

### Fund description

The Fiducian Technology Fund allows investors to participate directly in a blend of some of the leading technology funds available worldwide. Utilising the Fiducian “Manage the Manager” process, fund managers have been chosen to balance exposure in terms of region and sector.

Managers are able to invest in technology companies anywhere in the world that can benefit from leading-edge technology and can demonstrate significant earnings growth prospects.

Investors must bear in mind that investing in a fund of this nature can involve periods of very high volatility, although superior long-run returns can likely be achieved if investors are prepared to hold investments for periods of at least 5-7 years.

### Fund facts

**Portfolio manager:** Conrad Burge

**ARSN:** 093 544 337

**APIR code:** FPS0010AU

**Benchmark:** 50/50 MSCI World IT/  
Nasdaq Biotech Index (in AUD)

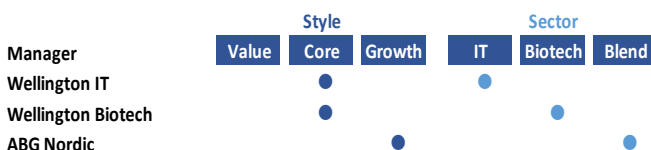
**Current fund size:** \$207 million (January 2022)

**Management cost:** 1.36%

**Total management costs:** 1.43%

**Application/Exit fee:** Nil

**Inception Date:** June 2000



### Performance and Risk

After fee returns as at 31 January 2022

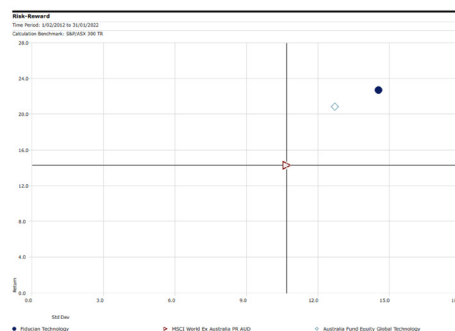
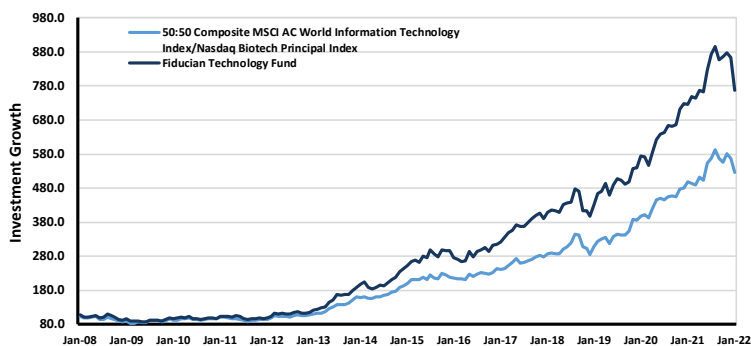
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-11.2%	-11.3%	-12.1%	7.3%	22.0%	19.4%	17.5%	22.7%
Index	-7.0%	-5.2%	-7.1%	3.9%	18.8%	16.4%	14.5%	18.4%
Excess	-4.2%	-6.1%	-5.0%	3.4%	3.2%	3.0%	3.0%	4.2%

#### Risk Exposure

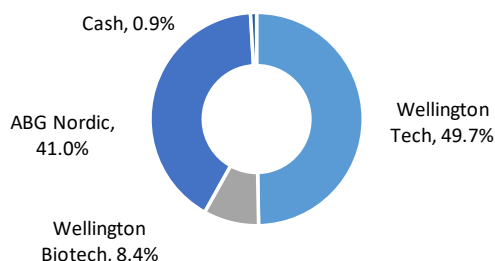
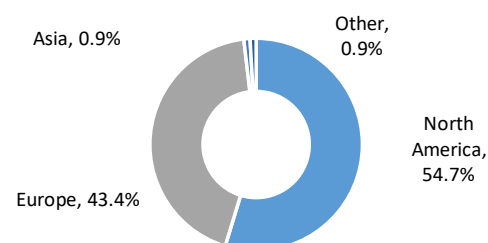
	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	17.7%	15.0%	14.9%	14.5%

Overall Morningstar Rating™

★★★



### Geographic exposures and current manager weights



### Market Commentary and Outlook

January was a mixed month for the global economy. The ongoing spread of the Omicron variant of the COVID-19 coronavirus caused some weakness in consumer confidence and retail spending, which is expected to be temporary. Other economic indicators were positive, including manufacturing activity. Most notably, unemployment rates across most of the world continued to decline and there are emerging signs of wages growth. Overall, the outlook remains broadly positive.

These strong underlying conditions, combined with a continuation of higher inflation, resulted in the market bringing forward the expected timing for tighter monetary conditions, including higher interest rates. This led to negative returns for most asset classes. US, European and Australian stock markets all finished January around 4-6% lower. Sectors that are exposed to high growth rates (such as Technology) or are sensitive to interest rates were most affected. Bond prices also finished the month lower. Commodities were the exception, performing strongly during the month as energy and metal prices moved higher due to sustained demand growth.

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

### Fund Commentary

The Fiducian Technology Fund declined by 11.2% in January, which was below the 7.0% fall in the composite index. Over the 12 months to the end of January, the Fund gained 7.3%, outperforming the index by 3.4%. In this time, the Nordic Technology Fund has gained 14.5%, Wellington Technology gained 14.0% and Wellington Biotechnology fell by 20.8%, reflecting a relatively difficult period for biotech stocks.

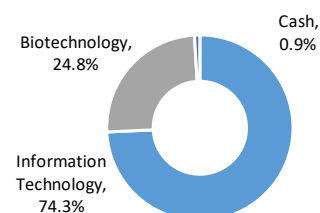
Technology stocks under-performed the broader market in January, as the prospect of higher interest rates this year had an impact on high growth sectors of the market including technology and biotechnology. Large cap, established companies performed relatively better than small cap, high growth companies. The technology-focused US NASDAQ index was 9.0% lower, with European technology indices recording similar declines. Biotechnology stocks under-performed, with the NASDAQ Biotechnology Index 11.9% lower.

The top stock contributors to performance of the Fund for the month included payments processing companies Global Payments Inc and MasterCard, as well as lighting technology company Plejd and biopharmaceuticals company Molecular Partners. There was a broad range of detractors, with earlier stage companies including Chemometec, Bico and Cbrain caught up in the sell off of stocks with high growth and high valuation metrics.

The Fund remains well diversified between geographies and sectors, and companies held are a blend of established sector leaders plus emerging technology businesses. An overweight position in the Information Technology sector relative to Biotechnology reflects the better growth opportunities currently available in that part of the market. The largest geographical exposure is to North America which makes up 55% of the fund, followed by Europe at 44%. This represents a material difference to the MSCI World Information Technology Index, where North America has a weighting of around 88% and Europe has a weighting of around 6%.

### Top stock holdings and sector weights

Stock	Industry	Weight
Alphabet Inc	Interactive Media	5.4%
Amazon	Internet Retail	3.4%
Chemometec	Life Sciences Tools & Services	3.4%
Sdiptech	Environmental Services	3.2%
Plejd	Electrical Components	3.2%
Urb-It	Internet Retail	3.0%
Integrum	Health Care Equipment	2.5%
Fortnox	Application Software	2.5%
Cbrain	Application Software	2.1%
Arcticzymes	Biotechnology	2.0%



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