

### 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)

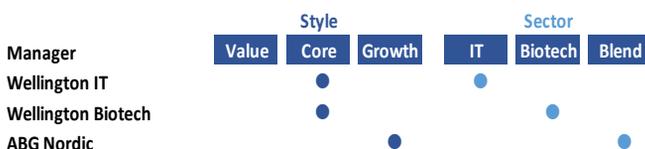
**Current fund size:** \$235 million (October 2021)

**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 October 2021

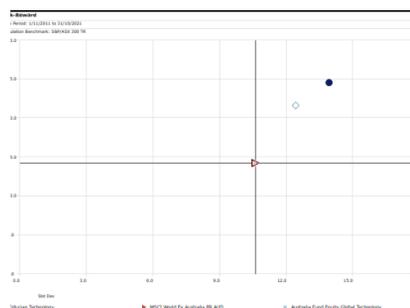
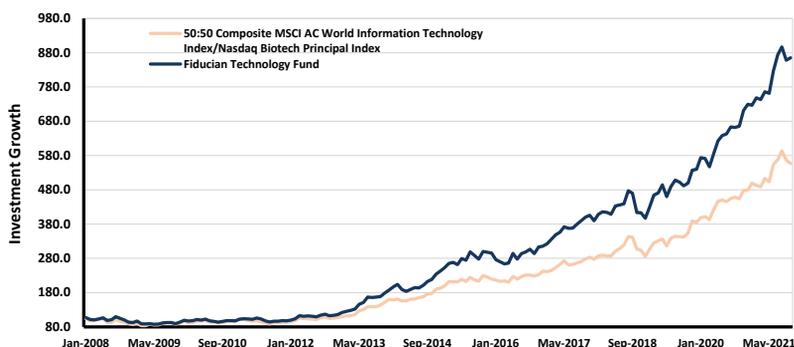
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	0.9%	-0.9%	12.9%	32.1%	28.7%	24.6%	22.0%	24.6%
Index	-1.9%	-2.0%	8.5%	20.5%	20.9%	18.9%	17.3%	19.3%
Excess	2.8%	1.1%	4.5%	11.6%	7.8%	5.6%	4.7%	5.3%

#### Risk Exposure

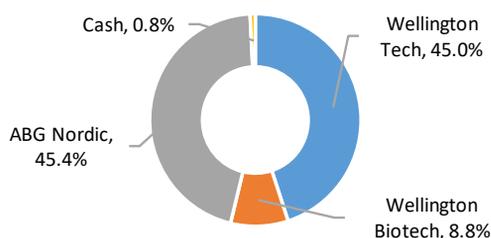
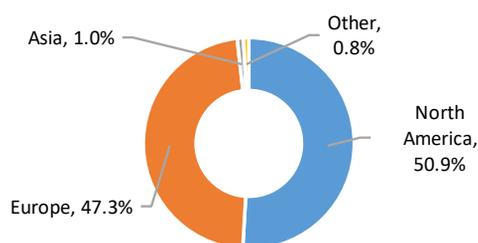
	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	12.7%	13.8%	13.8%	13.9%

Overall Morningstar Rating™

★★★



### Geographic exposures and current manager weights



### 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 Technology Fund rose by 0.9% in October, which was above the 1.9% fall in the composite index. Over the 12 months to the end of October, the Fund gained 32.1%, outperforming the index by 11.6%. In this time, the Nordic Technology Fund has gained 73.8%, Wellington Technology gained 26.4% and Wellington Biotechnology fell by 5.2%, reflecting a relatively difficult period for biotech stocks.

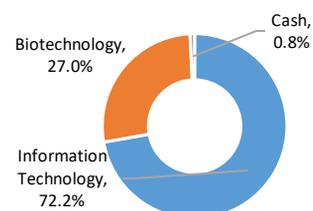
October was a strong month for technology stocks, with the key NASDAQ index rising by 7.3%, aided by a number of positive financial results. This was a significant rebound from the 5.3% fall recorded in September. Within the index, the technology sub-component was 7.8% higher and the biotechnology sub-component finished 1.9% lower.

The top stock contributors to performance of the Fund for the month included the Swedish smart lighting company Plejd, Microsoft, and microchip manufacturer AMD. The main detractors for the month were biotechnology equipment company BICO, social media platform Snap Inc, and fintech Global Payments Inc.

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 51% of the fund, followed by Europe at 47%. 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
Chemometec	Life Sciences Tools	4.2%
Sdiptech	Environmental Services	3.8%
Alphabet	Interactive Media	3.7%
Fortnox	Application Software	3.2%
Plejd	Electrical Equipment	3.1%
Bico Ab	Life Sciences Tools	3.0%
Urb-It	Internet Retail	2.8%
Salesforce.Com	Application Software	2.8%
Cbrain	Application Software	2.8%
Marvell Technology	Semiconductors	2.6%



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