

# Fiducian Diversified Social Aspirations Fund



Monthly Report - June 2023

## Fund description

The Fund invests in a diversified group of Australian and global socially responsible shares listed on the ASX and other major global stock exchanges. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting managers to provide diversification with the aim of achieving superior returns with reduced risk.

Managers in the Fund may exclude companies from investment that are seen to have a negative social impact. This could lead to periods where returns could deviate from the indices the Fund uses to compare its returns.

Share investment can be volatile over the short term, and the recommended holding period for the fund is at least 8 years.

## Fund facts

**Portfolio manager:** Conrad Burge

**ARSN:** 607 881 050

**APIR code:** AAA003AU

**Benchmark:** 60/40 ASX 300 Accumulation & MSCI World ex-Australia Index

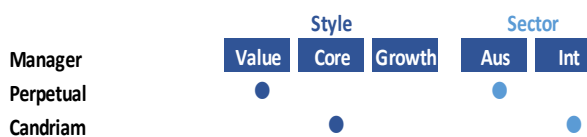
**Current fund size:** \$11 million (June 2023)

**Management cost:** 1.35%

**Total management costs:** 1.72%

**Application/Exit fee:** Nil

**Inception Date:** November 2015



## Performance and Risk

### After fee returns as at 30 June 2023

	1 Mth	3 Mth	6 Mth	1 Yr	2 Yrs	3 Yrs	5 Yrs
Fund	1.9%	4.1%	11.1%	17.7%	4.7%	9.8%	6.8%
Index	2.3%	3.6%	9.6%	17.7%	4.8%	12.0%	8.9%
Excess	-0.4%	0.4%	1.5%	0.0%	-0.1%	-2.2%	-2.0%

### Risk Exposure

	1 Yr	3 Yrs	5 Yrs
Fund Volatility (Std Dev %)	11.1%	10.5%	13.6%

### Investment Growth

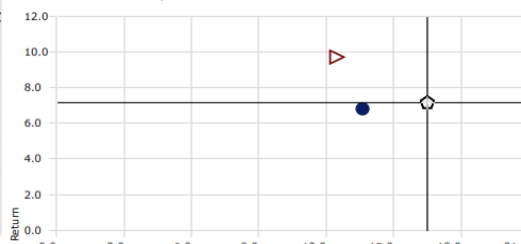
Time Period: 7/1/2018 to 6/30/2023



### Risk-Reward

Time Period: 7/1/2018 to 6/30/2023

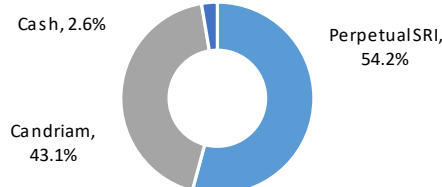
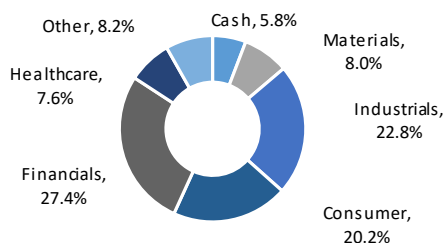
Calculation Benchmark: S&P/ASX 300 TR



— Fiducian Diversified Social Aspirations — S&P/ASX 300 TR

● Fiducian Diversified Social Aspirations ● S&P/ASX 300 TR ▲ MSCI World Ex Australia PR AUD

## Sector exposures and current manager weights



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## Market Commentary and Outlook

Global economic growth slowed during the first half of 2023, as monetary tightening policies enacted by central banks to reduce high rates of inflation began to take effect. Manufacturing output has been contracting in most advanced economies, while retail sales have been weak, as have consumer and business confidence levels. On the other hand, employment data has been too strong.

The Reserve Bank of Australia increased interest rates by a further 0.25% in June, bringing the 'cash rate' to 4.1% and the cumulative increase this year to 1.0%, in line with actions taken by the US Federal Reserve. In Australia, the rate of inflation has moderated from a peak of 8.4% in December 2022 to the most recent measure of 5.6% in May.

Global equity markets had a strong month in June. The broad US market (S&P 500 index) gained 6.5% amid optimism that interest rates may be approaching a peak. Economic data, whilst indicating a slowing economy, has also been slightly better than forecast. The Australian market (ASX 200 index) rose 1.8% for the month. Year to date, developed market equities have performed well, with a 15.9% gain for the US market, a 4.5% rise for the Australian market and strong gains across most of Europe as well as Japan. Property stocks rose by 3.9% for the first half of the year, and bonds have been relatively flat.

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. However, in broad terms, share markets continue to appear more attractive than most other investment opportunities.

## Fund Commentary

The Fiducian Diversified Social Aspirations Fund gained 1.9% in June, which was below the 2.3% return of the composite index. Over the last 12 months the Fund has returned 17.7% compared to the index return of 17.8%.

The Australian share market (ASX200 index) rose by 1.8% during the month amid broad gains for global stock markets.

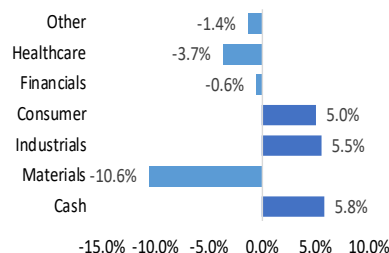
The top contributors for Perpetual in the most recent quarter were overweight positions in Insurance Australia Group, McMillan Shakespeare and automotive retailer Eager Automotive. Overweight positions in retail group Premier Investments and hospital operator Ramsay Healthcare detracted from performance.

Within the Candriam portfolio, the top contributors for the most recent quarter were Owen Corning, Eli Lilly and Microsoft. The main detractors was an underweight position in Tesla and overweight positions in Estee Lauder and Agilent Technologies.

## Top stock holdings and sector tilts

Perpetual Top Holdings	Weight
IAG	6.6%
National Australia Bank	5.6%
Healius	4.9%
Bapcorp	4.6%
Medibank	4.3%
Ferguson Plc	4.0%
Reliance Worldwide	3.7%
Helia Group	3.7%
CSL	3.7%
Orora	3.6%

Candriam Top Holdings	Weight
Apple Inc	6.0%
Microsoft Corp	5.1%
Alphabet Inc	3.7%
Visa Incorporated	1.6%
Nvidia Corporation	1.6%
United Health Group	1.4%
Procter & Gamble	1.4%
New Linde Plc	1.4%
Mastercard Inc	1.3%
Novo Nordisk	1.3%



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