

Fiducian Diversified Social Aspirations Fund



Monthly Report - February 2022

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 5 to 7 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

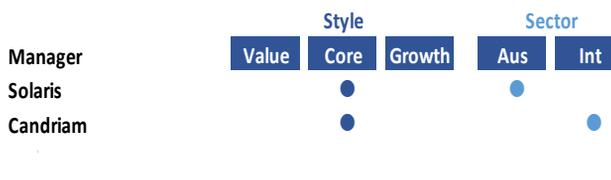
Current fund size: \$11 million (February 2022)

Management cost: 1.35%

Total management costs: 1.72%

Application/Exit fee: Nil

Inception Date: February 1997



Performance and Risk

After fee returns as at 28 February 2022

	1 Mth	3 Mth	6 Mth	1 Yr	2 Yrs	3 Yrs	5 Yrs
Fund	-0.1%	-2.9%	-3.2%	13.4%	7.4%	7.9%	8.3%
Index	-1.0%	-3.6%	-4.1%	13.5%	10.4%	10.7%	10.6%
Excess	0.9%	0.7%	0.9%	-0.1%	-3.0%	-2.9%	-2.2%

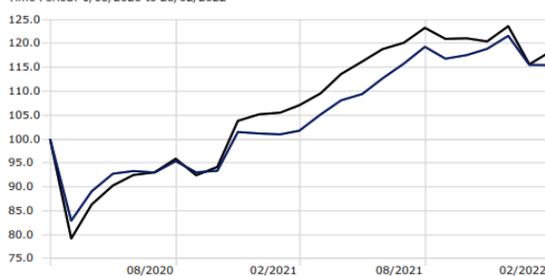
Risk Exposure

	1 Yr	3 Yrs	5 Yrs
Fund Volatility (Std Dev %)	8.6%	14.9%	12.7%

Overall Morningstar Rating™
★★

Investment Growth

Time Period: 1/03/2020 to 28/02/2022



Risk-Reward

Time Period: 1/03/2020 to 28/02/2022

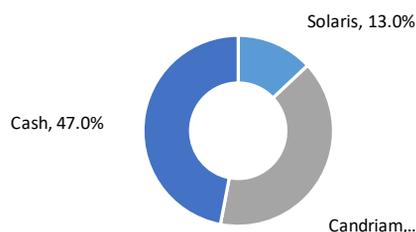
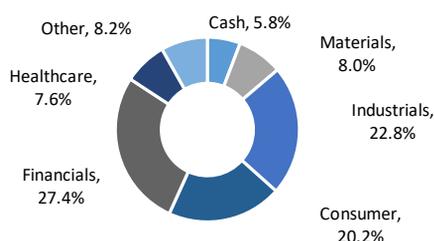
Calculation Benchmark: S&P/ASX 300 TR



— 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 indicators continued to improve in February, with employment levels, wages and industrial production recording growth across most of the world. Retail sales and consumer confidence measures also remained in positive territory. However, this good news was offset by the Russian invasion of Ukraine late in the month, which saw energy prices, including oil, gas and coal, shift dramatically upwards.

Broad-based selling in equity and other asset markets followed news of the Russian invasion. European stock markets were among the worst performers for the month, with most indices dropping by around 5%. The US market (S&P 500) was 3.1% lower, and the MSCI emerging markets index was down by 3.0%. The Australian market was an exception to this trend, with the ASX 200 index gaining 2.1%. This was due in a large part to the strong performance of energy and mining stocks, with most commodity prices heading higher on expectations of supply disruptions stemming from the Russia-Ukraine conflict.

Bond returns were negative in February, but prices rallied later in the month as investors sought 'safe-haven' assets.

Looking ahead, elevated geopolitical risks, alongside the likelihood of increasing interest rates during the year, represent a headwind to markets. However, leading indicators remain supportive of a continued economic recovery this year, with the IMF forecasting global GDP growth of around 4.5% in 2022.

Fund Commentary

The Fiducian Diversified Social Aspirations declined by 0.1% in February which was better than the -1.0% return of the composite index. Over the last 12 months to the end of January, the Fund rose by 13.4% compared to 13.5% for the index. Over the last 12 months, both Solaris and Candriam have performed broadly in line with their respective indices.

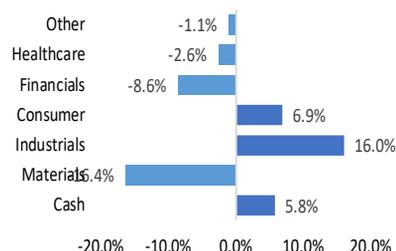
The Australian equity market gained 2.1% in February, which contrasted with the negative returns seen in most global equity markets. Resources stocks had a very strong month, with energy prices including oil, coal, and natural gas experiencing large price rises. Metals including gold, copper and nickel were also higher. Energy (+8.57%), consumer staples (+5.6%) and materials (+5.2%) were the best performing sectors, while IT (-6.6%) and consumer discretionary (-5.0%) were the weakest.

The fund has made a manager change, with Perpetual replacing Solaris as the Australian Equities manager. This change occurred around the final days of the month, and resulted in cash levels being temporarily high. This was completed at the start of March.

The Perpetual Ethical SRI fund has been operating for around 20 years, and has a good performance track record. A number of industries are excluded from investment in the fund, including alcohol, tobacco, gambling and fossil fuel production.

Top stock holdings and sector tilts

Perpetual Top Holdings	Weight	Candriam Top Holdings	Weight
National Australia Bank	7.2%	Microsoft	4.6%
ANZ Bank	6.7%	Apple	4.2%
Orora	5.5%	Alphabet	4.2%
Insurance Australia Group	5.5%	Procter & Gamble	1.6%
HT&E	3.7%	McDonalds	1.5%
Brambles	3.6%	Nvidia	1.4%
Premier Investments	3.5%	Accenture	1.3%
Medibank Private	3.5%	Disney	1.2%
Ferguson Plc	3.5%	Costco Wholesale	1.2%
Wesfarmers	3.1%	Royal Bank Of Canada	1.1%



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