

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: \$568 million (March 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		●	●	

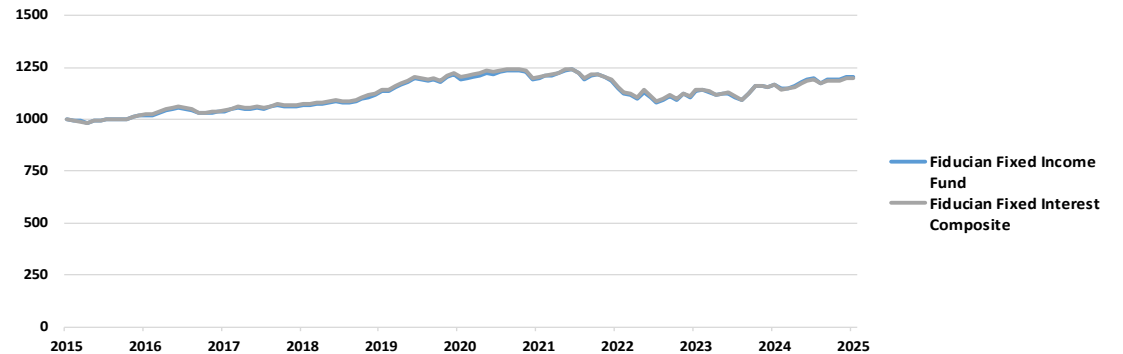
Performance and Risk

After fee returns as at 31 March 2025

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-0.2%	1.0%	0.3%	3.1%	1.6%	0.1%	1.7%	1.9%
Index	-0.1%	1.0%	0.4%	3.0%	1.3%	-0.1%	1.6%	1.8%
Excess	-0.1%	0.0%	-0.1%	0.1%	0.3%	0.3%	0.1%	0.0%

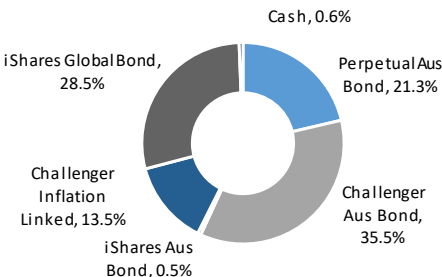
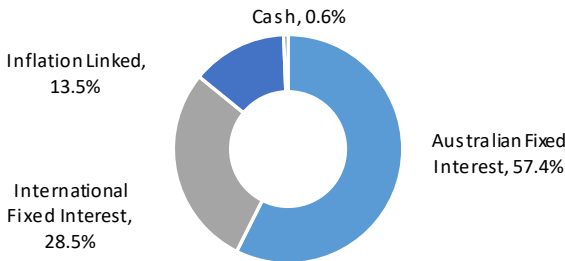
Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	3.6%	5.7%	5.3%	4.2%
Benchmark (Std Dev %)	3.5%	5.5%	5.1%	4.1%
Beta	0.93	1.02	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 continue to sustain growth at close to its longer-term trend rate for at least this year and next, despite relatively tight monetary policy still being implemented by most of the world's major central banks in their ongoing 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'. Nevertheless, interest rates have continued to decline, with the US central bank and the European Central Bank both lowering official rates in recent months.

Uncertainty surrounding US trade policies and growing fears of a recession have caused volatility across equity markets, with the broad US stock market (S&P 500 Accumulation Index) decreasing by 5.6% over the month while the Australian market (ASX 200 Accumulation Index) fell 3.4%. Domestic bonds recorded positive returns over the same period, while the Australian dollar gained relative to the US dollar over the month. Commodity prices were mixed, with gains in gold, copper, oil, and coal, but the price for iron ore declined.

Until recently, key global share markets had been 'pricing-in' a shift by central banks towards less restrictive monetary policy, which led to strong returns for equity investors. However, equity markets fell heavily after the announcement in early April that the US would be implementing hefty tariffs on most imports. Share markets are likely to be volatile in this environment but could rebound as and when an improved balance in international trade relations can be achieved.

Fund Commentary

The Fund declined 0.2% in March, which was below the Fiducian Fixed Interest Composite Index return of -0.1% for the same period. For the 12 months to the end of March, the Fund rose by 3.1%, compared to the 3.0% 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) before making a decision about whether to acquire or continue to hold any financial product.