

Fiducian Global Smaller Companies Strategy



Monthly Report - December 2025

Fund description

The Fund provides investors with the opportunity to invest in companies that are of smaller market capitalisation in more developed markets. Smaller companies in developed markets have shown superior long-term growth when compared with their larger peers.

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

ARN: 093 543 849

APIR code: FDN0487AU

Benchmark: MSCI World ex-Aus Small Cap (AUD)

Current fund size: \$96 million (December 2025)

Management cost: 1.14%

Total management costs: 1.24%

Application/Exit fee: Nil

Inception Date: June 2024



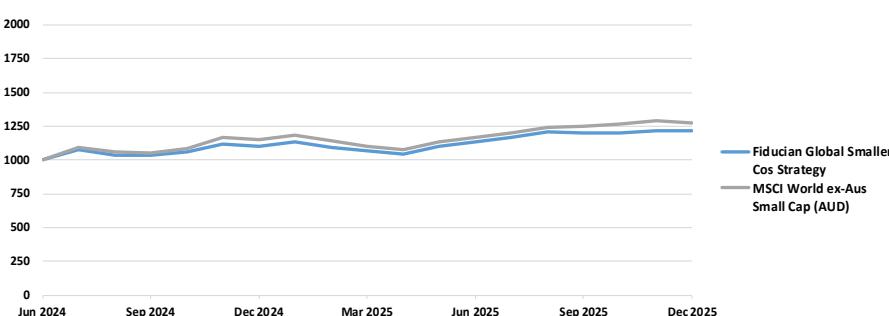
Performance

After fee returns as at 31 December 2025

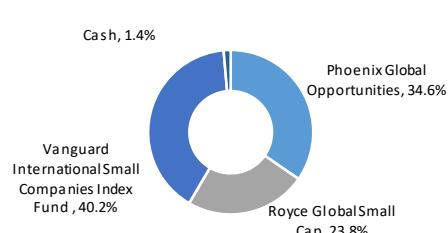
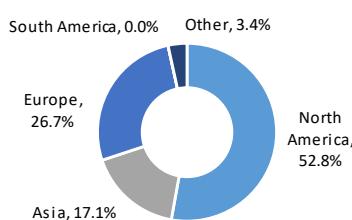
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-0.2%	1.7%	7.6%	9.9%	-	-	-	-
Index	-0.8%	2.3%	9.5%	10.9%	-	-	-	-
Excess	0.6%	-0.6%	-1.9%	-1.0%	-	-	-	-

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	9.3%	-	-	-
Benchmark (Std Dev %)	9.3%	-	-	-
Beta	0.87	-	-	-
Tracking Error (% pa)	2.7%	-	-	-



Geographic exposures and current manager weights



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Market Commentary and Outlook

The global economy is forecast to expand this year and the next, according to the latest estimates provided by the International Monetary Fund (IMF). Global growth is forecast to have been 3.2% in 2025 and to be 3.1% in 2026 (both above the IMF's previous forecasts). As the IMF previously noted, this forecast of marginally lower growth is due to what it has termed 'the swift escalation of trade tensions and extremely high levels of policy uncertainty' following the announcement by the US in April of 'sizeable tariffs against most of its trading partners'. However, as the IMF now puts it, 'the good news is that the negative impact on the global economy (of US tariffs) is at the modest end of the range'. Growth in the advanced economies is forecast to be 1.6% in 2026, matching the forecast for 2025, but with 'risks tilted to the downside' in 2026.

The broad US stock market (S&P 500 Accumulation Index) has been on an uptrend since early April, gaining 0.1% in December. The Australian market (ASX 200 Accumulation Index) gained 1.3% over the month. The Australian dollar gained 1.9% relative to the US dollar over the month. Commodity prices were mixed with copper, gold, and iron ore posting gains, while coal and oil declined.

Key global share markets have been 'pricing-in' a shift by central banks towards less restrictive monetary policy, despite signs of inflation rising again in some economies. However, share markets are likely to remain volatile until a resolution of trade tensions is achieved.

Fund Commentary

The Fund declined by -0.2% in December, which outperformed the index return of -0.8%. For the 12 months to the end of December, the Fund returned 9.9%.

The MSCI World ex-Australia Small Cap index declined by 0.8% in December, outperforming the global large cap index, which declined by 0.9% (both in Australian dollars, unhedged).

Smaller companies have lagged larger companies 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 large cap index.

Despite a rebound in recent months, global small cap indices have seen broad market valuations remain at levels that are below historical averages and this sector still appears relatively attractive compared with other investment opportunities.

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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.