

# Fiducian Emerging Markets Strategy



Monthly Report - February 2025

## Fund description

The Fund provides investors with the opportunity to invest in companies that are listed on the stock exchanges of the less developed (emerging) markets. The Fund invests in developing countries and offers investors the opportunity to benefit from the significant growth potential inherent in many of these economies as they raise their standard of living.

The Fund utilises the Fiducian “Manage the Manager” process, selecting funds that provide diversification among different management styles, geographies and sectors.

It is recommended that investment in this Fund be undertaken for at least nine years. International share investment can be volatile over the short-term.

## Fund facts

**Portfolio manager:** Conrad Burge

**ARSN:** 093 543 849

**APIR code:** FDN6819AU

**Benchmark:** MSCI Emerging Markets Index (AUD)

**Current fund size:** \$67 million (February 2025)

**Management cost:** 1.14%

**Total management costs:** 1.20%

**Application/Exit fee:** Nil

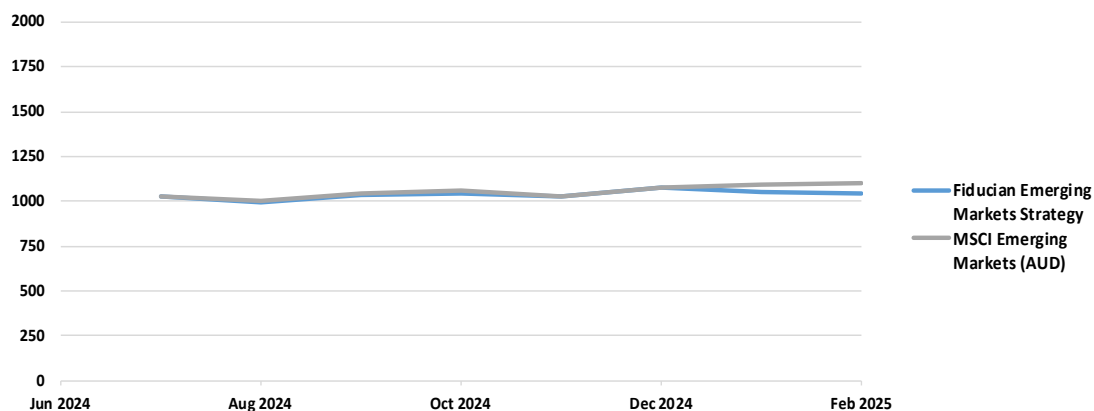
**Inception Date:** June 2024

Manager	Style			Approach	
	Value	Core	Growth	Active	Passive
Fidelity		●		●	
Vanguard Emerging		●			●
Fiducian India			●	●	

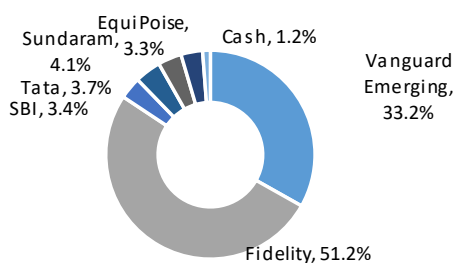
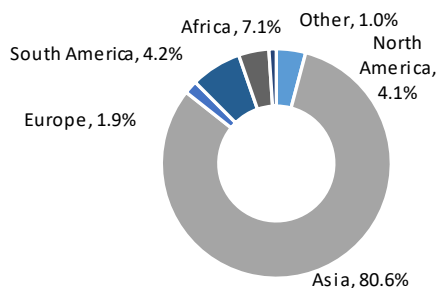
## Performance

After fee returns as at 28 February 2025

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-0.8%	1.6%	5.3%	-	-	-	-	-
Index	0.8%	7.0%	9.5%	-	-	-	-	-
Excess	-1.6%	-5.4%	-4.2%	-	-	-	-	-



## Geographic exposures and current manager weights



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## Market Commentary and Outlook

The global economy has continued to sustain solid growth despite the persistence of tight monetary policy being implemented by most of the world's major central banks in an effort to push inflation lower and back into target ranges. The latest report from the International Monetary Fund (IMF) noted that while global disinflation continues, it remains elevated in a few cases. Nonetheless, interest rates have continued to trend downwards, with the US central bank and the European Central Bank both lowering rates in recent months, although rate cuts may be paused for a time given recent high inflation data.

While US President Donald Trump returned to government with policies aimed at stimulating economic growth and productivity, concerns over tariffs and a growth slowdown saw the broad US stock market (S&P 500 Accumulation Index) decrease 1.3% over the month while the Australian market (ASX 200 Accumulation Index) fell 3.8%. Domestic and global bonds recorded positive returns over the same period. Commodity prices were mixed, with gains in gold, copper and iron ore, but coal and oil prices declined.

For some time now, key global share markets have been 'pricing-in' a shift by central banks towards less restrictive monetary policy, which has led to strong returns for equity investors. However, geopolitical risks remain heightened and continue to represent potential headwinds. Despite this, the IMF is forecasting global economic growth to be 3.3% in both 2025 and 2026, which is close to its long-term trend rate. In broad terms, share markets continue to appear more attractive than most other investment opportunities.

## Fund Commentary

The fund returned -0.8% in February, which was below the index return of 0.8%.

The MSCI Emerging Markets index rose by 0.8% in February, outperforming the developed markets index, which declined by 0.4% (both in Australian dollars, unhedged).

Hong Kong (+13.4%) and China (+2.3%) were the best performing emerging markets during the month. India (-5.9%), Brazil (-2.6%) and Saudi Arabia (-2.4%) recorded large declines in local currency terms.

Emerging markets have continued to lag developed markets in recent periods, partly due to the strong performance of the 'Magnificent Seven' technology stocks that make up a significant part of the developed world index.

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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](http://fiducian.com.au)) before making a decision about whether to acquire or continue to hold any financial product.