

### 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)

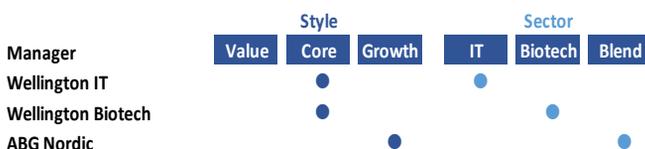
**Current fund size:** \$239 million (December 2021)

**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 December 2021

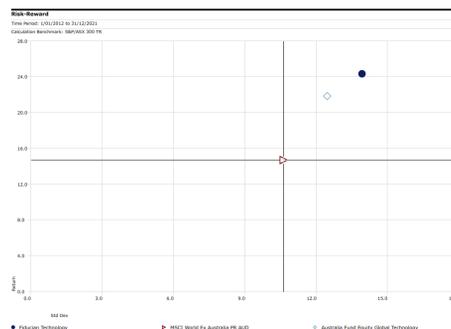
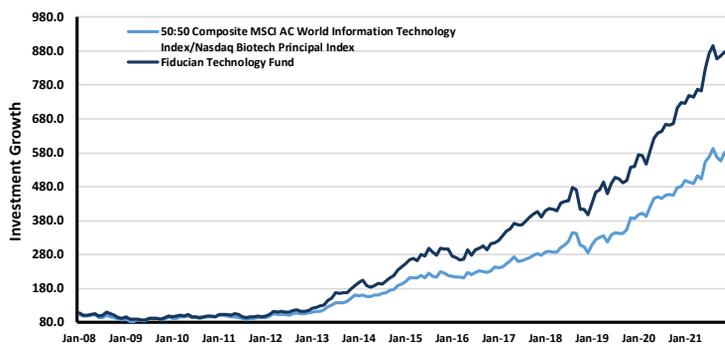
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-1.5%	0.7%	4.6%	20.4%	30.4%	22.8%	20.2%	24.4%
Index	-2.3%	0.0%	2.4%	16.5%	24.7%	18.0%	16.2%	19.5%
Excess	0.7%	0.7%	2.1%	3.9%	5.7%	4.8%	3.9%	5.0%

#### Risk Exposure

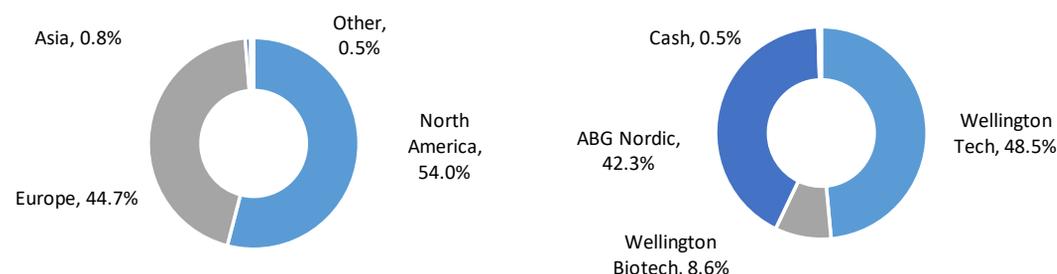
	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	12.3%	13.4%	13.8%	13.9%

Overall Morningstar Rating™

★★★



### Geographic exposures and current manager weights



### Market Commentary and Outlook

The rapid spread through the month and into 2022 of the latest variant of the COVID-19 coronavirus (Omicron) has the potential to slow global economic growth for a time. So far, however, indications are that despite being highly contagious, this strain is less virulent or deadly than previous versions of the virus. Combined with high vaccination rates in most developed nations, the need for restrictive lockdowns is largely being avoided. Against this backdrop, the positive economic momentum seen across most of the world in 2021 is likely to be sustained in 2022.

Global equity markets ended 2021 on a positive note, with most indices recording gains for the month. For the year, the US market (S&P 500) finished 28.7% higher. European markets (MSCI Europe ex UK) were 24.4% higher for the year and the Australian market (ASX 200) gained 17.2%. Emerging markets (-2.2%) trailed developed markets (+22.3%), and property stocks outperformed the broader market. Government bond yields also moved higher over the year, as the scaling down of emergency stimulus programmes and recent higher than expected inflation data has brought forward the timeline for interest rate increases.

Looking ahead, leading indicators remain supportive of a continued economic recovery through 2022, with the IMF forecasting global GDP growth of around 5% for the year. 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 fell by 1.5% in December, which was better than the 2.3% fall in the composite index. Over the 12 months to the end of December, the Fund gained 20.4%, outperforming the index by 3.9%. In this time, the Nordic Technology Fund has gained 33.5%, Wellington Technology gained 24.1% and Wellington Biotechnology fell by 8.8%, reflecting a relatively difficult period for biotech stocks.

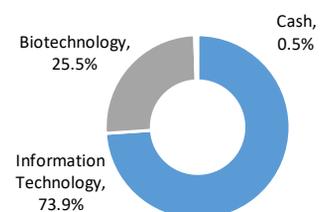
Technology stocks underperformed the broader market in December. The NASDAQ index finished 0.7% higher, and the NASDAQ Biotechnology index was 1.3% lower, behind the broad market S&P 500 index, which was 4.4% higher for the month. For the 12 months ending 31 December 2021, the NASDAQ (+21.4%) return was below the S&P 500 (+26.9%). The biotechnology sector significantly underperformed over the year, recording a decline of 0.6%.

The top stock contributors to performance of the Fund for the month included semiconductor company Marvell Technologies and networking hardware business Arista. The top gainer in percentage terms was biotech company Arena Pharmaceutical, which was 71% higher after being acquired by Pfizer. The main detractors included some high growth names such as Chemometec, Cbrain and Integrum, as this sector of the market generally underperformed.

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 54% of the fund, followed by Europe at 45%. 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 & Services	3.6%
Alphabet Inc	Interactive Media	3.6%
Sdptech	Environmental Services	3.5%
Amazon Inc	Internet Retail	3.0%
Marvell Technology Inc	Semiconductors	3.0%
Fortnox Ab	Application Software	2.8%
Urb-It Ab	Internet Retail	2.8%
Plejd Ab	Electrical Equipment	2.8%
Integrum Ab	Health Care Equipment	2.5%
Bico Ab	Life Sciences Tools & Services	2.3%



### Fiducian Investment Management Services Limited

Issued by Fiducian Investment Management Services Limited ABN 28 602 441 814 AFS Licence number 468211. This document provides general information only. It does not have regard to your objectives, financial situation or needs. We recommend that you seek financial planning advice, and consider whether this investment is appropriate to your objectives, financial situation and needs before making any investment decision. The information has been compiled from sources considered reliable, but is not guaranteed. Past performance is not indicative of future performance and we do not guarantee the performance of the Fund or any specific rate of return. Potential investors should also obtain and consider the relevant Target Market Determination (TMD) and Product Disclosure Statement (PDS) (available from your financial adviser and via fiducian.com.au) before making a decision about whether to acquire or continue to hold any financial product.