Fiducian Capital Stable Fund

Monthly Report - September 2025

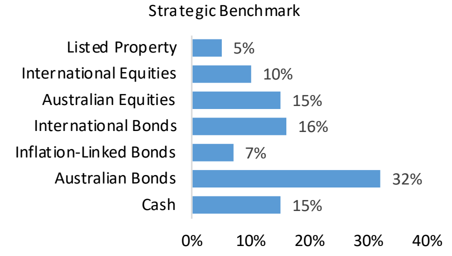
Fund description

The Fiducian Capital Stable Fund has a large allocation to fixed income assets and cash, and also includes some exposure to equities for longer term performance. The fund is diversified between multiple asset classes and countries, utilising the Fiducian "Manage the Manager" system that aims to achieve superior returns with reduced risk.

The Fund is suitable for investors who are relatively conservative but are prepared to take some level of market risk to achieve modest capital growth in addition to a relatively high level of income. The recommended holding period is at least 4 years.

Fund facts

Portfolio manager: Conrad Burge
ARSN: 093 542 879
APIR code: FPS0002AU
Benchmark: FE AMI Mixed Asset Moderate Index
Current fund size: $558 million (September 2025)
Management cost: 0.76%
Total management costs: 0.80%
Application/Exit fee: Nil
Inception Date: March 1997



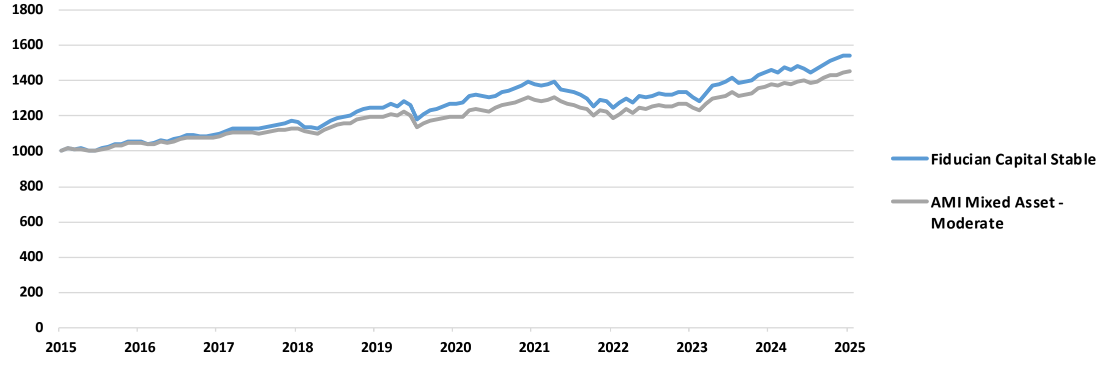
Performance and Risk

After fee returns as at 30 September 2025

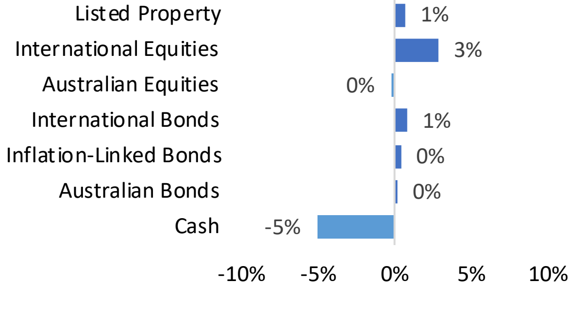
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	**0.0%**	**2.0%**	**6.3%**	**5.2%**	**7.3%**	**4.0%**	**4.1%**	**4.4%**
Index	0.5%	2.0%	5.1%	5.7%	7.0%	4.1%	3.7%	3.8%
Excess	-0.5%	0.0%	1.3%	-0.5%	0.3%	-0.1%	0.4%	0.6%
Ranking				69/91	47/88	50/85	27/79	15/71

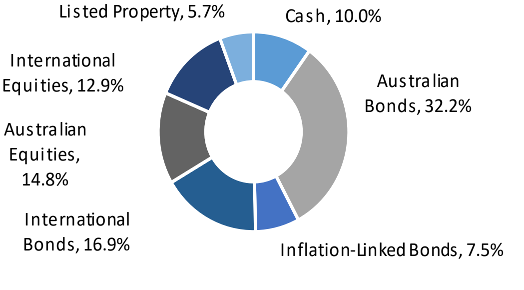
Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	4.1%	5.1%	5.5%	5.1%
Benchmark (Std Dev %)	2.6%	4.0%	4.4%	4.2%
Beta	1.34	1.20	1.18	1.18
Tracking Error (% pa)	2.0%	1.6%	1.5%	1.3%



Tactical tilts and current asset 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 (both marginally below the long-term trend rate, but slightly above the IMF's previous forecast). 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 3.7% in September alone. The Australian market (ASX 200 Accumulation Index) fell 0.8% over the month, with the Reserve Bank of Australia (RBA) reporting that 'inflation in the September quarter may be higher than expected', prompting the RBA to hold its 'cash rate' at 3.60% at its September meeting. The Australian dollar gained 1.2% relative to the US dollar. Commodity prices were mixed, with gold and iron ore posting gains, while lithium, coal, and oil 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.

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities 14.7%	Solaris	3.2%
	Fidelity	2.0%
	Bennelong	2.1%
	L1 Capital	1.6%
	Ausbil Dexia	2.9%
	Pendal	2.9%
International Equities 12.8%	Franklin Templeton	2.6%
	Challenger	4.3%
	Wellington GRE	2.3%
	Wellington Value	1.7%
	State Bank of India	0.1%
	Sundaram	0.1%
	Tata	0.1%
	EquiPoise	0.1%
	Vanguard	0.5%
	Wellington Technology	0.6%
	Wellington Biotechnology	0.1%
	Loftus Peak Technology	0.3%
	Invesco Nasdaq 100	0.1%
Listed Property 5.7%	BlackRock	0.5%
	Phoenix	2.7%
	Principal	2.5%
Australian Bonds 40.1%	Perpetual Fixed Interest	12.1%
	BlackRock	0.1%
	Challenger	27.8%
Inflation Linked Bonds 7.5%	Challenger	7.5%
International Bonds 16.9%	BlackRock	16.9%
Cash 2.3%	BlackRock	0.1%
	Cash	2.2%

Fund Commentary

The Fund underperformed the benchmark in September, with a return of 0.0%, compared to the benchmark return of 0.5%. For the 12 months to the end of September, the Fund returned 5.2%.

There were mixed returns from asset classes during the month, with International Equities (+1.1%) and Fixed Interest (+0.4%) being the best performers for the period. Listed Property (-2.8%) was the worst performing asset class over the month.

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

In the FE AMI Mixed Asset - Moderate Category, the Fiducian Capital Stable Fund returns were ranked 69 out of 91 funds over one year, 50 out of 85 funds over five years, and 15 out of 71 funds over the ten year period to 30 September 2025.

Top stock holdings

Top Australian Stocks	Industry	Weight
Commonwealth Bank	Diversified Financials	7.4%
BHP Group	Diversified Metals & Mining	7.3%
CSL	Biotechnology	4.5%
National Australia Bank	Diversified Financials	4.1%
Goodman Group	REITS - Warehouse/Industrial	3.4%
ANZ Group	Diversified Financials	2.9%
Macquarie Group	Diversified Financials	2.7%
Aristocrat Leisure	Casino Services	2.7%
Santos	Oil & Gas	2.6%
Pendal Small Comp Trust	Equity Fund	2.4%

Top International Stocks	Industry	Weight
Nvidia Corp	Semiconductors	4.6%
Microsoft Corp	Software	3.7%
Alphabet Inc	Internet	2.5%
Amazon.Com Inc	Internet	2.4%
Synopsys Inc	Software	1.8%
ADV Microdevices Inc	Electronics	1.8%
Mastercard Inc	Diversified Financials	1.6%
Apple Inc	Computers	1.6%
Amadeus	Travel Services	1.5%
Astrazeneca Plc	Pharmaceuticals	1.4%