

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

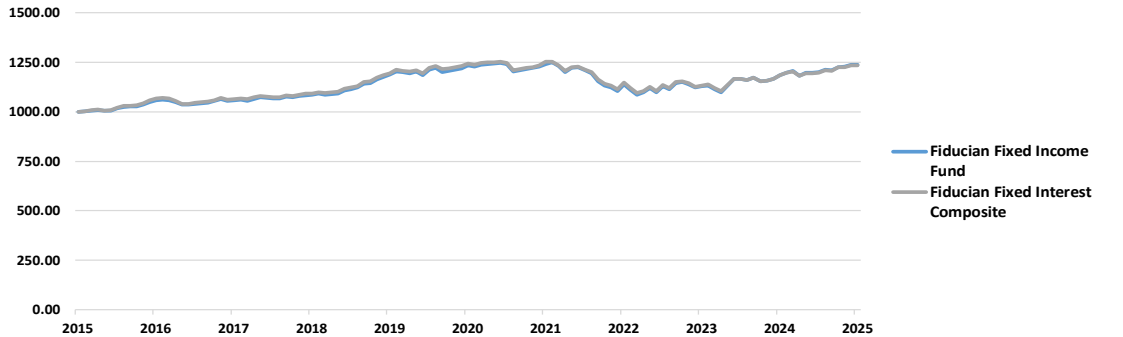
**Portfolio manager:** Conrad Burge  
**ARSN:** 106 681 707  
**APIR code:** FDN5053AU  
**Benchmark:** Fiducian Fixed Interest Composite  
**Current fund size:** \$577 million (July 2025)  
**Management cost:** 0.20%  
**Total management costs:** 0.22%  
**Application/Exit fee:** Nil  
**Inception Date:** 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

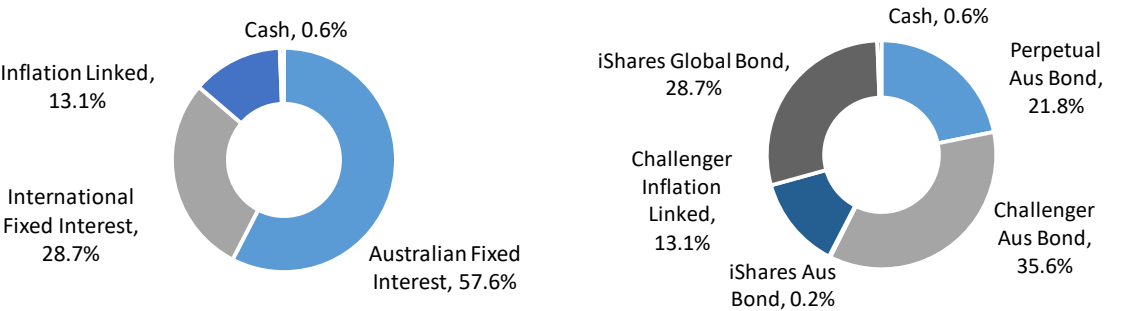
After fee returns as at 31 July 2025								
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	0.0%	0.9%	3.2%	4.3%	2.8%	0.1%	1.9%	2.2%
Index	0.0%	0.8%	3.0%	4.2%	2.4%	-0.1%	1.8%	2.1%
Excess	0.0%	0.1%	0.2%	0.1%	0.4%	0.2%	0.1%	0.0%

Risk Exposure				
	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	2.9%	5.2%	5.3%	4.2%
Benchmark (Std Dev %)	2.8%	5.0%	5.1%	4.1%
Beta	0.95	1.01	1.02	1.02
Tracking Error (% pa)	0.2%	0.3%	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 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, which is above the IMF's previous forecast of 2.8% this year and 3.0% in 2026 (marginally below the long-term trend rate). 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 2.2% in July alone. The Australian market (ASX 200 Accumulation Index) rose 2.4% over the same period, benefiting from a view that domestic interest rates are likely to be lowered. The Australian dollar declined by 2.4% relative to the US dollar and most commodity prices rose, with Lithium (+17.5%) and Oil (+6.5%) the strongest gainers.

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 full resolution of trade friction not yet achieved.

### Fund Commentary

The Fund was relatively stable at 0.0% in July, which was in line with the Fiducian Fixed Interest Composite Index return of 0.0% for the same period. For the 12 months to the end of July, the Fund rose by 4.3%, compared to the 4.2% growth by the index.

#### Fiducian Investment Management Services Limited

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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.