

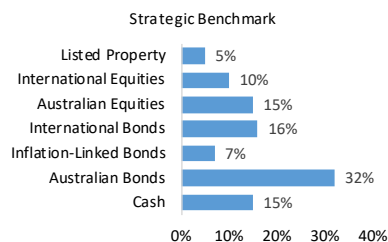
Fund description

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: \$454 million (July 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 31 July 2022

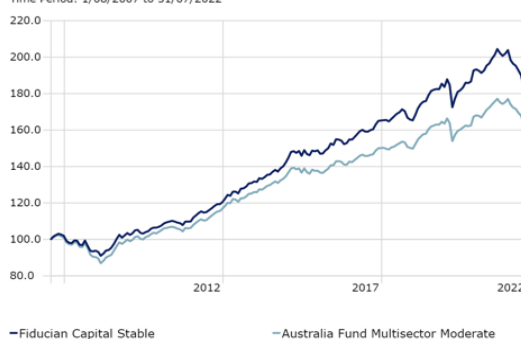
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	3.3%	-1.5%	-4.2%	-5.6%	1.5%	3.6%	3.5%	5.0%
Index	2.6%	-1.1%	-3.6%	-4.7%	1.1%	2.8%	2.7%	4.3%
Excess	0.7%	-0.4%	-0.7%	-0.9%	0.4%	0.8%	0.8%	0.7%
Ranking				74/114	31/110	14/104	15/99	8/92

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	6.4%	6.6%	5.5%	4.5%
Benchmark (Std Dev %)	4.8%	5.5%	4.6%	3.8%
Beta	1.06	1.04	1.04	1.02
Tracking Error (% pa)	1.9%	1.5%	1.3%	1.1%

Investment Growth

Time Period: 1/08/2007 to 31/07/2022

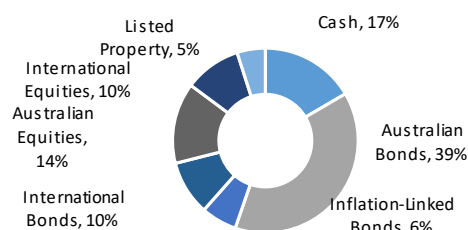
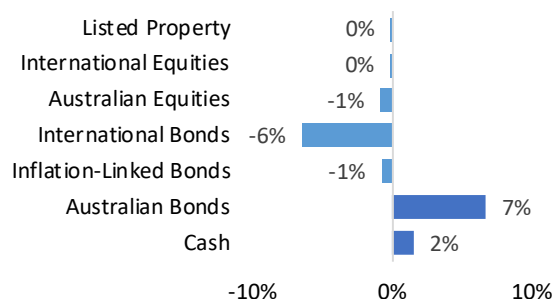


Risk-Reward

Time Period: 1/08/2007 to 31/07/2022



Tactical tilts and current asset weights



Market Commentary and Outlook

Most indicators of global economic activity continued to deteriorate over the month, as higher than expected inflation has been pushing key central banks to tighten monetary policy, including by raising interest rates, in an effort to slow demand. The International Monetary Fund (IMF) is now expecting global growth of 3.2% in 2022, down from its April estimate of 3.6%.

One result of a weakening economic environment is that the pace and size of interest rate increases that could be required by central banks to bring inflation back within target ranges could now be lower than previously expected. Longer-term bond yields fell materially during the month, with the US 10-year Treasury bond yield declining from a high of 3.5% in June to 2.7% at the end of July. The Australian 10-year government bond yield followed a similar trajectory, falling from a high of 4.2% in June to 3.1% at the end of July.

This backdrop was positive for most asset classes. US equities (S&P 500) gained 9.1% for the month, with Australian equities (ASX 200) increasing by 5.7%. Interest rate sensitive assets such as Australian listed property (+11.9%) and technology stocks performed even better.

Looking ahead, elevated geopolitical risks, alongside the likelihood of higher interest rates and slower economic growth this year represent potential headwinds to markets. However, in broad terms, share markets continue to appear more attractive than most other investment opportunities.

Fund Commentary

The Fund outperformed the benchmark in July, gaining 3.3%, compared to the median manager return of 2.6%. Over the year to the end of July, the Fund has returned -5.6%.

Most asset classes rebounded over the month, as declines in longer term interest rates provided some valuation support. Australian and international equities recorded gains of around 6%, and listed property trusts were over 10%. Fixed income assets recorded their first positive monthly return for the year.

The Fund currently has a slightly underweight exposure to Australian and International equities, as relatively attractive valuations are offset by rising interest rates and geopolitical tensions. Additionally, an overweight position is held in some lower risk domestic fixed income.

In the Morningstar Multisector Moderate Category, the Fiducian Capital Stable Fund returns were ranked 74th out of 114 funds over one year, 14th out of 104 funds over five years, and 8th out of 92 funds over the ten year period to 31 July 2022.

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities 13.9%	Solaris	2.4%
	Fidelity	2.3%
	Bennelong	2.3%
	L1 Capital	2.6%
	Ausbil Dexia	2.8%
	Pendal	1.4%
International Equities 9.4%	Franklin Templeton	2.7%
	Challenger	2.5%
	Wellington	3.1%
	SSGA	0.0%
	State Bank of India	0.1%
	Sundaram	0.2%
	Tata	0.1%
	EquiPoise	0.0%
	Vanguard	0.3%
	Wellington Technology	0.3%
	Wellington Biotechnology	0.1%
Nordic Technology	0.1%	
Listed Property 4.8%	BlackRock	0.5%
	Phoenix	2.3%
	Principal	2.0%
Australian Bonds 38.0%	Perpetual Fixed Interest	11.4%
	BlackRock	0.3%
	Challenger	26.4%
Inflation Linked Bonds 6.2%	Challenger	6.2%
International Bonds 9.5%	BlackRock	9.5%
	BlackRock	0.3%
Cash 18.1%	BlackRock	0.3%
	Cash	17.9%

Top stock holdings

Top Australian Stocks	Industry	Weight
CSL	Biotechnology	9.1%
BHP Group	Diversified Metals & Mining	8.2%
Commonwealth Bank	Diversified Banks	5.7%
National Australia Bank	Diversified Banks	4.7%
Macquarie Group Ltd	Diversified Capital Markets	3.3%
Santos Limited	Oil & Gas	2.9%
Telstra Corporation Ltd	Telecommunication Services	2.8%
Goodman Group	Industrial REITs	2.6%
Aristocrat Leisure Ltd	Casinos & Gaming	2.2%
Qantas Airways Ltd	Airlines	2.2%

Top International Stocks	Industry	Weight
Amazon Dotcom	Internet Retail	2.1%
Apple Inc	Technology Hardware	2.1%
Humana Incorporated	Managed Health Care	2.1%
Danaher Corp	Life Sciences Tools	2.0%
Microsoft Corp	Systems Software	2.0%
Visa Incorporated	Data Processing	1.9%
Seagen Inc	Biotechnology	1.8%
Synopsys Inc	Application Software	1.7%
Broadridge Finance	Data Processing	1.6%
Costar Group Inc	Research & Consulting	1.6%

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. Potential investors should also obtain and consider the relevant Target Market Determination (TMD) and Product Disclosure Statement (PDS) (available from your financial adviser and via fiducian.com.au) before making a decision about whether to acquire or continue to hold any financial product.

The Morningstar Category rankings have the Morningstar Australia Multisector Aggressive Category for Ultra Growth Fund, Multisector Moderate Category for Capital Stable Fund, and Multisector Growth Category for the Balanced and Growth Fund. Source: Morningstar Direct, Performance Report as of 08.08.2022 © 2022 Morningstar, Inc. All rights reserved. Neither Morningstar, its affiliates, nor the content providers guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution. Any general advice or 'regulated financial advice' under New Zealand law has been prepared by Morningstar Australasia Pty Ltd (ABN: 95 090 665 544, AFSL: 240892) and/or Morningstar Research Ltd, subsidiaries of Morningstar, Inc. without reference to your objectives, financial situation or needs. For more information, refer to our Financial Services Guide (AU) or Financial Advice Provider Disclosure Statement (NZ) at www.morningstar.com.au/s/fsg.pdf and www.morningstar.com.au/s/fapds.pdf. You should consider the advice in light of these matters and if applicable, the relevant Product Disclosure Statement before making any decision to invest. Our publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Past performance does not necessarily indicate a financial product's future performance. To obtain advice tailored to your situation, contact a professional financial adviser.