



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 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 5 to 7 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 093 543 456

APIR code: FPS0005AU

Benchmark: MSCI Ex-Australia Index

Current fund size: \$504 million (March 2023)

Management cost: 1.24%

Total management costs: 1.30%

Application/Exit fee: Nil

Inception Date: February 1997

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

Performance and Risk

After fee returns as at 31 March 2023

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	1.8%	6.9%	9.9%	-2.2%	10.7%	8.5%	10.5%	12.3%
Index	3.9%	9.2%	13.5%	4.3%	12.9%	11.0%	11.9%	13.9%
Excess	-2.1%	-2.3%	-3.6%	-6.5%	-2.2%	-2.5%	-1.4%	-1.6%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	14.9%	13.9%	13.1%	11.8%
Benchmark (Std Dev %)	14.8%	13.1%	12.4%	11.5%
Beta	1.02	1.08	1.07	1.08
Tracking Error (% pa)	2.9%	4.8%	4.1%	3.8%

Investment Growth

Time Period: 4/1/2003 to 3/31/2023



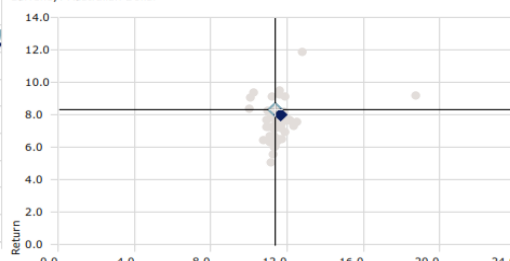
—Fiducian International Shares

—MSCI World Ex Australia NR AUD

Risk-Reward

Time Period: 4/1/2003 to 3/31/2023

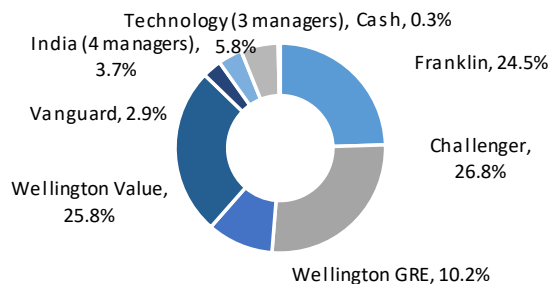
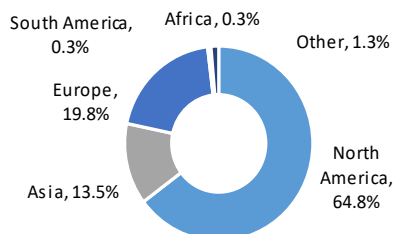
Currency: Australian Dollar



• Fiducian International Shares

◆ MSCI World Ex Australia NR AUD

Geographic exposures and current manager weights



Market Commentary and Outlook

The trend of slowing global growth has continued in recent months due to a tightening of monetary policy by key central banks in response to an acceleration last year in the rate of inflation. In some regions, inflation now appears to be moderating. However, the persistent strength in employment conditions and to a lesser extent retail sales has created uncertainty regarding the amount of monetary tightening that will be necessary to bring inflation back towards target ranges.

Global financial markets experienced a turbulent month in March. The failure of some regional US banks, as well as the Swiss Government mandated takeover of Credit Suisse by larger rival UBS initially sent markets lower. However, over the rest of the month, due to a lack of further bank failures, most markets enjoyed a broad recovery. The US market (S&P 500 index) gained 3.5% for the month, while the Australian market (ASX 200 index) was down by 0.2%. A shift towards assets that are perceived as being safer resulted in gains for bonds, gold, and large cap equities.

Looking ahead, elevated geopolitical risks, alongside higher interest rates and slower economic growth this year, represent potential headwinds for markets. The International Monetary Fund (IMF) recently made a small downgrade to its economic forecasts, with global growth now expected to be 2.8% in 2023. The IMF expects growth rates to remain slightly below long-term trend levels for some time. In broad terms, share markets continue to appear more attractive than most other investment opportunities.

Fund Commentary

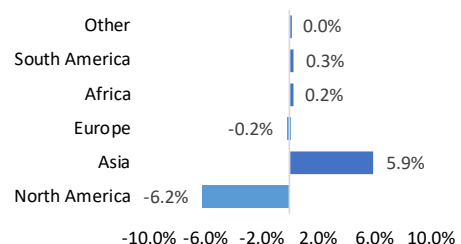
The Fund rose by 1.8% in March, which was below the index return of 3.9% for the MSCI ex-Australia index (in AUD). Over the month, Challenger (+3.9%) was the best performer, with Vanguard Emerging Markets and Fiducian Technology also returning close to index.

For the 12 months to the end of March 2023, the Fund was down by -2.2%, compared to the 4.3% rise in the index. Challenger has been the best performer (+4.7%), with Wellington Value also marking a positive contribution since its addition to the Fund. Growth style managers have trailed the index over the period, including Franklin Templeton and the Fiducian Technology Fund.

The Fund remains strongly diversified, with 13 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, 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
Seagen Inc	Biotechnology	1.7%
Mercadolibre Inc	Internet Marketing	1.6%
Alphabet Inc	Interactive Media	1.5%
Intuitive Surgical Inc	Health Care Equipment	1.5%
Equinix Inc	Specialized REITs	1.4%
Rockwell Automation	Electrical Components	1.4%
Visa Incorporated	Data Processing Services	1.4%
Amadeus IT	Data Processing Services	1.4%
Dsv A/S	Air Freight & Logistics	1.4%
Zebra Technologies	Electronic Equipment	1.3%



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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.