

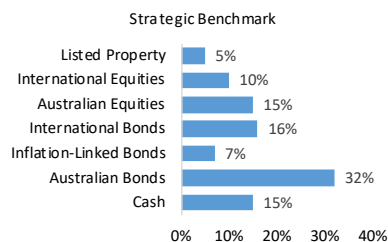
### Fund description

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:** \$440 million (September 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 30 September 2022

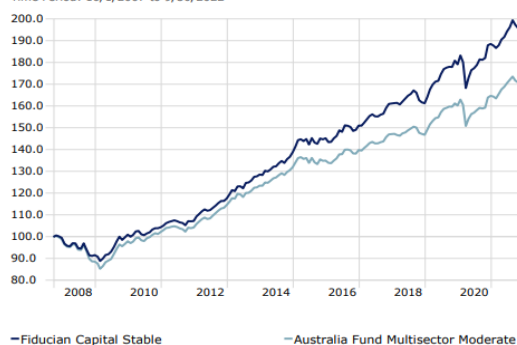
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-2.8%	-0.7%	-6.6%	-9.6%	0.0%	2.6%	3.2%	4.4%
Index	-2.9%	-1.2%	-6.2%	-8.3%	-0.4%	1.8%	2.6%	3.7%
Excess	0.1%	0.5%	-0.3%	-1.3%	0.4%	0.8%	0.6%	0.7%
Ranking				87/116	34/114	19/105	14/100	9/94

#### Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	6.4%	6.8%	5.7%	4.7%
Benchmark (Std Dev %)	5.1%	5.7%	4.8%	3.9%
Beta	1.04	1.04	1.03	1.02
Tracking Error (% pa)	1.6%	1.5%	1.3%	1.1%

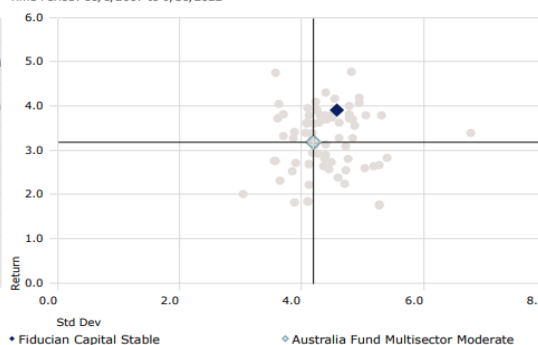
#### Investment Growth

Time Period: 10/1/2007 to 9/30/2022

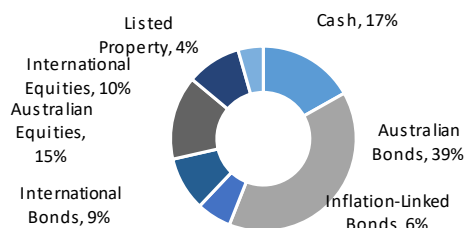
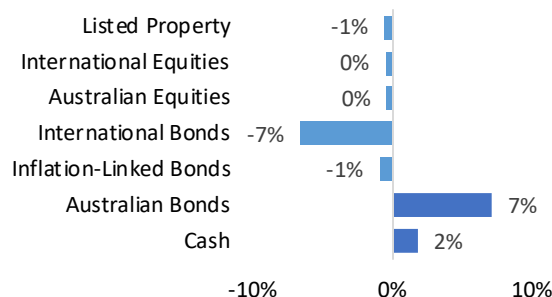


#### Risk-Reward

Time Period: 10/1/2007 to 9/30/2022



### Tactical tilts and current asset weights



### Market Commentary and Outlook

Economic data released during September continued the trends of recent months. There has been evidence of slowing in a number of areas, but some measures, particularly employment data and consumer spending, have been more resilient. Combined with inflation remaining at elevated levels, this has prompted central banks around the world to further increase interest rates in an effort to curb demand and ease these inflationary pressures.

This backdrop proved to be negative for global markets over the month. The Australian share market (ASX 200) declined by 6.2%, with the US market (S&P 500) 9.3% lower. For Australian investors, falls in offshore markets were cushioned by a drop in the Australian dollar, which fell by 6.5% against the US dollar.

The property sector also recorded declines along with fixed income securities. Commodity prices were relatively stable, with coal and iron ore prices remaining high.

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 September, with a return of -2.8%, compared to the benchmark return of -2.9%. Over the year to the end of September, the Fund returned -9.6%.

Rising long term interest rates continued to be a headwind for most asset classes over the month, with Australian and International Equities, Listed Property, and Fixed Income assets recording declines. A weak Australian dollar helped the returns of assets denominated in other currencies.

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 87th out of 116 funds over one year, 19th out of 105 funds over five years, and 9th out of 94 funds over the ten year period to 30 September 2022.

### Managers and weights

Asset Class	Fund Manager	Weight
<b>Australian Equities 14.3%</b>	Solaris	2.5%
	Fidelity	2.3%
	Bennelong	2.2%
	L1 Capital	2.7%
	Ausbil Dexia	2.9%
<b>International Equities 9.3%</b>	Pendal	1.7%
	Franklin Templeton	2.6%
	Challenger	2.5%
	Wellington GRE	1.5%
	Wellington Value	1.5%
	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 4.3%</b>	Wellington Biotechnology	0.1%
	Nordic Technology	0.1%
	BlackRock	0.4%
<b>Australian Bonds 38.3%</b>	Phoenix	2.1%
	Principal	1.8%
	Perpetual Fixed Interest	10.7%
<b>Inflation Linked Bonds 6.1%</b>	BlackRock	0.3%
	Challenger	27.3%
<b>International Bonds 9.4%</b>	Challenger	6.1%
	BlackRock	9.4%
<b>Cash 18.4%</b>	BlackRock	0.3%
	Cash	18.1%

### Top stock holdings

Top Australian Stocks	Industry	Weight
CSL	Biotechnology	9.4%
BHP Group	Diversified Metals & Mining	8.3%
Commonwealth Bank	Diversified Banks	5.3%
National Australia Bank	Diversified Banks	4.5%
Telstra Corporation Ltd	Telecommunications	3.0%
Macquarie Group Ltd	Diversified Capital Markets	3.0%
Santos Limited	Oil & Gas Production	2.9%
Qantas Airways Ltd	Airlines	2.5%
James Hardie Industries	Construction Materials	2.2%
QBE Insurance Group	Property & Casualty Insuranc	2.1%

Top International Stocks	Industry	Weight
Humana Incorporated	Managed Health Care	1.9%
Seagen Inc	Biotechnology	1.9%
Visa Incorporated	Data Processing	1.7%
Danaher Corp	Life Sciences Tools	1.7%
Synopsys Inc	Application Software	1.6%
HDFC Bank	Diversified Banks	1.6%
Aspen Technology	Application Software	1.6%
Broadridge Finance	Data Processing	1.6%
Inari Medical Inc	Health Care Equipment	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 10.10.2022 © 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.