennelong	3.3%
	L1 Capital	4.2%
	Ausbil Dexia	7.1%
	Vanguard	0.6%
	Pendal	7.0%
International Equities 27.8%	Franklin Templeton	5.2%
	Challenger	9.4%
	Wellington GRE	5.3%
	Wellington Value	3.7%
	State Bank of India	0.2%
	Sundaram	0.3%
	Tata	0.2%
	EquiPoise	0.2%
	Vanguard	1.0%
	Wellington Technology	1.1%
	Wellington Biotechnology	0.2%
	Loftus Peak Technology	0.6%
	Invesco	0.2%
Listed Property 9.9%	BlackRock	0.8%
	Phoenix	4.7%
	Principal	4.4%
Australian Bonds 12.8%	Perpetual Fixed Interest	4.8%
	BlackRock	0.0%
	Challenger	7.9%
Inflation Linked Bonds 2.9%	Challenger	2.9%
International Bonds 7.2%	BlackRock	7.2%
Cash 4.7%	BlackRock	3.0%
	Cash	1.8%

Fund Commentary

The Fund outperformed the benchmark in December, with a return of 0.1%, compared to the benchmark return of 0.0%. For the 12 months to the end of December, the Fund returned 6.2%.

Asset sector returns were mixed during the month, with Property Securities (+1.4%) and Australian Shares (+1.0%) the strongest performers. International Shares (-0.9%) and Fixed Interest (-0.6%) produced negative returns.

The Fund currently has overweight positions in International Equities and Listed Property. Exposures to Australian bonds, International bonds and cash are relatively underweight compared to the benchmark. Exposure to Australian Equities and Inflation-Linked Bonds is neutral.

In the FE AMI Mixed Asset - Balanced Category, the Fiducian Balanced Fund returns were ranked 70 out of 93 funds over one year, 29 out of 78 funds over five years, and 3 out of 59 funds over the ten year period to 31 December 2025.

Top stock holdings

Top Australian Stocks	Industry	Weight
BHP Group	Diversified Metals & Mining	8.7%
Commonwealth Bank	Diversified Financials	7.6%
National Australia Bank	Diversified Financials	4.1%
CSL	Biotechnology	3.8%
ANZ Group	Diversified Financials	3.7%
Goodman Group	REITS - Warehouse/Industrial	3.2%
Rio Tinto	Metal - Diversified	3.0%
Macquarie Group	Diversified Financials	2.6%
Mineral Resources	Metal - Iron	2.6%
Qantas Airways	Airlines	2.6%

Top International Stocks	Industry	Weight
Nvidia Corp	Semiconductors	4.3%
Microsoft Corp	Software	3.4%
Amazon.Com Inc	Internet	3.4%
Alphabet Inc	Internet	2.8%
Mastercard Inc	Diversified Financials	1.8%
Astrazeneca Plc	Pharmaceuticals	1.7%
Taiwan Semiconductors	Semiconductors	1.7%
Apple Inc	Computers	1.7%
Synopsys Inc	Software	1.5%
ADV Microdevices Inc	Electronics	1.5%