

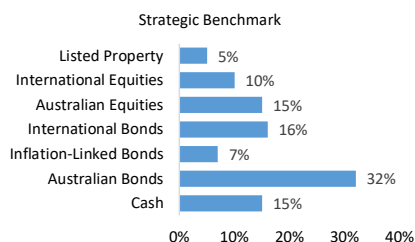
Fund description

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: \$439 million (September 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 30 September 2021

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-1.2%	1.5%	4.9%	8.8%	5.8%	5.5%	5.7%	6.5%
Index	-1.0%	0.7%	3.7%	7.6%	4.4%	4.1%	4.3%	5.2%
Excess	-0.2%	0.7%	1.2%	1.1%	1.5%	1.4%	1.4%	1.2%
Ranking				33/116	10/109	7/106	5/100	5/93

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	4.0%	5.9%	4.8%	4.1%
Benchmark (Std Dev %)	3.5%	5.1%	4.1%	3.6%
Beta	1.02	1.03	1.02	1.01
Tracking Error (% pa)	1.1%	1.2%	1.1%	0.9%

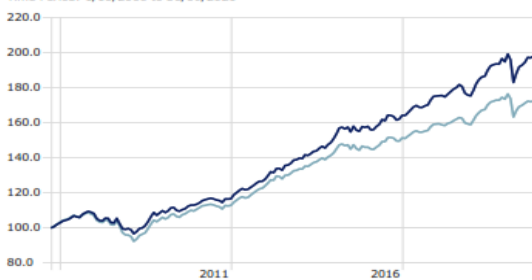
Overall Morningstar Rating™

★★★★★

As at 30 September 2021*

Investment Growth

Time Period: 1/10/2006 to 30/09/2021

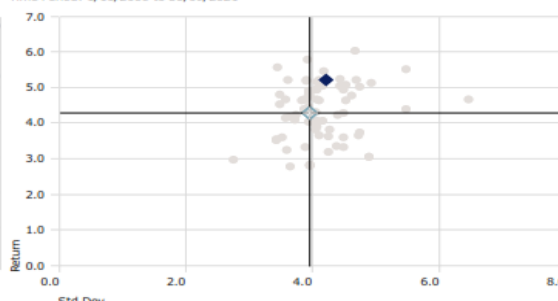


—Fiducian Capital Stable

—Australia Fund Multisector Moderate

Risk-Reward

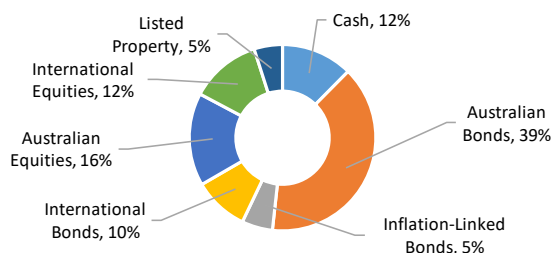
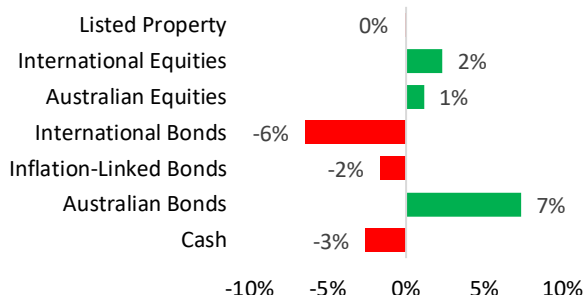
Time Period: 1/10/2006 to 30/09/2021



• Fiducian Capital Stable

◊ Australia Fund Multisector Moderate

Tactical tilts and current asset weights



Market Commentary and Outlook

Global economic indicators, including employment growth, industrial production and consumer spending, generally remained positive in September, albeit with a deceleration in growth rates as some stimulus measures began to be reduced.

Most asset classes experienced negative returns for the month. This was attributed to a number of factors, including expectations for higher interest rates, escalating energy prices and some political gridlock in the United States. Equity markets were weaker across the globe, with the MSCI World index falling by 4.3%, the US market (S&P 500) dropping by 4.8% and the Australian market (ASX 200) finishing 1.9% lower.

Bond prices also fell for the month. The US central bank (the Federal Reserve) gave further guidance about the likely conclusion of its bond purchasing programme next year as the US economy continues to recover, although any increase in interest rates is not expected until at least the latter half of 2022. In Australia, the Reserve Bank has maintained its forecast of no interest rate rises until 2024.

Looking ahead, leading indicators remain supportive of a continued economic recovery into next year, with the IMF forecasting global GDP growth of around 6.0% in 2021. 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 in September, falling by 1.2%, compared to the median manager return of -1.0%. Over the year to the end of September, the Fund outperformed the median manager by 1.1% with a return of 8.8%

Australian Equities made a good relative contribution for the month, only falling by 0.4% due to a strong performance by the underlying managers. Performance was also assisted by a better relative performance by the fixed income assets in the fund compared to the benchmark.

The Fund retains an overweight exposure to Australian and International equities, as global economies continue to recover from last years recession, and share markets appear attractive relative to other asset classes. Additionally, an overweight position is held in some lower risk domestic bonds.

The Fiducian Capital Stable Fund was ranked 33rd out of 116 funds in the Multi-Sector Moderate category surveyed by Morningstar over one year, while in the same survey it ranked 10th out of 109 funds over five years, and 5th out of 93 funds over the ten year period to 30 September 2021.

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities 16.0%	Solaris	2.7%
	Fidelity	2.9%
	Bennelong	3.4%
	L1 Capital	2.8%
	Ausbil Dexia	2.7%
International Equities 11.9%	Pendal	1.6%
	Franklin Templeton	4.1%
	BlackRock	2.5%
	Wellington	3.8%
	SSGA	0.0%
	State Bank of India	0.1%
	Sundaram	0.3%
	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 38.7%	Perpetual Fixed Interest	12.7%
	BlackRock	0.1%
	Challenger	25.9%
Inflation Linked Bonds 5.3%	Challenger	5.3%
International Bonds 9.6%	BlackRock	9.6%
	BlackRock	0.3%
Cash 13.6%	BlackRock	0.3%
	Cash	13.3%

Top stock holdings

Top Australian Stocks	Industry	Weight
CSL	Biotechnology	8.3%
Commonwealth Bank	Diversified Banks	5.5%
BHP Group	Diversified Metals & Mining	4.2%
Westpac	Diversified Banks	3.4%
Macquarie Group	Diversified Capital Markets	3.1%
Aristocrat Leisure	Casinos & Gaming	2.9%
National Australia Bank	Diversified Banks	2.9%
James Hardie Industries	Construction Materials	2.8%
Telstra	Telecommunication Services	2.6%
Goodman Group	Industrial REITs	2.3%

Top International Stocks	Industry	Weight
Salesforce.Com	Application Software	2.2%
Svb Financial Group	Regional Banks	1.9%
Danaher Corp	Health Care Equipment	1.9%
Synopsis Inc	Application Software	1.8%
Visa Incorporated	Data Processing	1.7%
Intuitive Surgical Inc	Health Care Equipment	1.7%
Mercadolibre Inc	Internet Retail	1.7%
Zscaler Inc	Systems Software	1.7%
Humana Incorporated	Managed Health Care	1.7%
Seagen Inc	Biotechnology	1.7%

Fiducian Investment Management Services Limited

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