

# Fiducian Australian Shares Fund

## Equities Large Cap



**FIDUCIAN**  
INTEGRITY • TRUST • EXPERTISE

Monthly Report - August 2020

### Fund Description

The Fund invests in a diversified group of specialist Australian shares managers. This asset sector can deliver high returns over long periods of time, but it can also show sharp and significant fluctuations in value, up or down, over short intervals. This Fund gives investors an opportunity to participate in Australia's economic growth and enables Australian resident investors to benefit from favourable tax treatment accompanying franked earnings of Australian shares.

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

Global equities markets remain resilient in the face of continued uncertainty around COVID-19, supported by unprecedented global stimulus, with governments and central banks determined to do whatever it takes to support economic recovery. For the domestic market, August's rise was primarily driven by a 3.4% rise by the industrials sector and a 15.5% rise by the IT sector. By market capitalisation, large-cap stocks (S&P/ASX 20 Index: 1.4%) underperformed mid-cap stocks (S&P/ASX MidCap 50 Accumulation Index: +6.3%) and small-cap stocks (S&P/ASX Small Ordinaries Accumulation Index: +7.2%). The best performing sectors in the S&P/ASX 300 Accumulation Index for August were IT (+15.5%), Consumer Discretionary (+9.7%) and Real Estate (+8.0%). Sectors which lagged the market included Utilities (-4.8%), Communication Services (-3.8%) and Consumer Services (-0.3%).

In August, the Fund solidly out-performed the index (S&P/ASX 300), rising 5.6% with a 3.0% rise by the benchmark. During the month, five of the Fund's six managers out-performed the index. Bennelong performed the best with a rise of 10.9%, followed by L1 Capital (+6.6%) and Fidelity (+4.6%). The largest contributor to fund performance was an overweight position in Corporate Travel, which rose by 83.2% during August after reporting significantly better than market expected earnings results. Overweight positions in IDP Education (+13.9%), ARB Corporation (+37.1%), Qantas (+22.0%) and Afterpay (+33.4%) added to performance. On the flip side, under-weight positions in Sydney Airport (+12.2%), Xero (+12.3%) and Wesfarmers (+2.0%), and overweight positions in Resmed (-13.9%) and A2 Milk (-11.8%) detracted from fund performance. Over the year to end-August, the Fund out-performed the index by 4.0%, declining by 0.8%. Bennelong was the best performing manager with a return of +22.7%, followed by L1 Capital (-2.2%) and Pental (-2.4%), against an index return of -4.8%.

### Fund Performance and Risk Analytics Summary

#### Fiducian Australian Shares Fund

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

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	5.6%	7.8%	-1.0%	-0.8%	6.5%	8.5%	8.1%	8.0%
Index	3.0%	6.2%	-4.1%	-4.8%	6.2%	7.6%	6.9%	7.7%
Excess	2.5%	1.6%	3.1%	4.0%	0.2%	0.9%	1.2%	0.3%

#### Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	27.6%	17.5%	15.4%	13.8%
Benchmark (Std Dev %)	26.8%	16.9%	15.1%	13.4%
Beta	1.03	1.03	1.01	1.01
Tracking Error (% pa)	2.6%	2.2%	2.3%	2.3%

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

	2012	2013	2014	2015	2016	2017	2018	2019
Fund	14.6%	22.9%	5.6%	8.6%	8.8%	16.3%	-6.2%	24.6%
Index	19.7%	19.7%	5.3%	2.8%	11.8%	11.9%	-3.1%	23.8%
Excess	-5.1%	3.2%	0.3%	5.8%	-3.0%	4.3%	-3.1%	0.8%

Note: Figures are annualised over 1 year.

### Fund Facts

**Portfolio Manager:** Conrad Burge  
**Asset Sector:** Australian Equity  
**Asset Code:** AE1  
**ARSN:** 093 542 271  
**APIR Code:** FPS0006AU  
**Benchmark:** S&P / ASX 300 Accumulation Index  
**Inception Date:** February 1997  
**Fund Size:** \$472.9 million as at 4407431 August 2020

**Application/Exit Fee:** Nil

**Management Cost:** 0.96% \*

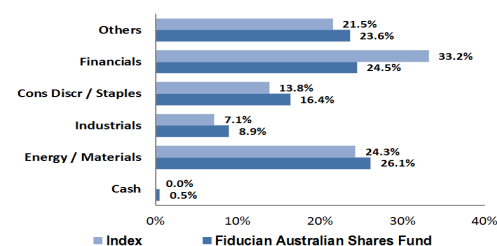
**Total Management Cost:** 1.42% \*

(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
Ausbil	Style Neutral	40	11.2%
Bennelong	Growth	31	23.3%
Pental Group	Core	44	9.5%
Fidelity	Value	51	19.8%
L1 Capital	Style Neutral	29	17.1%
Solaris	Style Neutral	44	18.6%
Cash			0.5%

### Sector Weights



### Top Holdings

Stocks	Weight
CSL LIMITED	9.2%
BHP GROUP	6.3%
COMMONWEALTH BANK	4.5%
GOODMAN GROUP	3.2%
WESTPAC BANKING CORPORATION	2.8%
MACQUARIE GROUP LTD	2.6%
ARISTOCRAT LEISURE LTD	2.5%
ANZ BANKING GROUP LIMITED	2.3%
JAMES HARDIE INDUSTRIES PLC CDI	2.0%
RIO TINTO LTD	1.9%
NATIONAL AUSTRALIA BANK	1.9%
AFTERPAY LIMITED	1.6%
ATLAS ARTERIA LTD	1.6%
CHORUS LIMITED	1.6%
FORTESCUE METALS GROUP LIMITED	1.5%
QANTAS AIRWAYS LTD	1.5%
TELSTRA CORPORATION LTD	1.5%
BREVILLE GROUP LIMITED	1.4%
QBE INSURANCE GROUP LIMITED	1.4%
WOOLWORTHS GROUP LIMITED	1.3%
<b>Total</b>	<b>52.7%</b>

### Fiducian Investment Management Services Limited

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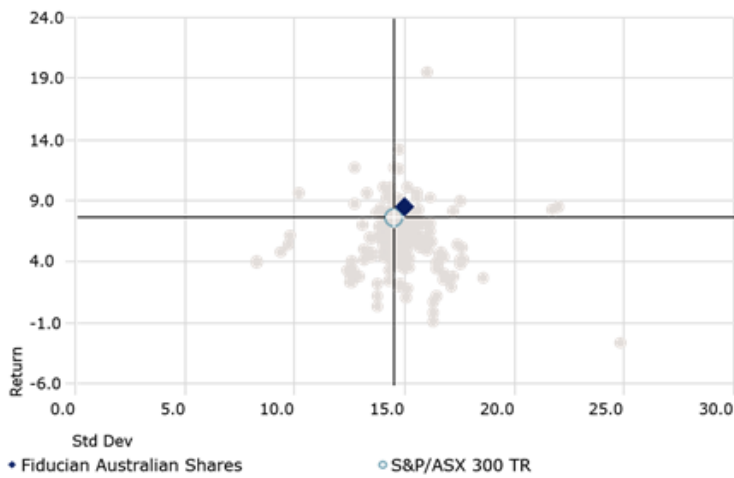
The information has been compiled from sources considered reliable, but is not guaranteed. Past performance is not indicative of future performance and we do not guarantee the performance of the Fund or any specific rate of return.



## Fund Performance against Benchmark

### Risk-Reward

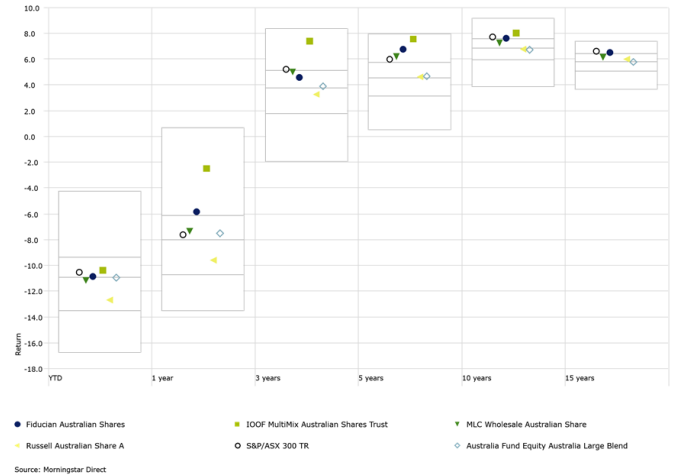
Time Period: 1/09/2015 to 31/08/2020



## Performance vs Peer Group

### Performance Relative to Peer Group

Peer Group (5-95%): Funds - Australia - Equity Australia Large Blend



## Fund Growth of \$1,000 Invested compared to Benchmark

### Investment Growth

Time Period: 1/09/2015 to 31/08/2020



## Performance Contributors and Detractors

(Attribution only for stocks held in the portfolio)

### Top Contributors to Performance

	Under Weight %	Overweight %	Contribution
CORPORATE TRAVEL MANAGEMENT		0.72%	0.60%
IDP EDUCATION LTD		1.04%	0.52%
ARB CORPORATION LIMITED ORDINARY FULLY PAID		0.75%	0.28%
QANTAS AIRWAYS LTD		1.12%	0.25%
AFTERPAY LIMITED		0.51%	0.17%

### Top Detractors of Performance

	Under Weight %	Overweight %	Contribution
SYDNEY AIRPORT STAPLED SECURITY	-0.53%		-0.06%
XERO LTD	-0.45%		-0.05%
WESFARMERS LIMITED ORD FULLY PAI	-2.40%		-0.05%
RESMED INC		0.39%	-0.05%
A2 MILK CO LTD		0.34%	-0.05%