

# Fiducian Emerging Markets Strategy

Monthly Report - June 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:** \$70 million (June 2025)

**Management cost:** 1.14%

**Total management costs:** 1.27%

**Application/Exit fee:** Nil

**Inception Date:** June 2024

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

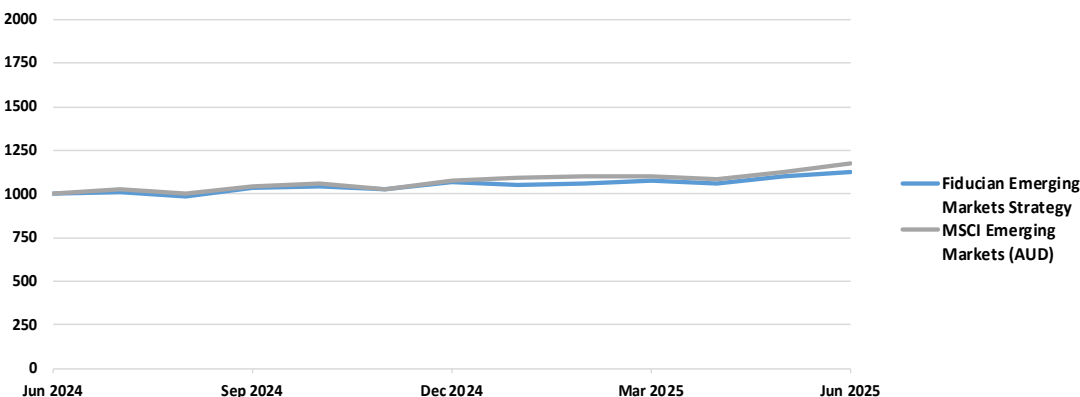
## Performance

After fee returns as at 30 June 2025

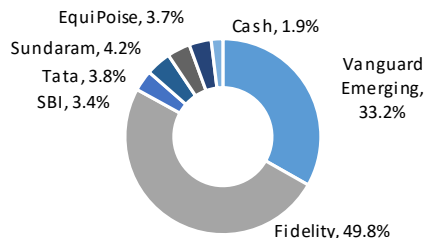
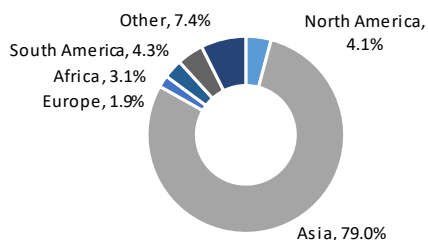
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	2.2%	5.0%	4.2%	12.2%	-	-	-	-
Index	4.1%	6.5%	8.9%	17.5%	-	-	-	-
Excess	-1.9%	-1.5%	-4.7%	-5.3%	-	-	-	-

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	8.3%	-	-	-
Benchmark (Std Dev %)	8.8%	-	-	-
Beta	0.76	-	-	-
Tracking Error (% pa)	4.3%	-	-	-



## Geographic exposures and current manager weights



### 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 2.8% this year and 3.0% in 2026, which is below the IMF's previous forecast of 3.3% in each year (around the long-term trend rate). In the IMF's words, this lowering of its growth forecasts is due to 'the swift escalation of trade tensions and extremely high levels of policy uncertainty', after 'a series of new tariff measures by the US and countermeasures by its trading partners'. Trade negotiations have been ongoing for some time and as the IMF put it, 'if countries de-escalate from their current tariff stance, the outlook could immediately brighten'.

Despite heightened market volatility in recent months, the broad US stock market (S&P 500 Accumulation Index) has been on an uptrend since early April, gaining 5.1% in June alone. The Australian market (ASX 200 Accumulation Index) rose 1.4% over the same period, benefiting from a view that domestic interest rates are likely to be lowered. The Australian dollar gained 2.3% relative to the US dollar and most commodity prices rose, with Oil (+7.1%) and Thermal Coal (+6.4%) the strongest.

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 resolution of trade friction still some way off.

### Fund Commentary

The Fund returned 2.2% in June, which was below the index return of 4.1%.

The MSCI Emerging Markets index gained 4.1% in June, outperforming the developed markets index, which gained 2.5% (both in Australian dollars, unhedged).

Korea (+13.9%) and Taiwan (+4.3%) were the two best performing of the larger emerging markets during the month.

Emerging markets have lagged developed markets for some time, partly due to the strong performance of the 'Magnificent Seven' US mega-cap technology stocks that comprise a significant part of the developed world index. However, the emerging markets sector appears attractive in terms of relative valuation.

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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.