

Fiducian Emerging Leaders Managed Shares Portfolio



Monthly Report - February 2024

Portfolio performance

	1 m	3 mths	6 mths	1 yr	2 yrs	3yrs	4 yrs	5yrs	7yrs	9yrs	10yrs
Total Portfolio Return	5.6%	11.7%	5.9%	7.0%	-3.9%	-2.9%	2.4%	-1.0%	5.0%	7.6%	6.8%
Income	0.4%	0.4%	0.8%	1.8%	1.5%	1.2%	1.3%	1.3%	1.5%	2.0%	2.1%
S&P/ASX Mid-Cap 50 & Small Ords Accumulation	2.8%	10.1%	5.7%	8.0%	1.8%	3.7%	7.2%	6.2%	7.7%	7.6%	7.7%

Estimated Average Franking Level: 77.9%

Note: Portfolio performance as set out in the table above is a notional value only. The total return calculation assumes re-investment of all dividends and rebalancing of the portfolio to equal stock weightings after each stock change. In practice, each investor's portfolio is distinct with its own price and return history, while dividends are fully distributed and not re-invested and rebalancing occurs only intermittently. Returns over a year are annualised and since 1 July 2017 have been net of an investment management fee of 0.4% per annum.

Portfolio commentary

The portfolio gained 5.6% in February, which was above the composite benchmark return of 2.8%. Stocks within the portfolio are growth-oriented mid-cap and small-cap companies and as such, the performance of the portfolio could be expected to be relatively volatile. As a result, the portfolio could perform particularly well in periods of stronger economic growth and significantly underperform the index in periods of slower growth.

The broad Australian share market (ASX200 index) rose by 0.8% during the month. Most companies reported financial results for the period ending 31 December 2023. For many companies, expenses have been growing faster than revenue. Over calendar year 2023, expenses increased by 6%, compared with revenue growth of only 3%. These challenging conditions had generally been anticipated, with approximately two-thirds of companies reporting results that were either in-line with, or above, market expectations.

The best performers for the month were Hipages (+39.4%), Imdex (+25.1%) and PWR Holdings (+18.3%). Hipages announced that revenue had increased by 15% over the last 12 months, and the company had moved to a position of profitability. Imdex provided a positive outlook for the coming year, noting that sales had increased by 18% over the last year. PWR reported a 25% increase in profit, with revenue in its aerospace and defence segment doubling.

The main detractors for the month were Whitehaven Coal (-17.1%), Regis Resources (-13.2%) and IPH Limited (-5.3%). Whitehaven reported a decline in profits as coal prices retreated from historically high levels and input costs increased. Regis was lower despite reiterating earnings guidance for the current financial year.

One change was made to the portfolio with Macquarie Technology Group replacing DGL Group. Macquarie Technology Group is a data centre operator that is experiencing strong growth on the back of increasing demand for data storage facilities.

As at the end of February, the portfolio is forecast to provide investors with a prospective yield of 2.4% for the 2024-25 financial year, before the consideration of franking credits. With an average franking level of around 78%, the portfolio currently provides investors with an estimated grossed-up yield of around 3.2% per annum.

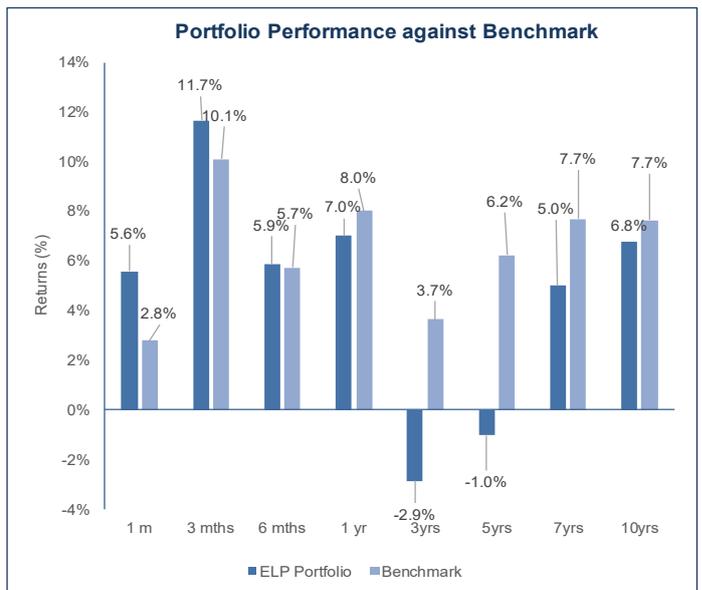
Portfolio holdings

Shares	P/E	Yield
Telix Pharmaceuticals	40.2	0.0%
Imdex	15.1	2.1%
Dicker Data	22.1	4.2%
IGO	20.9	1.9%
IPH	15.8	5.8%
Jumbo Interactive	23.2	3.4%
Lynas Rare Earths	15.4	0.3%
Bapcorp	14.2	4.0%
Siteminder	269.5	0.0%
Pwr Holdings	39.9	1.5%
Whitehaven Coal	4.2	3.3%
Macquarie Technology	65.7	0.0%
Regis Resources	8.6	4.4%
Hipages	22.3	0.0%
Average	41.2	2.4%

FY25 estimated price to earnings ratios and yields at end February 2024

Source: www.marketscreener.com

Portfolio performance



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