

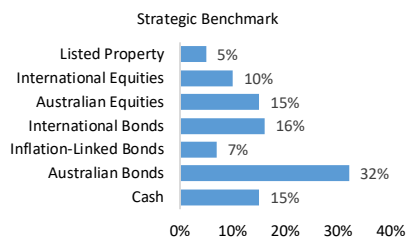
Fund description

The Fiducian Capital Stable Fund has a large allocation to fixed income assets and cash, and also includes some exposure to equities for longer term performance. The fund is diversified between multiple asset classes and countries, utilising the Fiducian “Manager the Manager” system that aims to achieve superior returns with reduced risk.

The Fund is suitable for investors who are relatively conservative but are prepared to take some level of market risk to achieve modest capital growth in addition to a relatively high level of income. The recommended holding period is at least 2 to 3 years.

Fund facts

Portfolio manager: Conrad Burge
ARSN: 093 542 879
APIR code: FPS0002AU
Benchmark: Morningstar Multisector Moderate Median
Current fund size: \$412 million (July 2021)
Management cost: 0.76%
Total management costs: 0.82%
Application/Exit fee: Nil
Inception Date: March 1997



Performance and Risk

After fee returns as at 31 July 2021

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	1.0%	3.0%	4.6%	9.7%	5.8%	5.3%	5.6%	6.3%
Index	1.1%	2.6%	4.6%	8.3%	4.5%	4.1%	4.2%	5.0%
Excess	0.0%	0.4%	0.1%	1.3%	1.3%	1.3%	1.4%	1.2%
Ranking				27/124	14/117	9/112	6/108	8/100

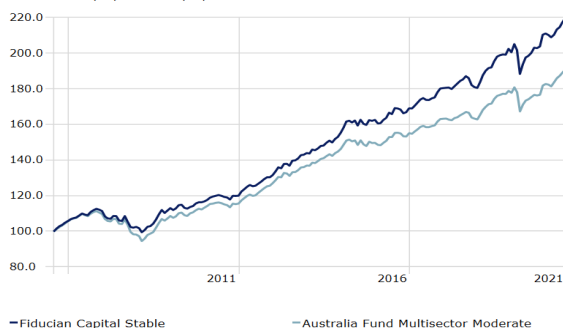
Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	3.6%	5.8%	4.7%	4.1%
Benchmark (Std Dev %)	3.1%	5.0%	4.0%	3.6%
Beta	1.03	1.03	1.02	1.01
Tracking Error (% pa)	1.1%	1.2%	1.0%	0.9%

Overall Morningstar rating
★★★★★

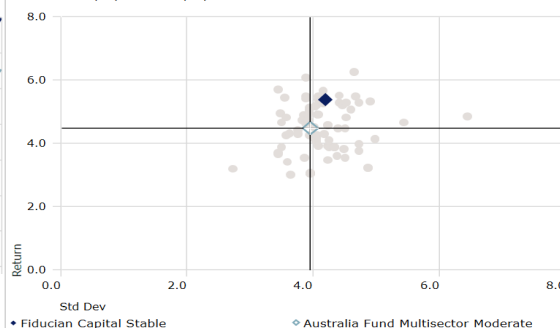
Investment Growth

Time Period: 1/08/2006 to 31/07/2021

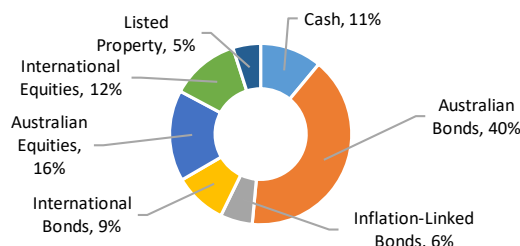
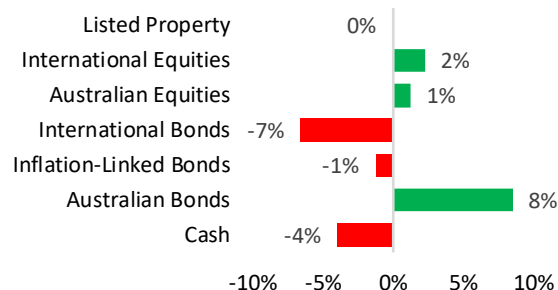


Risk-Reward

Time Period: 1/08/2006 to 31/07/2021



Tactical tilts and current asset weights



Market Commentary and Outlook

Global indicators of economic activity remained positive in July, as expansionary monetary policy and fiscal stimulus remained very much in place. However, the so-called 'Delta' variant of the COVID-19 coronavirus, which has proved to be very infectious, has spread rapidly across the globe this year and has led to further lockdowns being imposed by some governments. Nevertheless, in most cases indicative measures such as manufacturing data and employment growth remain positive.

Equity markets moved higher again in the US, with the broad market index (S&P 500) gaining 2.3%, and also in Australia, with the ASX 200 gaining 1.1%. On the other hand, European markets were slightly down, and Asian markets were weaker on the back of regulatory changes imposed by the Chinese government to restrict growth in some market sectors.

Bond yields in developed markets fell back to levels last seen in February, before expectations of higher inflation readings and a possible tightening of monetary policy led to yields peaking in March and April this year. Recent indicators pointing to elevated inflation are expected to be transitory.

Looking ahead, leading indicators still remain supportive of a continued economic recovery through the rest of the year, with the IMF still expecting global GDP growth of 6.0% in 2021 (as of July). The risk of further disruption caused by lockdowns to counter the pandemic remains, but is lessening as vaccine rollouts continue to progress across the globe.

Fund Commentary

The Fund underperformed the median manager during the month, rising 1.0% against a 1.1% return by the median manager. Over the year to the end of July, the Fund outperformed by 1.3% with a return of 9.7%

International equities were the top performing asset class in the Fund, assisted by a weaker Australian dollar. As with last month, the Fiducian Technology Fund (+5.7%), and the Fiducian India Fund (+5.6%) were highlights.

The Fund retains an overweight exposure to Australian and International equities, as global economies continue to recover from last years recession, earnings forecasts are revised upwards and these sectors appear attractive relative to other asset classes.

The Fiducian Capital Stable Fund was ranked 27th out of 124 funds in the Multi-Sector Moderate category surveyed by Morningstar over one year, while in the same survey it ranked 9th out of 112 funds over five years and 8th out of 100 funds over the ten year period to 31 July 2021.

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities 16.0%	Solaris	2.7%
	Fidelity	3.0%
	Benelong	3.3%
	L1 Capital	2.7%
	Ausbil Dexia	2.6%
	Pendal	1.6%
International Equities 11.8%	Franklin Templeton	4.1%
	BlackRock	2.5%
	Wellington	3.8%
	SSGA	0.0%
	State Bank of India	0.1%
	Sundaram	0.2%
	Tata	0.1%
	Vanguard	0.4%
	Wellington Technology	0.4%
	Wellington Biotechnology	0.1%
	Nordic Technology	0.1%
Listed Property 4.9%	BlackRock	0.4%
	Phoenix	2.3%
	Principal	2.2%
Australian Bonds 38.9%	Perpetual Fixed Interest	13.7%
	BlackRock	0.1%
	Challenger	25.1%
Inflation Linked Bonds 5.7%	Challenger	5.7%
International Bonds 9.4%	BlackRock	9.4%
Cash 13.2%	BlackRock	0.3%
	Cash	12.9%

Top stock holdings

Top Australian Stocks	Industry	Weight
CSL	Biotechnology	8.1%
BHP Group	Diversified Metals & Mining	7.3%
Commonwealth Bank	Diversified Banks	5.7%
Westpac Banking Corporatio	Diversified Banks	3.4%
National Australia Bank	Diversified Banks	2.9%
ANZ Banking Group	Diversified Banks	2.9%
Macquarie Group	Diversified Capital Markets	2.8%
Aristocrat Leisure	Casinos & Gaming	2.7%
James Hardie Industries	Construction Materials	2.6%
Goodman Group	Industrial REITs	2.6%

Top International Stocks	Industry	Weight
Danaher Corp	Health Care Equipment	1.9%
Salesforce.Com	Application Software	1.9%
Aptiv Plc	Auto Parts & Equipment	1.8%
Charles River Laboratories	Life Sciences Tools & Services	1.8%
Partners Group	Asset Management	1.8%
Svb Financial Group	Regional Banks	1.7%
Intuitive Surgical	Health Care Equipment	1.7%
Synopsys Inc	Application Software	1.7%
Visa Incorporated	Data Processing	1.7%
Microsoft Corp	Systems Software	1.6%

Fiducian Investment Management Services Limited

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