

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: \$306 million (June 2025)

Management cost: 0.96%

Total management costs: 0.99%

Application/Exit fee: Nil

Inception Date: March 1997

Manager

Principal

Phoenix

Blackrock

Style

Value	Core	Growth
	●	●
	●	

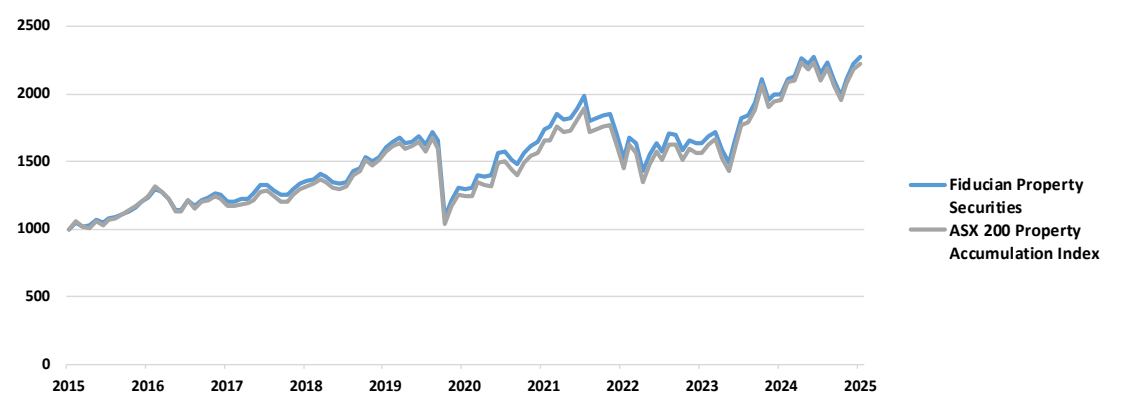
Size

Large	Broad	Small
	●	
	●	

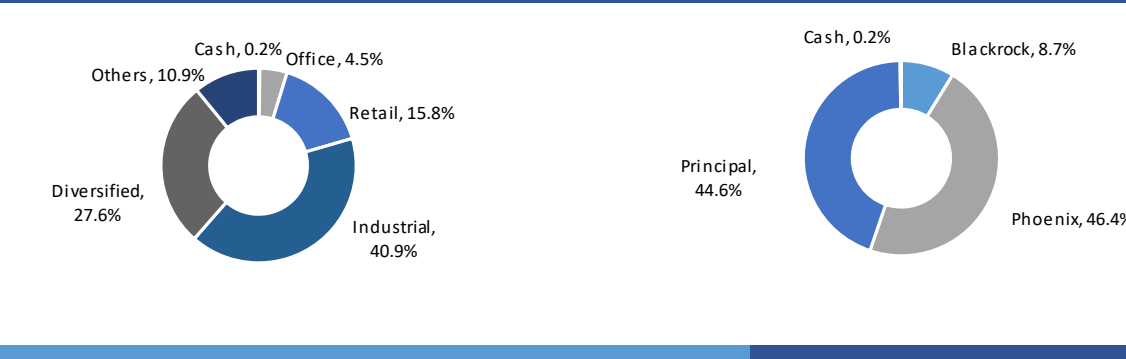
Performance and Risk

After fee returns as at 30 June 2025								
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	2.4%	14.7%	6.0%	14.0%	14.5%	12.0%	7.6%	8.5%
Index	1.8%	13.7%	6.0%	14.0%	15.4%	12.4%	7.7%	8.3%
Excess	0.6%	0.9%	0.0%	0.0%	-0.9%	-0.4%	-0.1%	0.2%

Risk Exposure				
	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	15.7%	20.3%	19.3%	19.5%
Benchmark (Std Dev %)	16.6%	21.8%	20.6%	20.7%
Beta	0.86	0.90	0.92	0.93
Tracking Error (% pa)	1.9%	2.1%	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 2.8% this year and 3.0% in 2026, which is below the IMF's previous forecast of 3.3% in 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'. Trade negotiations have been ongoing for some time and as the IMF put it, 'if countries de-escalate from their current tariff stance, the outlook could immediately brighten'.

Despite heightened market volatility in recent months, the broad US stock market (S&P 500 Accumulation Index) has been on an uptrend since early April, gaining 5.1% in June alone. The Australian market (ASX 200 Accumulation Index) rose 1.4% over the same period, benefiting from a view that domestic interest rates are likely to be lowered. The Australian dollar gained 2.3% relative to the US dollar and most commodity prices rose, with Oil (+7.1%) and Thermal Coal (+6.4%) the strongest.

Key global share markets have been 'pricing-in' a shift by central banks towards less restrictive monetary policy. However, share markets are likely to remain volatile in the current environment, with a resolution of trade friction still some way off.

Fund Commentary

The Fiducian Property Securities Fund gained 2.4% June, which was above the index return of 1.8%. For the 12 months to the end of June, the Fund returned 14.0%, which was in line with the index return of 14.0%.

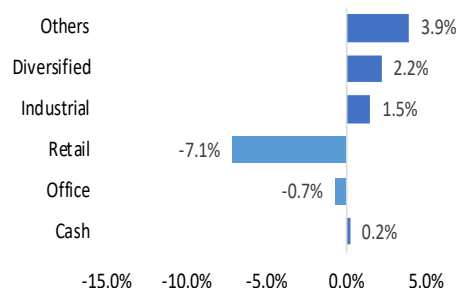
The listed property sector gained 1.8% in June, outperforming growth in the broader market (ASX 200 Accumulation Index) of 1.4%.

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	40.2%
Stockland	REITS - Diversified	9.0%
Scentre Group	REITS - Shopping Centers	8.6%
Mirvac Group	REITS - Diversified	5.9%
GPT Group	REITS - Diversified	5.5%
Charter Hall Group	REITS - Diversified	5.0%
Vicinity Centers	REITS - Shopping Centers	3.1%
Dexus	REITS - Office Property	2.1%
National Storage	REITS - Storage	2.1%
Centuria Capital Group	Private Equity	1.8%



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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.