

Fund description

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

Typically, property securities provide attractive levels of income plus a small amount of capital growth. Returns from property trusts are generally lower than shares, but typically exhibit lower variance in price during market declines.

The recommended holding period for this fund is at least 6 years.

Fund facts

**Portfolio manager:** Conrad Burge

**ARSN:** 093 544 079

**APIR code:** FPS0007AU

**Benchmark:** ASX 200 Property Accumulation Index

**Current fund size:** \$326 million (August 2025)

**Management cost:** 0.96%

**Total management costs:** 0.99%

**Application/Exit fee:** Nil

**Inception Date:** March 1997

**Manager**

Blackrock

Phoenix

Principal

**Style**

Value

Core

Growth

**Size**

Large

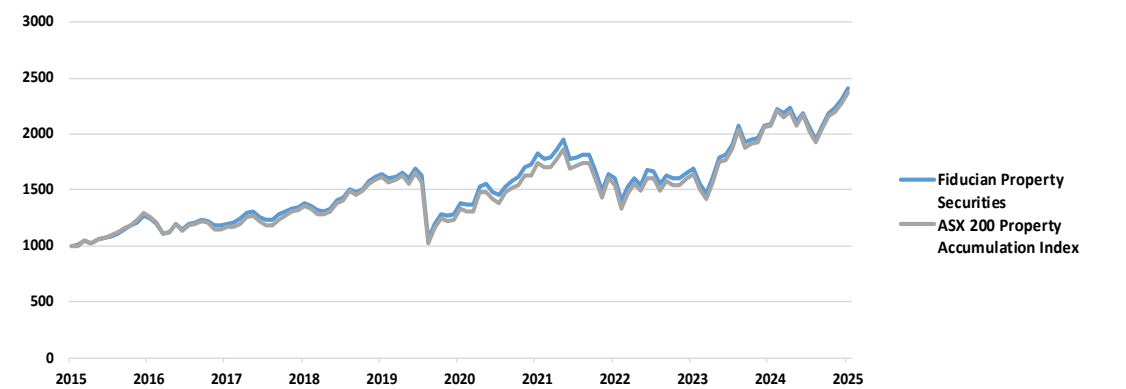
Broad

Small

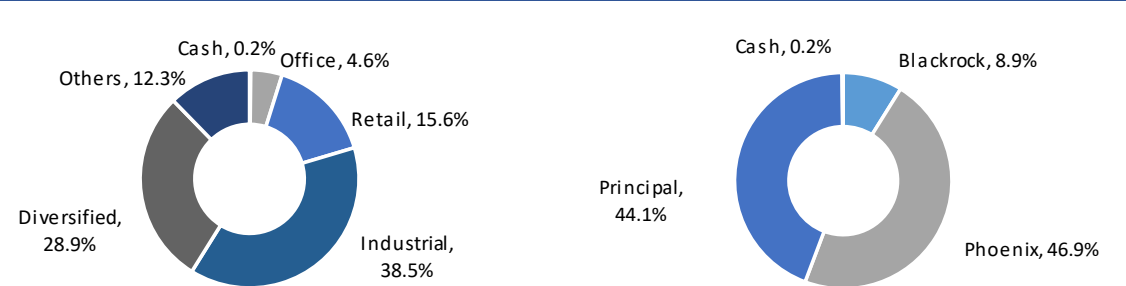
Performance and Risk

| After fee returns as at 31 August 2025 |       |       |       |       |       |       |       |        |
|--|-------|-------|-------|-------|-------|-------|-------|--------|
|  | 1 Mth | 3 Mth | 6 Mth | 1 Yr  | 3 Yrs | 5 Yrs | 7yrs  | 10 Yrs |
| Fund                                   | 4.4%  | 10.3% | 16.9% | 15.3% | 14.4% | 11.8% | 8.3%  | 9.2%   |
| Index                                  | 4.5%  | 9.9%  | 16.7% | 14.5% | 15.4% | 12.3% | 8.4%  | 9.0%   |
| Excess                                 | -0.1% | 0.5%  | 0.2%  | 0.8%  | -0.9% | -0.4% | -0.1% | 0.2%   |

| Risk Exposure               |       |       |       |        |
|-----------------------------|-------|-------|-------|--------|
|                             | 1 Yr  | 3 Yrs | 5 Yrs | 10 Yrs |
| Fund Volatility (Std Dev %) | 15.5% | 19.6% | 19.2% | 19.5%  |
| Benchmark (Std Dev %)       | 16.1% | 20.8% | 20.5% | 20.7%  |
| Beta                        | 0.88  | 0.92  | 0.92  | 0.93   |
| Tracking Error (% pa)       | 1.7%  | 1.7%  | 2.0%  | 2.1%   |



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 (both marginally below the long-term trend rate, but slightly above the IMF's previous forecast). 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 2.0% in August alone. The Australian market (ASX 200 Accumulation Index) rose 3.1% over the month, aided by a further interest rate cut by the Reserve Bank (RBA). The Australian dollar gained 1.7% relative to the US dollar, and most commodity prices rose, with Lithium (+10.6%) and Gold (+4.8%) the strongest gainers over the month.

Key global share markets have been 'pricing-in' a shift by central banks towards less restrictive monetary policy, despite some 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 Fiducian Property Securities Fund gained 4.4% August, which was below the index return of 4.5%. For the 12 months to the end of August, the Fund returned 15.3%, which was above the index return of 14.5%.

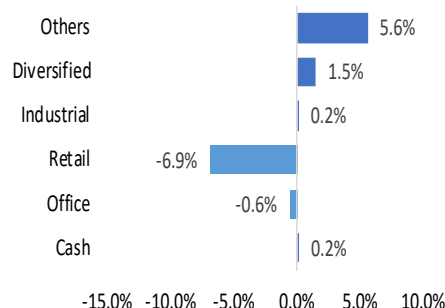
The listed property sector gained 4.5% in August, outperforming growth in the broader market (ASX 200 Accumulation Index), which rose 3.1%.

Over the coming year, conditions in the Industrial property sector are expected to remain strong, while operating conditions for Retail landlords could continue to improve. The outlook for Residential Developers appears more balanced, while the outlook for Office valuations remains uncertain due to ongoing high vacancy rates. Falling interest rates could assist the sector, while listed property trust share prices continue to be attractive given ongoing discounts to net asset valuations across the sector.

Overall, the underlying sector exposures of the Fund are an overweight in the 'Others' category and an underweight to the Retail sector, with other sectors broadly in line with the index. The 'Others' category includes asset classes such as self storage facilities, data centers and residential development companies. This broad category has exhibited strong growth in recent years.

### Top stock holdings and sector tilts

| Top Australian Stocks  | Industry                     | Weight |
|------------------------|------------------------------|--------|
| Goodman Group          | REITS - Warehouse/Industrial | 36.7%  |
| Stockland              | REITS - Diversified          | 9.1%   |
| Scentre Group          | REITS - Shopping Centers     | 8.9%   |
| Mirvac Group           | REITS - Diversified          | 5.8%   |
| GPT Group              | REITS - Diversified          | 5.7%   |
| Charter Hall Group     | REITS - Diversified          | 5.6%   |
| Vicinity Centers       | REITS - Shopping Centers     | 3.0%   |
| Centuria Capital Group | Private Equity               | 2.4%   |
| Dexus                  | REITS - Office Property      | 2.2%   |
| National Storage       | REITS - Storage              | 2.0%   |



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