

Fund description

The Fund invests in a diversified group of international equity managers. 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 the growth of major global economies through investment in international companies. A currency overlay manages the exposure to international currencies.

International share investment can be volatile over the short term, and the recommended holding period is at least 8 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 093 543 456

APIR code: FPS0005AU

Benchmark: MSCI World Ex-Aus Index (AUD)

Current fund size: \$702 million (May 2025)

Management cost: 1.24%

Total management costs: 1.28%

Application/Exit fee: Nil

Inception Date: February 1997

Manager	Style		Sector	
	Value	Growth	EM	DM
Franklin Templeton		●		●
Challenger		●		●
Wellington GRE		●		●
Wellington Value	●			●
Fiducian India		●	●	
Fiducian Technology		●		●
Vanguard Emerging Markets	●		●	

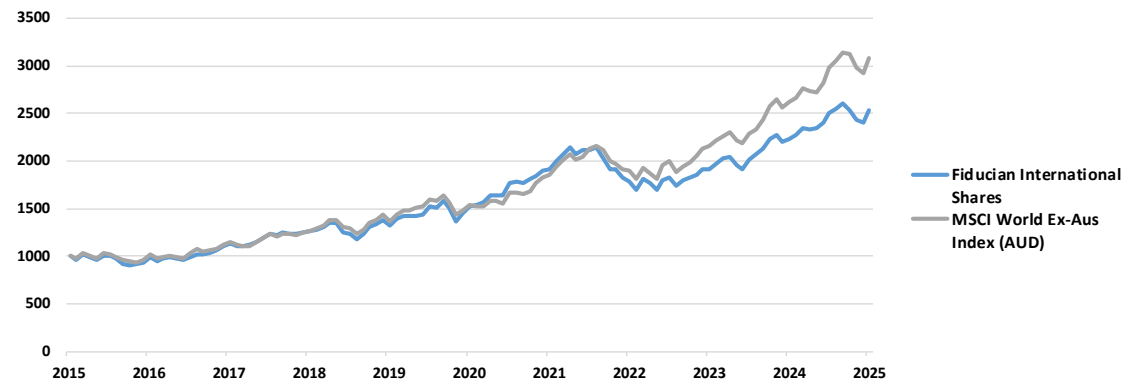
Performance and Risk

After fee returns as at 31 May 2025

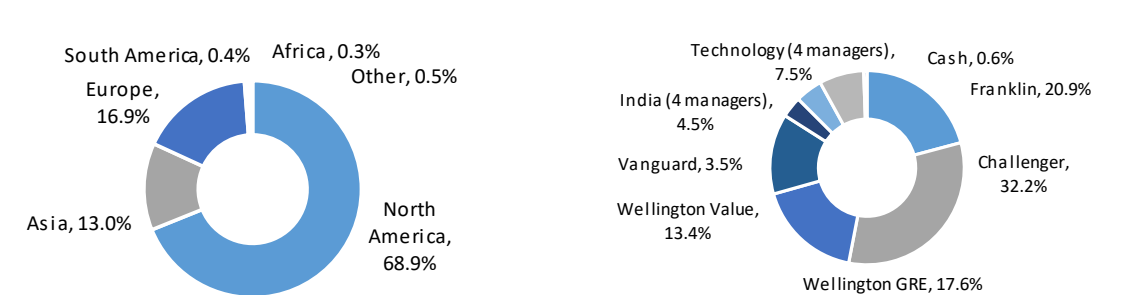
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	5.5%	-0.3%	1.1%	13.3%	12.6%	10.6%	10.4%	9.9%
Index	5.3%	-1.4%	3.5%	17.6%	17.5%	14.9%	13.6%	11.9%
Excess	0.2%	1.1%	-2.5%	-4.3%	-4.9%	-4.4%	-3.2%	-2.0%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	9.3%	11.0%	11.0%	11.6%
Benchmark (Std Dev %)	10.4%	11.7%	11.2%	11.4%
Beta	0.78	0.88	0.90	0.94
Tracking Error (% pa)	3.4%	3.4%	4.2%	4.0%



Geographic exposures and current manager weights



Market Commentary and Outlook

The global economy is expected to slow marginally this year, according to the latest forecast provided by the International Monetary Fund (IMF). This year, global growth is forecast at 2.8% and 3.0% in 2026, which is below the IMF's previous forecast of 3.3% each year (around the long-term trend rate). In the IMF's words, this lowering of its growth forecasts is due to 'the swift escalation of trade tensions and extremely high levels of policy uncertainty', after 'a series of new tariff measures by the US and countermeasures by its trading partners'. The IMF adds that 'while the situation remains fluid, risks remain firmly tilted to the downside', although 'if countries de-escalate from their current tariff stance, the outlook could immediately brighten'.

Uncertainty surrounding US trade policies has caused market volatility in recent weeks, but the broad US stock market (S&P 500 Accumulation Index) rebounded by 6.3% over the month. The Australian market (ASX 200 Accumulation Index) rose 4.2% over the same period, benefiting from a de-escalation of trade conflict and a view that domestic interest rates are likely to be lowered. The Australian dollar gained 0.5% relative to the US dollar. Most commodity prices rose, with Thermal Coal (+6.0%) the standout.

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 in the lead up to and 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

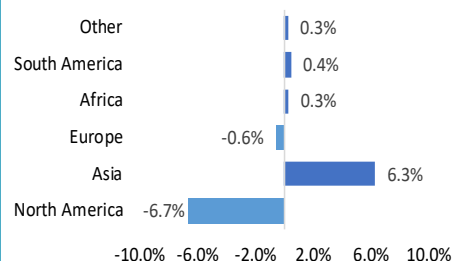
The Fund gained 5.5% in May, which was above the index return of 5.3% for the MSCI World ex-Australia Index (in AUD). Over the month, the Fiducian Technology Fund (+9.0%) was the top performer, followed by Franklin Growth Mandate (+6.3%).

For the 12 months to the end of May, the Fund rose by 13.3%. Challenger (+17.9%) has been the best performer over the period followed by Vanguard Emerging Markets Index Fund (+16.4%).

The Fund remains strongly diversified, with 14 underlying managers and exposure to over 50 different countries and a broad range of industries. The United States and Europe remain the largest regional exposures by virtue of their size in global markets. The largest regional tilt is towards Asian equities (predominantly India), which offer relatively high earnings growth rates, and overall, the Fund has a marginal overweight exposure to emerging markets relative to developed markets.

Top stock holdings and geographic tilts

Stock	Industry	Weight
Nvidia Corp	Semiconductors	3.4%
Microsoft Corp	Software	3.2%
Amazon.Com Inc	Internet	2.3%
Mastercard Inc	Diversified Financials	2.0%
Alphabet Inc	Internet	1.9%
Synopsys Inc	Software	1.7%
Amadeus	Travel Services	1.7%
Astrazeneca Plc	Pharmaceuticals	1.6%
HDFC Bank	Commercial Banks	1.5%
Mercadolibre Inc	Internet	1.5%



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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.