

Fiducian Balanced Fund Diversified Assets



FIDUCIAN
INTEGRITY • TRUST • EXPERTISE

Monthly Report - August 2020

Fund Description

The Fiducian Balanced Fund includes holdings in Australian and international shares, property, bonds and liquid assets. The Fund normally has a relatively higher exposure to shares than the Fiducian Capital Stable Fund and therefore should be capable of generating higher returns, but it will also be exposed to some capital losses when markets turn down. The Fund also usually has a lower exposure to the share sector, and a marginally higher exposure to the cash and fixed interest sectors, than the Fiducian Growth Fund.

This Fund is suitable for investors seeking a balance between capital growth and income. Investors should be prepared to hold their investment for periods exceeding five years.

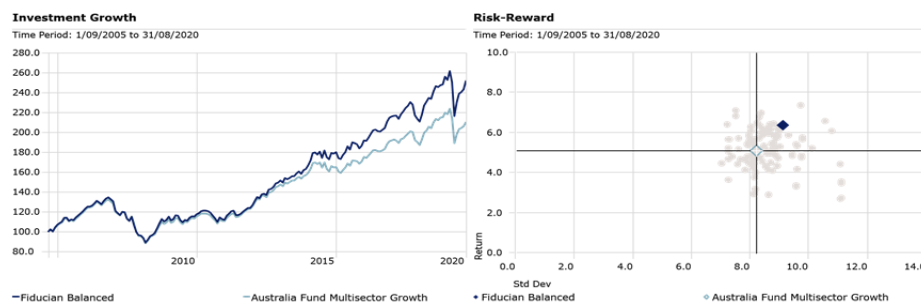
Fund Classification Core/Diversified Sector Specialist/Satellite

Manager Commentary

The Fund solidly out-performed, rising 3.7% against a 1.7% rise by the median manager during August. Over the year to end-August, the Fund beat the median manager by 3.6% with a return of 2.7%. During August, domestic equities, global equities and listed properties significantly out-performed bonds and cash. Over-weight exposure to domestic and global equities contributed to fund performance on a relative basis. Marginal over-weight to listed properties also added to fund performance. Out-performances by the Fiducian International Shares Fund and the Fiducian Australian Shares Fund contributed to fund performance on a relative basis. Underweight exposure to defensive assets also added to fund performance as fixed interest sectors fell (by a net -0.3%). The resources sector in the domestic sharemarket was well-supported as most commodity prices rose during the month, as economies around the world began to ease lockdown restrictions imposed to contain the spread of the Covid-19 coronavirus pandemic.

An overweight exposure to international and Australian equities remains, as valuations for equities appear to be more attractive than for Australian and global bonds. This fund was ranked 6th out of 212 multi-sector diversified balanced/growth funds surveyed by Morningstar for the year, while it ranked 4th on the same survey over the 5 years to end-August.

Fund Performance and Risk Analytics Summary



Fiducian Balanced 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	3.7%	5.6%	0.6%	2.7%	7.6%	7.5%	8.4%	8.5%
Index	1.7%	3.3%	-1.6%	-0.9%	4.3%	4.9%	5.9%	6.6%
Excess	1.9%	2.3%	2.2%	3.6%	3.3%	2.6%	2.5%	1.9%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	17.7%	11.4%	10.0%	8.4%
Benchmark (Std Dev %)	14.8%	9.9%	8.9%	7.6%
Beta	1.10	1.06	1.06	1.04
Tracking Error (% pa)	3.4%	2.0%	2.0%	1.7%

Calendar Year Return (net of fees)

	2012	2013	2014	2015	2016	2017	2018	2019
Fund	13.6%	19.5%	10.0%	7.9%	6.4%	12.6%	-2.3%	19.6%
Index	13.8%	18.2%	8.1%	3.7%	6.2%	9.3%	-2.6%	15.7%
Excess	-0.2%	1.3%	1.9%	4.2%	0.2%	3.2%	0.3%	3.9%

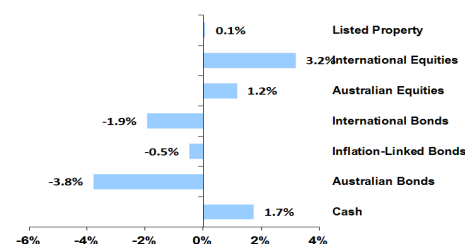
Note: Figures are annualised over 1 year.

Fund Facts

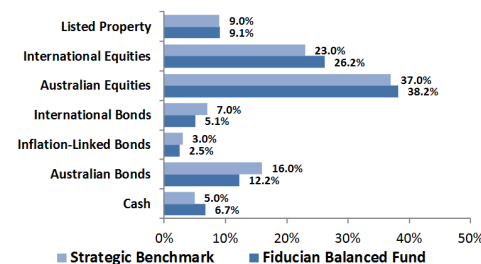
Portfolio Manager: Conrad Burge
Asset Sector: Diversified Assets
Asset Code: BF1
ARSN: 093 541 612
APIR Code: FPS0003AU
Benchmark: Morningstar Multisector Growth Median
Inception Date: February 1997
Fund Size: \$377.1 million as at 31 August 2020
Application/Exit Fee: Nil
Management Cost: 0.93%
Total Management Cost: 1.18%

(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.)

Tactical Asset Tilts



Asset Allocation



Top Holdings

Asset Class	Fund Manager	Weight	
Australian Equities	Solaris	7.1%	
	Fidelity	7.6%	
	Bennelong	8.9%	
	L1 Capital	6.5%	
	Ausbil Dexia	4.3%	
	Pendal	3.6%	
	International Equities	Franklin Templeton	10.1%
		BlackRock	5.3%
		Wellington	7.7%
		SSGA	0.0%
State Bank of India		0.1%	
Sundaram		0.3%	
HDFC		0.0%	
Tata		0.2%	
Vanguard		0.4%	
Wellington Technology		1.5%	
Wellington Biotechnology	0.5%		
Listed Property	BlackRock	0.8%	
	Phoenix	3.8%	
	Principal	4.4%	
Australian Bonds	Perpetual Fixed Interest	11.6%	
	BlackRock	2.7%	
Inflation-Linked Bonds	Challenger	2.5%	
International Bonds	BlackRock	5.1%	
	BlackRock	5.0%	
Cash	BlackRock	5.0%	
	CMT	2.6%	

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.