

# Fiducian Diversified Social Aspirations Fund



Monthly Report - May 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 (May 2022)

**Management cost:** 1.35%

**Total management costs:** 1.72%

**Application/Exit fee:** Nil

**Inception Date:** February 1997

Manager  
Perpetual  
Candriam



## Performance and Risk

After fee returns as at 31 May 2022

	1 Mth	3 Mth	6 Mth	1 Yr	2 Yrs	3 Yrs	5 Yrs
Fund	-2.8%	-3.1%	-5.9%	2.2%	9.8%	6.3%	6.9%
Index	-2.0%	-0.1%	-3.6%	3.9%	14.1%	9.4%	9.6%
Excess	-0.9%	-3.0%	-2.3%	-1.7%	-4.4%	-3.1%	-2.7%

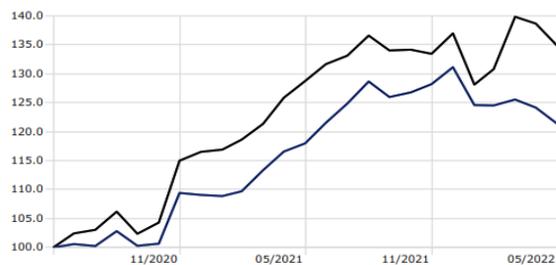
### Risk Exposure

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

Overall Morningstar Rating™  
★★

### Investment Growth

Time Period: 1/06/2020 to 31/05/2022



### Risk-Reward

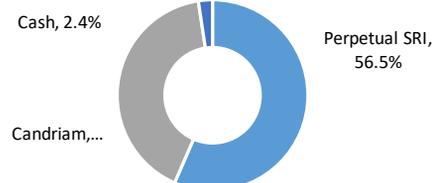
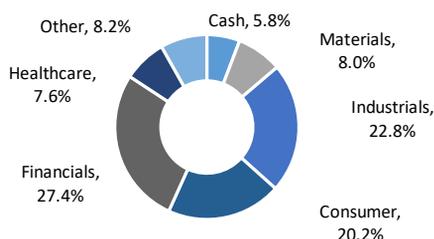
Time Period: 1/06/2020 to 31/05/2022

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

The global economy has slowed this year but is still forecast to grow at a solid pace over the rest of the year. This is despite headwinds arising from the Russian invasion of Ukraine and lockdowns imposed in many Chinese cities to counter the spread of the Covid-19 coronavirus pandemic. These developments have led to significant price rises for energy, metals and grains, which have fed into higher inflationary pressures more generally. While unemployment has been trending lower and wages growth has been trending higher, consumer and business confidence has been dented.

Global equity markets were mixed for the month, as investors processed the impact of higher interest rates. The US market (S&P 500) finished the month flat, with the Australian equity market (ASX 200) declining by 2.6% and European markets generally recording small gains. Central banks around the world, including Australia, the UK, the US and Canada continued to raise interest rates from historically low levels to counter rising inflation. Australian listed property finished the month 8.7% lower, and energy prices continued to rise with the oil price moving 10% higher and coal prices gaining 31%.

Looking ahead, elevated geopolitical risks, alongside the likelihood of higher interest rates this year represent potential headwinds to markets. However, in broad terms, share markets continue to appear more attractive than most other investment opportunities, including bonds and cash.

## Fund Commentary

The Fiducian Diversified Social Aspirations declined by 2.8% in May, which was below the -2.0% return of the composite index. Candriam performed in line with the index during the month and Perpetual underperformed. Over the last 12 months to the end of May, the Fund rose by 2.2% compared to 3.9% for the index.

The Australian equity market (ASX200 accumulation index) declined by 2.6% in May, and was down by 1.3% year-to-date. Materials (+0.14%) was the only sector to record a gain, with property (-8.7%), IT (-8.7%) and consumer staples (-6.6%) finishing the month lower. Resources stocks outperformed on the back of economic stimulus announcements in China and continued high prices. Sectors that were exposed to rising interest rates, or to consumer spending, fared the worst.

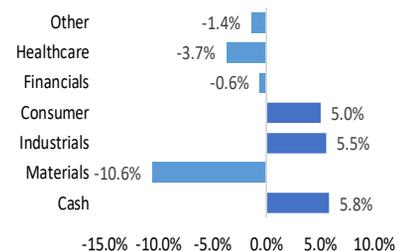
The top contributors for Perpetual over the month were an overweight positions in Brambles and underweight positions in Goodman Group and Macquarie. The main detractors were overweight positions in Premier Investments and Bapcorp, as well as a zero holding in BHP which performed well during the month.

Within the Candriam portfolio, the top three contributors were TotalEnergies, Electronic Arts and supply chain management company Ryder Solutions. The top detractors were Target Corporation, Prologis and software company Okta Inc.

## Top stock holdings and sector tilts

Perpetual Top Holdings	Weight
National Australia Bank	6.8%
ANZ Bank	6.7%
IAG	6.5%
Orora	4.5%
Brambles	4.3%
Medibank Private	4.2%
Wesfarmers	4.2%
Deterra Royalties	3.6%
Bapcorp	3.4%
HT&E	3.3%

Candriam Top Holdings	Weight
Microsoft Corp	4.4%
Apple Inc	4.1%
Alphabet Inc	3.9%
McDonalds Corp	1.7%
Procter & Gamble	1.5%
Tesla Inc	1.3%
Accenture Plc	1.2%
Novo Nordisk	1.2%
LVMH	1.2%
Costco Wholesale	1.1%



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