

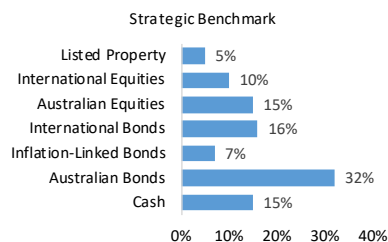
### Fund description

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:** \$452 million (August 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 August 2022

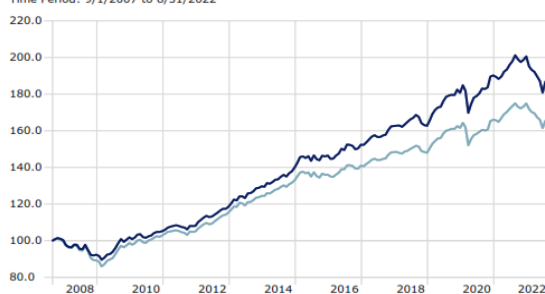
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-1.1%	-1.0%	-4.4%	-8.1%	1.0%	3.3%	3.6%	4.8%
Index	-1.1%	-1.3%	-3.9%	-6.5%	0.7%	2.5%	2.8%	4.1%
Excess	0.0%	0.3%	-0.4%	-1.5%	0.3%	0.7%	0.8%	0.7%
Ranking				94/120	34/116	16/109	13/104	10/98

#### 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: 9/1/2007 to 8/31/2022

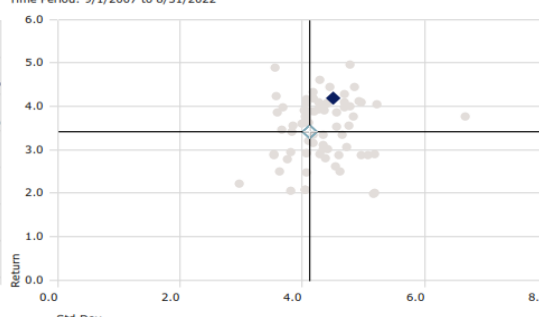


—Fiducian Capital Stable

—Australia Fund Multisector Moderate

#### Risk-Reward

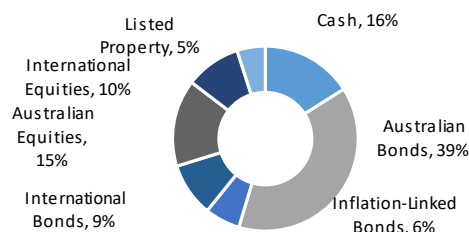
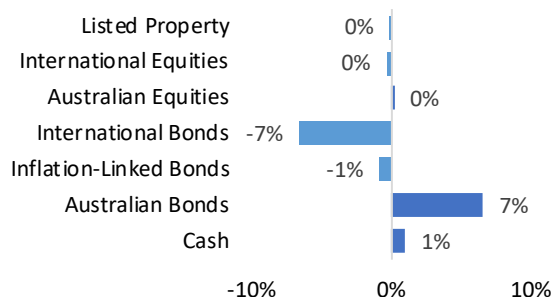
Time Period: 9/1/2007 to 8/31/2022



• Fiducian Capital Stable

◊ Australia Fund Multisector Moderate

### Tactical tilts and current asset weights



### Market Commentary and Outlook

During August, the global economy continued to be subjected to various geopolitical stresses, including the ongoing war in Ukraine and pandemic-related lockdowns in China. These developments added to inflationary stresses caused by over-spending by governments in the US and Europe in particular. In response, major central banks have been continuing to tighten monetary policy by raising interest rates and implementing 'quantitative tightening' to take liquidity out of the financial system.

The Chairman of the US central bank, Jerome Powell, recently stressed that interest rates will continue to be raised despite the reality that they will 'bring some pain to households and businesses'. This had a negative impact on most markets and the broad US market (S&P 500) fell by 4.2% for the month, while European markets were down by a similar amount.

Emerging markets did better, as did Australia, with the broad domestic market (ASX 200 index) gaining 1.2%. The property sector was weaker and bonds also fell in value as yields moved higher.

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 performed in line with the benchmark in August, declining 1.1%, compared to the median manager return of 1.1%. Over the year to the end of August, the Fund has returned -8.1%.

Rising long term interest rates were a headwind to most asset classes over the month, with International Equities, Listed Property, and Fixed Income assets recording declines. Australian Equities were the exception, generating a small positive return.

The Fund currently has a neutral 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 94th out of 120 funds over one year, 16th out of 109 funds over five years, and 10th out of 98 funds over the ten year period to 31 August 2022.

### Managers and weights

Asset Class	Fund Manager	Weight
<b>Australian Equities 14.8%</b>	Solaris	2.5%
	Fidelity	2.4%
	Bennelong	2.4%
	L1 Capital	2.8%
	Ausbil Dexia	3.0%
<b>International Equities 9.3%</b>	Pendal	1.7%
	Franklin Templeton	2.6%
	Challenger	2.5%
	Wellington GRE	2.0%
	Wellington Value	1.0%
	State Bank of India	0.1%
	Sundaram	0.2%
	Tata	0.1%
	EquiPoise	0.0%
	Vanguard	0.3%
	Wellington Technology	0.3%
<b>Listed Property 4.8%</b>	Wellington Biotechnology	0.1%
	Nordic Technology	0.1%
	BlackRock	0.4%
<b>Australian Bonds 37.7%</b>	Phoenix	2.3%
	Principal	2.0%
	Perpetual Fixed Interest	10.6%
<b>Inflation Linked Bonds 6.2%</b>	BlackRock	0.3%
	Challenger	26.7%
<b>International Bonds 9.4%</b>	Challenger	6.2%
	BlackRock	9.4%
<b>Cash 17.9%</b>	BlackRock	0.3%
	Cash	17.6%

### Top stock holdings

Top Australian Stocks	Industry	Weight
CSL	Biotechnology	9.1%
BHP Group	Diversified Metals & Mining	8.4%
Commonwealth Bank	Diversified Banks	5.4%
National Australia Bank	Diversified Banks	4.6%
Macquarie Group Ltd	Diversified Capital Markets	3.2%
Santos Limited	Oil & Gas	3.0%
Telstra Corporation Ltd	Telecommunication Services	2.9%
James Hardie Industries	Construction Materials	2.6%
Qantas Airways Ltd	Airlines	2.5%
Goodman Group	Industrial REITs	2.4%

Top International Stocks	Industry	Weight
Humana Incorporated	Managed Health Care	2.0%
Seagen Inc	Biotechnology	1.8%
Danaher Corp	Life Sciences Tools	1.8%
Visa Incorporated	Data Processing	1.8%
Broadridge Finance	Data Processing	1.7%
Synopsys Inc	Application Software	1.7%
Costar Group Inc	Consulting Services	1.6%
HDFC Bank Ltd	Diversified Banks	1.5%
Apple Inc	Technology Hardware	1.4%
Intuitive Surgical Inc	Health Care Equipment	1.4%

### 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 09.09.2022 © 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](http://www.morningstar.com.au/s/fsg.pdf) and [www.morningstar.com.au/s/fapds.pdf](http://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.