

Fiducian Geared Australian Shares Fund



Monthly Report - February 2025

Fund description

The Fund invests in a diversified group of specialist Australian Share managers. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting best of breed managers with different styles with the aim of achieving superior returns with reduced risk.

In this Fund, the underlying managers can borrow against the investor’s assets in the fund to purchase additional shares and provide a leveraged exposure. This can amplify returns in rising markets, and magnify losses when markets decline.

Share investment can be volatile over the short term, especially when geared, and the recommended holding period is at least 9 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 105 996 192

APIR code: FPS0011AU

Benchmark: ASX 200 Accumulation Index

Current fund size: \$20 million (February 2025)

Management cost: 1.12%

Total management costs: 1.35%

Application/Exit fee: Nil

Inception Date: October 2003

Manager

First Sentier

Ausbil

Fiducian Australian Shares

Style

Value

Core

Growth

Size

Large

Broad

Small

Performance and Risk

After fee returns as at 28 February 2025

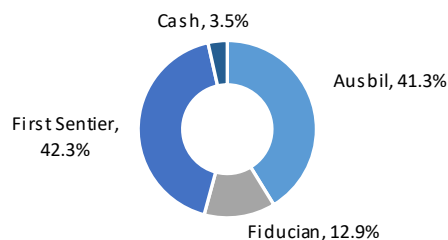
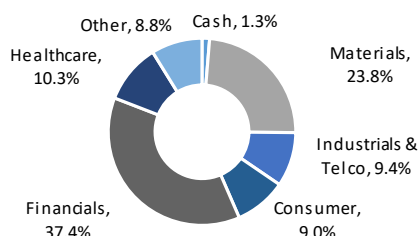
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-9.8%	-8.6%	0.9%	11.4%	10.7%	8.8%	8.7%	8.0%
Index	-3.8%	-2.6%	2.8%	9.9%	9.2%	8.9%	8.6%	7.5%
Excess	-6.0%	-6.0%	-1.9%	1.4%	1.5%	0.0%	0.1%	0.5%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	17.1%	24.7%	31.1%	25.3%
Benchmark (Std Dev %)	9.9%	13.6%	16.2%	13.9%
Beta	1.53	1.72	1.86	1.77
Tracking Error (% pa)	8.0%	11.8%	15.5%	12.2%



Sector 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 Fiducian Geared Australian Shares Fund returned -9.8% in February, which was below the index return of -3.8%. Over the last 12 months, the fund has returned 11.4% compared to the index return of 9.9%.

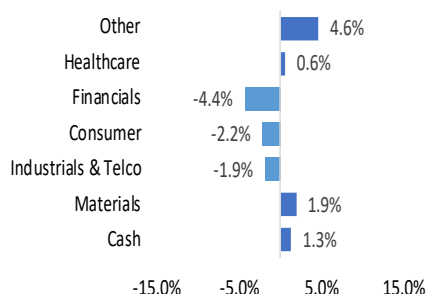
The broad Australian share market (ASX 200 Accumulation Index) fell 3.8% in February. Inflation has continued to trend downwards, with the Reserve Bank of Australia's ('RBA's') preferred measure of inflation moving into the target range at 2.8% in January, facilitating a 0.25% cut in interest rates in February. Further cuts by the RBA remain dependent on the path of inflation.

Over the month, the best performing sectors were Utilities (+3.1%) and Telecoms (+2.6%). Information Technology (-12.3%), Healthcare (-7.7%) and Real Estate (-6.4%) fell notably during the month.

At an aggregate level, the largest sectoral tilts in the Fund is an underweight to Financials, primarily property trusts, with this funding an overweight position in the Materials sector. As at the end of February, the average gearing level in the Fund was 46%.

Top stock holdings and sector tilts

First Sentier Top Holdings	Weight	Ausbil Top Holdings	Weight
Commonwealth Bank	11.6%	BHP Group	22.0%
BHP Group	9.6%	Commonwealth Bank	20.2%
CSL	7.2%	CSL	13.9%
National Australia Bank	6.4%	National Australia Bank	13.7%
QBE Insurance Group	4.6%	Macquarie Group	11.1%
Brambles Limited	4.6%	Goodman Group	8.9%
Goodman Group	4.4%	Xero	8.5%
Aristocrat Leisure	4.4%	Aristocrat Leisure	7.2%
Westpac Banking Corporation	3.9%	Wesfarmers	6.9%
Resmed	3.7%	ANZ Bank	6.8%



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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.