

Fiducian Fixed Interest Fund

Monthly Report - February 2025



Fund description

The Fund invests in a diversified group of fixed interest assets. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting best of breed managers with different styles, sector and geographical exposures with the aim of achieving superior returns with reduced risk.

This Fund gives investors exposure to a range of fixed interest instruments, including Australian Bonds, International Bonds, Inflation Linked Bonds and Cash.

The Fund is intended to provide a secure return with a lower risk of capital loss relative to other investment categories. The return may be above cash when interest rates are falling, and below cash when interest rates are rising. The recommended holding period is at least 3 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 106 681 707

APIR code: FDN5053AU

Benchmark: Fiducian Fixed Interest Composite

Current fund size: \$569 million (February 2025)

Management cost: 0.20%

Total management costs: 0.22%

Application/Exit fee: Nil

Inception Date: October 2003

Manager	Style		Sector	
	Active	Passive	Cash	FI
Challenger Inflation Linked	●			●
Challenger Aus Bond	●			●
iShares Aus Bond		●		●
iShares Global Bond		●		●
Perpetual Aus Bond	●			●
Cash		●	●	

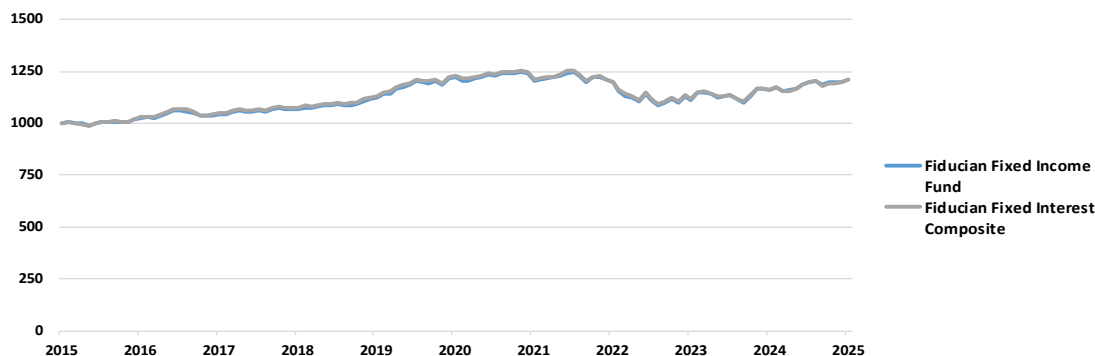
Performance and Risk

After fee returns as at 28 February 2025

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	1.0%	1.3%	1.1%	4.3%	0.4%	-0.2%	1.8%	1.9%
Index	0.9%	1.2%	1.1%	4.1%	0.3%	-0.4%	1.7%	1.9%
Excess	0.0%	0.1%	0.0%	0.2%	0.2%	0.2%	0.1%	0.0%

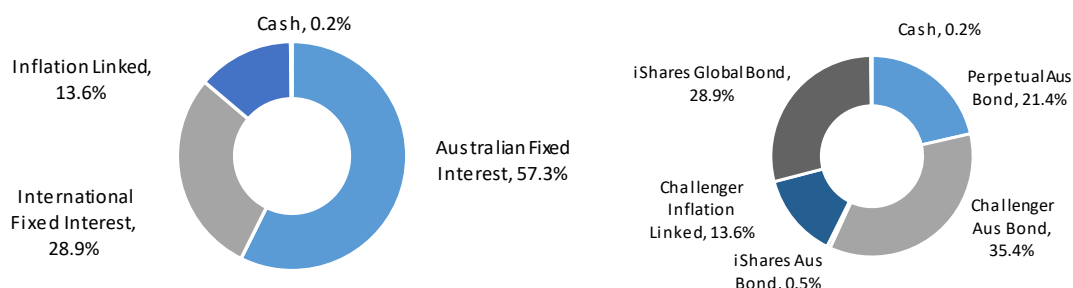
Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	3.6%	6.1%	5.4%	4.2%
Benchmark (Std Dev %)	3.5%	5.8%	5.1%	4.1%
Beta	0.93	1.02	1.03	1.02
Tracking Error (% pa)	0.2%	0.4%	0.6%	0.5%



Benchmark: Fiducian Fixed Interest Composite (60% Australian Fixed Interest, 28% International Fixed Interest, 12% Inflation-Linked Fixed Interest)

Sector exposures and current manager weights



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 gained 1.0% in February, which was in line with the Fiducian Fixed Interest Composite Index return of 0.9% for the same period. For the 12 months to the end of February, the Fund rose by 4.3%, compared to the 4.1% growth by the 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) before making a decision about whether to acquire or continue to hold any financial product.