



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 Ex-Australia Index

Current fund size: \$537 million (November 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		●	●	

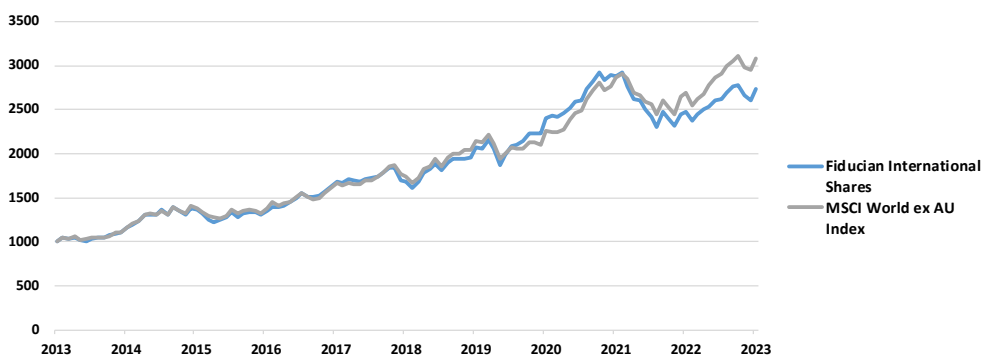
Performance and Risk

After fee returns as at 30 November 2023

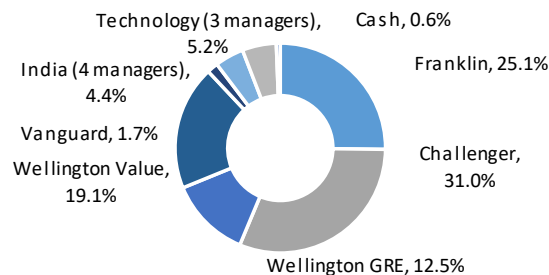
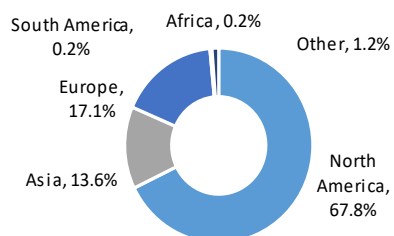
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	5.0%	-1.2%	5.0%	10.1%	4.5%	10.2%	10.6%	10.6%
Index	4.4%	-0.7%	6.2%	14.4%	10.9%	12.2%	12.1%	11.9%
Excess	0.5%	-0.4%	-1.1%	-4.3%	-6.4%	-2.0%	-1.5%	-1.3%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	9.9%	11.7%	12.8%	11.5%
Benchmark (Std Dev %)	10.3%	11.6%	12.2%	11.1%
Beta	0.83	0.92	0.97	0.97
Tracking Error (% pa)	3.4%	4.3%	4.3%	3.9%



Geographic exposures and current manager weights





Market Commentary and Outlook

There have been continued signs of economic activity moderating across most of the world, due to actions taken by global central banks to reduce inflation. In many regions, inflation rates are moving back towards target levels, and in some instances, have turned negative over the short term. This has caused the market to reassess the future path of interest rates, with expectations that rates may be on hold in the near term, and possibly reduced later in 2024.

The prospect of lower interest rates was positive for global markets, as the key US 10-year government bond yield fell from recent highs of 5.0% to finish the month at 4.4%. The broad US market (S&P 500 index) gained 8.9%, and the Australian stock market (ASX 200 index) gained 5.0%. Interest rate sensitive sectors were the best performers, and the Australian dollar rose by 4.4% against the US dollar.

Looking ahead, geopolitical risks, alongside elevated interest rates and slower economic growth this year, represent potential headwinds for markets. The International Monetary Fund (IMF) is forecasting global growth to be 3.0% in 2023 and 2.9% in 2024, which is below the long-term trend rate of growth. However, in broad terms, share markets continue to appear more attractive than most other investment opportunities.

Fund Commentary

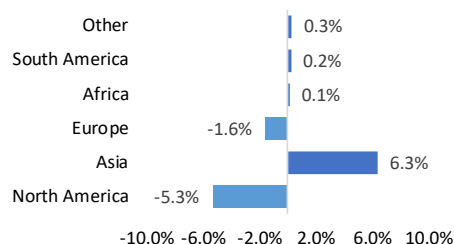
The Fund rose by 5.0% in November, which was above the index return of 4.4% for the MSCI ex-Australia index (in AUD). Over the month, the Fiducian Technology Fund (+8.4%) was the top performer followed by Franklin Growth Mandate (+6.7%).

For the 12 months to the end of November 2023, the Fund rose by 10.1%, compared to the 14.4% rise in the index. Challenger (+14.9%) has been the best performer over the period followed by the Wellington Global Research Equity Mandate (+14.1%). Wellington Value Mandate and Vanguard Emerging Markets have detracted from performance.

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 (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
Synopsys	Software	2.0%
Humana Inc	Healthcare-Services	1.8%
Broadridge Financial	Software	1.8%
Mercadolibre	Internet	1.7%
Zscaler Inc	Computers	1.7%
Shopify Inc	Internet	1.7%
Equinix Inc	REITS	1.7%
Tyler Technologies	Software	1.6%
Alphabet	Internet	1.6%
Charles River Lab	Healthcare-Services	1.6%



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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.