

# Fiducian Geared Australian Shares Fund

## Geared Australian Equities



**FIDUCIAN**  
INTEGRITY • TRUST • EXPERTISE

Monthly Report - July 2020

### Fund Description

The Fund invests in a diversified portfolio of Australian companies selected from some of the top companies listed on the Australian Securities Exchange. Investment in this Fund is partly funded by the investment made by the investors, and partly from money borrowed by the underlying managers against the investors' investment. One of the benefits of investing in this fund is that superannuation investors/funds may invest in this Fund given that current legislation prohibits superannuation investors from directly borrowing to invest. Gearing could amplify returns when markets are rising but could also magnify losses when markets decline.

It is recommended that investment in this Fund be undertaken for at least five to seven years. Share investment can be volatile over the short-term.

**Fund Classification** Core/Diversified **Sector** Specialist/Satellite

### Manager Commentary

The month of July saw global asset markets further stabilise, volatility subside and global equities rebound further as economies around the world began to open up from the Covid-19 pandemic lockdown restrictions. July's rise was mainly driven by a 2.3% rise by the resources sector and 4.6% rise by the IT sector. By market capitalisation, large-cap stocks (S&P/ASX 20 Index: +0.2%) underperformed mid-cap stocks (S&P/ASX MidCap 50 Accumulation Index: +2.0%) and small-cap stocks (S&P/ASX Small Ordinaries Accumulation Index: +1.4%). The best performing sectors in the S&P/ASX 300 Accumulation Index for July were Materials (+5.9%), IT (+4.8%) and Communication Services (+3.5%).

In July, the Fund out-performed, rising 1.4% against a 0.5% rise by the index (S&P/ASX 200 Accumulation). Two of the Fund's three underlying managers out-performed the benchmark. The best performing manager was the CFS Geared Australian Share Fund (+5.6%), followed by the Fiducian Australian Shares Fund (+0.7%). Over the rolling year to end-July, the Fund under-performed the index by 19.2% with a return of -29.0%. As at end-July 2020, the average weighted gearing of the Fund was 32.4%.

### Fund Performance Summary

#### Fiducian Geared Australian Shares Fund

Current Period Return (net of fees as at end-July 2020)

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	1.4%	11.7%	-35.0%	-29.0%	-0.5%	1.6%	5.8%	5.8%
Index	0.5%	7.6%	-14.2%	-9.9%	5.4%	5.1%	6.8%	7.4%
Excess	0.9%	4.1%	-20.8%	-19.2%	-5.9%	-3.6%	-1.0%	-1.6%

#### Calendar Year Return (net of fees)

	2012	2013	2014	2015	2016	2017	2018	2019
Fund	25.0%	33.5%	6.7%	5.9%	13.3%	17.0%	-10.2%	38.3%
Index	20.3%	20.2%	5.6%	2.6%	11.8%	11.8%	-2.8%	23.4%
Excess	4.7%	13.3%	1.1%	3.3%	1.5%	5.2%	-7.4%	14.9%

Note: Figures are annualised over 1 year.

### Investment Growth and Risk-Reward

#### Investment Growth

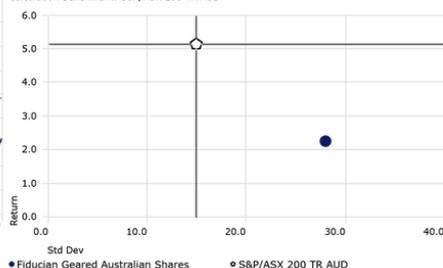
Time Period: 1/08/2015 to 31/07/2020



#### Risk-Reward

Time Period: 1/08/2015 to 31/07/2020

Calculation Benchmark: S&P/ASX 200 TR AUD



### Fund Facts

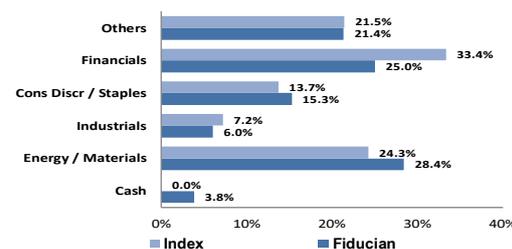
**Portfolio Manager:** Conrad Burge  
**Asset Sector:** Australian Equity  
**Asset Code:** AE14  
**ARSN:** 105 996 192  
**APIR Code:** FPS0011AU  
**Benchmark:** S&P/ASX 200 Accumulation  
**Inception Date:** September 2003  
**Fund Size:** \$ 9.4 million as at 31 July 2020  
**Application/Exit Fee:** Nil  
**Management Cost:** 1.13% \*  
**Total Management Cost:** 1.53% \*

(Management Costs includes the base fee charged by the RE for managing your fund. Total Management Costs includes management costs, performance fees payable to underlying managers only for outperformance, margins on cash account monies and out of pocket costs.)

### Style Tilts

Managers	Style	No. of Stocks	Weight
Fiducian	Multi Managers	133	29.9%
MBA	Value	51	30.7%
Colonial	Growth	45	35.7%
Cash			3.6%

### Sector Weights



### Top Holdings

#### Mable Brown Abbott Geared Equity Fund

Stocks	Weight
BHP Billiton	10.8%
Westpac Banking Corporation	5.4%
National Australia Bank	4.8%
Australia & New Zealand Banking Gp	4.8%
Telstra Corporation	4.5%
Coles Group	4.1%
Origin Energy	3.8%
QBE Insurance Group	3.8%
Woodside Petroleum	3.4%
Suncorp Group	3.3%

#### Colonial Geared Shares Fund

Stocks	Weight
CSL	10.9%
ANZ Bank	8.2%
BHP Group	7.3%
Westpac Bank	4.5%
Woolworths	4.4%
Macquarie Group	4.2%
James Hardie Industries	4.0%
Brambles	4.0%
National Australia Bank	3.9%
The A2 Milk Company	3.5%

### Fiducian Investment Management Services Limited

Issued by Fiducian Investment Management Services Limited ABN 28 602 441 814 AFS Licence number 231101. 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.