

# Fiducian Diversified Social Aspirations Fund



Monthly Report - October 2021

## 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

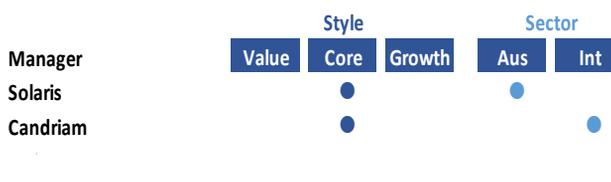
**Current fund size:** \$11 million (October 2021)

**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 31 October 2021

	1 Mth	3 Mth	6 Mth	1 Yr	2 Yrs	3 Yrs	5 Yrs
Fund	0.6%	1.5%	8.7%	25.8%	8.5%	10.5%	10.4%
Index	0.7%	1.1%	8.7%	29.7%	11.7%	13.8%	12.9%
Excess	-0.1%	0.4%	-0.1%	-3.9%	-3.2%	-3.3%	-2.5%

**Risk Exposure**

	1 Yr	3 Yrs	5 Yrs
Fund Volatility (Std Dev %)	9.4%	15.1%	12.6%

Overall Morningstar Rating™

★★★

### Investment Growth

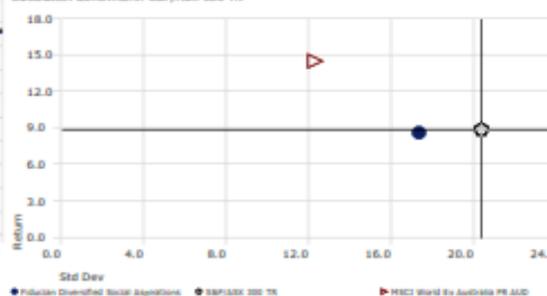
Time Period: 1/11/2019 to 31/10/2021



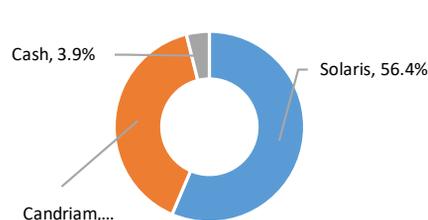
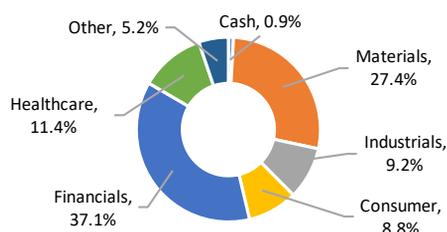
### Risk-Reward

Time Period: 1/11/2019 to 31/10/2021

Calculation Benchmark: S&P/ASX 300 TR



## Sector exposures and current manager weights



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## Market Commentary and Outlook

A broadly positive economic trend continued through October, with solid growth in consumer spending, employment and industrial output across the developed world. Growth rates for most regions are forecast to remain relatively high over the coming year as the global economy continues to recover from what has been a severe pandemic-induced slowdown.

Global equity markets had a strong month. In the US, the S&P 500 index rose by 6.9%, major European markets rose by between 2% and 5%, and the MSCI Emerging Market Index finished 1.8% higher. The Australian stock market was flat for the month. There was a material appreciation in the Australian dollar (up by 4% against the US dollar).

Long term interest rates moved higher. The Australian 10-year Government Bond yield increased from 1.2% at the end of August to 2.1% by the end of October- the highest level since March 2019. Inflation levels continue to remain elevated globally, driven in part by ongoing disruptions to supply chains that have affected a broad range of commodities, manufacturing components and consumer goods. Central banks are still expecting these factors to be transitory.

Looking ahead, leading indicators remain supportive of a continued economic recovery into next year, with the IMF forecasting global GDP growth of 5.9% this year and 5% in 2022. The risk of further disruption caused by lockdowns to counter the pandemic is lessening as vaccine rollouts continue.

## Fund Commentary

The Fiducian Diversified Social Aspirations rose by 0.6% in October, marginally behind the 0.7% gain in the composite index. Over the last 12 months to the end of October, the Fund rose by 25.8% compared to 29.7% for the index. Both managers performed broadly in line with their respective indices during the month.

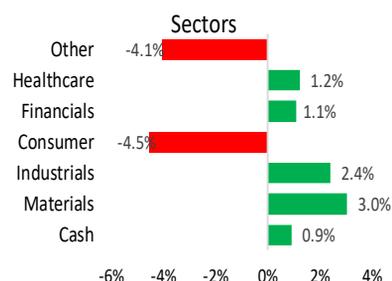
The Australian equity market was flat in October, with the ASX 200 index recording a minor drop of 0.1% for the month. The best performing sectors were Information Technology (+2.1%), Healthcare (+1.0%) and Financials (+0.8%). The Industrials (-3.3%), Energy (-2.7%) and Consumer Staples (-2.3%) sectors were the weakest.

Within the Solaris Australian equity portfolio the top contributors for the month was an overweight position in Macquarie, as well as underweights in Fortescue and Transurban. Overweight positions in Atlas Arteria and Aurizon detracted from performance.

In the Candriam equity portfolio, the top contributors were overweight positions in CNP Assurances and Microsoft, and an underweight position in Meta (formerly know as Facebook). The key detractors were overweights in Takeda Pharmaceutical and PayPal, and an underweight position in Tesla.

## Top stock holdings and sector tilts

Solaris Top Holdings	Weight	Candriam Top Holdings	Weight
CSL Limited	7.6%	Microsoft	4.8%
Westpac	7.0%	Apple	4.8%
Commonwealth Bank	6.6%	Alphabet	4.5%
BHP	6.2%	Accenture Plc	1.6%
National Australia Bank	5.8%	Procter & Gamble	1.5%
Macquarie Group	5.6%	Costco Wholesale	1.3%
James Hardie	3.4%	Asml Holding	1.3%
Woolworths	3.2%	Adobe Inc	1.3%
Atlas Arteria	3.1%	Royal Bank Of Canada	1.2%
Woodside Petroleum	2.6%	McDonalds Corp	1.2%



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