

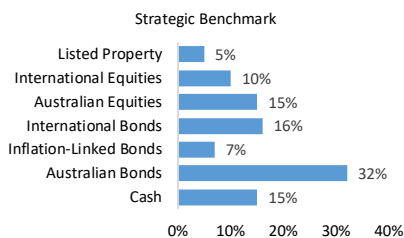
Fund description

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: \$453 million (February 2022)
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 28 February 2022

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-1.0%	-2.8%	-3.9%	2.9%	4.6%	4.7%	4.1%	5.6%
Index	-1.0%	-1.8%	-2.4%	3.1%	3.5%	3.7%	3.0%	4.6%
Excess	0.1%	-1.0%	-1.5%	-0.2%	1.0%	1.0%	1.1%	1.0%
Ranking				86/123	17/117	10/113	9/107	10/100

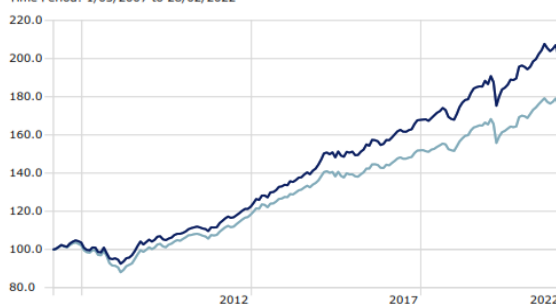
Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	4.6%	6.0%	5.0%	4.2%
Benchmark (Std Dev %)	3.6%	5.0%	4.2%	3.6%
Beta	1.04	1.04	1.03	1.01
Tracking Error (% pa)	1.5%	1.4%	1.2%	1.0%

Overall Morningstar Rating™
★★★★
 As at 28 February 2022*

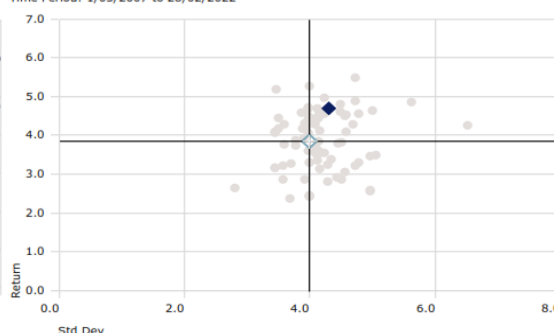
Investment Growth

Time Period: 1/03/2007 to 28/02/2022

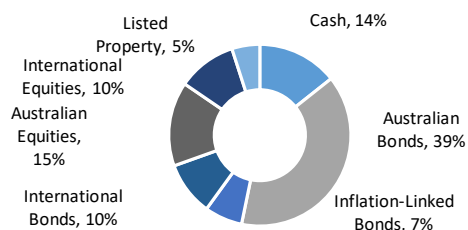
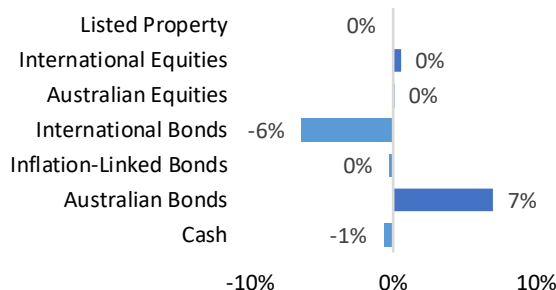


Risk-Reward

Time Period: 1/03/2007 to 28/02/2022



Tactical tilts and current asset weights



Market Commentary and Outlook

Global economic indicators continued to improve in February, with employment levels, wages and industrial production recording growth across most of the world. Retail sales and consumer confidence measures also remained in positive territory. However, this good news was offset by the Russian invasion of Ukraine late in the month, which saw energy prices, including oil, gas and coal, shift dramatically upwards.

Broad-based selling in equity and other asset markets followed news of the Russian invasion. European stock markets were among the worst performers for the month, with most indices dropping by around 5%. The US market (S&P 500) was 3.1% lower, and the MSCI emerging markets index was down by 3.0%. The Australian market was an exception to this trend, with the ASX 200 index gaining 2.1%. This was due in a large part to the strong performance of energy and mining stocks, with most commodity prices heading higher on expectations of supply disruptions stemming from the Russia-Ukraine conflict.

Bond returns were negative in February, but prices rallied later in the month as investors sought 'safe-haven' assets.

Looking ahead, elevated geopolitical risks, alongside the likelihood of increasing interest rates during the year, represent a headwind to markets. However, leading indicators remain supportive of a continued economic recovery this year, with the IMF forecasting global GDP growth of around 4.5% in 2022.

Fund Commentary

The Fund performed in line with benchmark in February declining by 1.0%, compared to the median manager return of -1%. Over the year to the end of February, the Fund underperformed the median manager by 0.2% with a return of 2.9%

February was a mixed month for global markets. Australian shares and property recorded gains, but bonds and international shares finished lower.

The Fund has recently moved to a neutral exposure to Australian and International equities, as positive news surrounding the global economic recovery is offset by rising interest rates and geopolitical tensions. Additionally, an overweight position is held in some lower risk domestic fixed income.

The Fiducian Capital Stable Fund was ranked 86th out of 123 funds in the Multi-Sector Moderate category surveyed by Morningstar over one year, while in the same survey it ranked 17th out of 117 funds over five years, and 10th out of 100 funds over the ten year period to 28 February 2022.

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities 14.7%	Solaris	2.5%
	Fidelity	2.5%
	Bennelong	2.5%
	L1 Capital	2.7%
	Ausbil Dexia	2.9%
	Pendal	1.5%
International Equities 10.1%	Franklin Templeton	3.0%
	Challenger	2.3%
	Wellington	3.4%
	SSGA	0.0%
	State Bank of India	0.1%
	Sundaram	0.2%
	Tata	0.1%
	EquiPoise	0.0%
	Vanguard	0.3%
	Wellington Technology	0.4%
	Wellington Biotechnology	0.1%
	Nordic Technology	0.1%
	Listed Property 4.9%	BlackRock
Phoenix		2.3%
Principal		2.2%
Australian Bonds 38.9%	Perpetual Fixed Interest	12.2%
	BlackRock	0.1%
	Challenger	26.6%
Inflation Linked Bonds 6.7%	Challenger	6.7%
International Bonds 9.6%	BlackRock	9.6%
Cash 15.1%	BlackRock	0.3%
	Cash	14.9%

Top stock holdings

Top Australian Stocks	Industry	Weight
Bhp Group	Diversified Metals & Mining	8.9%
CSL Limited	Biotechnology	8.0%
Commonwealth Bank	Diversified Banks	4.9%
National Australia Bank	Diversified Banks	3.6%
Macquarie Group Ltd	Diversified Capital Markets	3.2%
Telstra Corporation Ltd	Telecommunication Services	2.9%
Santos Limited	Oil & Gas	2.8%
Aristocrat Leisure Ltd	Casinos & Gaming	2.5%
James Hardie Industries	Construction Materials	2.5%
Goodman Group	Industrial REITs	2.4%

Top International Stocks	Industry	Weight
Amazon Inc	Internet Retail	2.0%
Danaher Corp	Life Sciences Tools & Services	1.9%
Humana Incorporated	Managed Health Care	1.9%
Visa Incorporated	Data Processing	1.9%
Microsoft Corp	Systems Software	1.9%
SVB Financial Group	Regional Banks	1.7%
Alphabet Inc	Interactive Media & Services	1.7%
Synopsys Inc	Application Software	1.7%
Intuitive Surgical Inc	Health Care Equipment	1.5%
Aspen Technology Inc	Application Software	1.5%

Fiducian Investment Management Services Limited

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