

Fund Description

The Fund invests in a diversified group of specialist Australian shares managers. This asset sector can deliver high returns over long periods of time, but it can also show sharp and significant fluctuations in value, up or down, over short intervals. This Fund gives investors an opportunity to participate in Australia's economic growth and enables Australian resident investors to benefit from favourable tax treatment accompanying franked earnings of Australian shares.

It is recommended that investment in this Fund be undertaken for at least five to seven years. Share investment can be volatile over the short-term.

Fund Classification Core/Diversified **Sector** Specialist/Satellite

Manager Commentary

The Australian equity market (S&P/ASX 300 Accumulation Index) rose marginally by 0.4% in February. Although the domestic market outperformed global peers during the month, it has lagged so far this calendar year (MSCI World Index: +1.0%, MSCI Emerging Markets Index: +3.4%, S&P/ASX 300 Accumulation Index: -0.1%). Prospects of stronger global growth, especially in the US due to lower corporate tax rates, buoyed global equity markets.

Domestically, mid-cap stocks (S&P/ASX MidCap 50 Accumulation Index: +0.9%) and large-cap stocks (S&P/ASX 20 Accumulation Index: +0.8%) outperformed, while small-cap stocks (S&P/ASX Small Ordinaries Accumulation Index: unchanged) underperformed.

In February, the Fund out-performed the index by 0.9% with a return of 1.2%. During the month, pleasingly five out of the six managers of the portfolio out-performed the index. Bennelong and L1 Capital performed the best, gaining 2.7% and 1.5% respectively. The largest contributor to fund performance was an overweight position in Qantas Airways, which rallied over 11% during February. An overweight position in Rio Tinto (+5.6%) also added to performance. On the flip side, overweight positions in Chorus (-7.4%) and Domino's Pizza (-17.9%) detracted from fund performance. Over the rolling year, the Fund also out-performed the index rising 14.8% and beating the index by 4.5%. Bennelong was the best performing manager with a return of 22.4%, followed by L1 Capital (+18.1%) and Fidelity (+16.1%), against an index return of 10.3%.

Fund Performance and Risk Analytics Summary

Current Period Return (net of fees as at 28 February 2018)

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs (pa)	5 Yrs (pa)	10 Yrs (pa)
Fund	1.2%	3.1%	9.7%	14.8%	8.0%	10.1%	5.6%
Index	0.3%	1.8%	7.7%	10.3%	5.2%	7.9%	5.3%
Excess	0.8%	1.3%	2.0%	4.5%	2.8%	2.2%	0.3%

Risk Exposure

	1 Yr	3 Yrs (pa)	5 Yrs (pa)	10 Yrs (pa)
Fund Volatility (Std Dev %)	5.6%	11.3%	11.1%	14.1%
Benchmark Index (Std Dev %)	6.3%	11.5%	11.4%	14.2%
Beta	0.93	0.97	0.96	0.98
Tracking Error (% pa)	2.0%	2.1%	2.0%	2.3%

Calendar Year return (net of fees)

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Fund	36.9%	-1.6%	-12.2%	14.6%	22.9%	5.6%	8.6%	8.8%	16.3%
Index	37.6%	1.9%	-11.0%	19.7%	19.7%	5.3%	2.8%	11.8%	11.9%
Excess	-0.7%	-3.5%	-1.2%	-5.1%	+3.2%	+0.3%	+5.8%	-3.0%	+4.3%

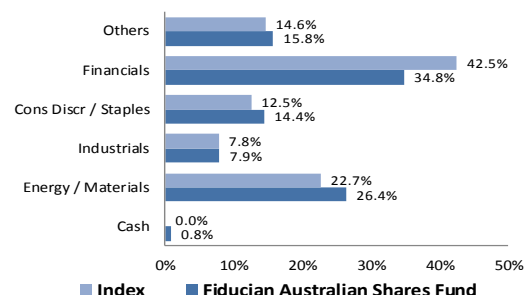
Fund Facts

Portfolio Manager: Conrad Burge
Asset Sector: Australian Equity
Asset Code: AE1
ARSN: 093 542 271
APIR Code: FPS0006AU
Benchmark: S&P / ASX 300 Accumulation Index
Inception Date: February 1997
Fund Size: \$378.3 million as at 28 February 2018
Application/Exit Fee: Nil
Management Fee: 1.55%

Style Tilts

Managers	Style	No. of Stocks	Weight
Ausbil Dexia	Style Neutral	39	15.2%
Bennelong	Growth	31	16.6%
BT	Core	43	11.1%
Fidelity	Value	58	16.2%
L1 Capital	Style Neutral	27	21.8%
Solaris	Style Neutral	48	18.4%
Cash	N/A	N/A	1%

Sector Weights



Top Holdings

Stocks	Weight
COMMONWEALTH BANK OF AUSTRALIA	6.6%
WESTPAC BANKING CORPORATION	6.6%
BHP BILLITON LIMITED (BHP)	5.8%
CSL LIMITED	5.3%
NATIONAL AUSTRALIA BANK	4.6%
RIO TINTO LTD	4.4%
ANZ BANKING GROUP LIMITED	4.2%
MACQUARIE GROUP LTD	2.4%
TREASURY WINE ESTATES LIMITED	2.2%
ARISTOCRAT LEISURE LTD	2.2%
BORAL LIMITED	2.2%
QANTAS AIRWAYS LTD	2.0%
LENLEASE GROUP	1.8%
MACQUARIE ATLAS ROADS GR	1.6%
ORIGIN ENERGY LTD	1.4%
QBE INSURANCE GROUP LIMITED	1.3%
BLUESCOPE STEEL LIMITED	1.3%
FLIGHT CENTRE TRAVEL GROUP	1.1%
NEWS CORPORATION	1.1%
DOWNER EDI LIMITED	1.1%
TOTAL	59.3%

Monthly Report – March 2018

Fund Performance against Benchmark

Investment Growth

Time Period: 1/03/2013 to 28/02/2018



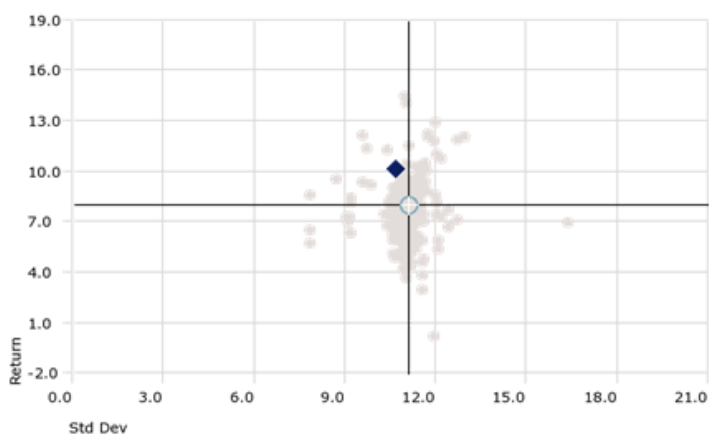
—Fiducian Australian Shares

—S&P/ASX 300 TR

Fund Growth of \$1,000 Invested compared to Benchmark

Risk-Reward

Time Period: 1/03/2013 to 28/02/2018



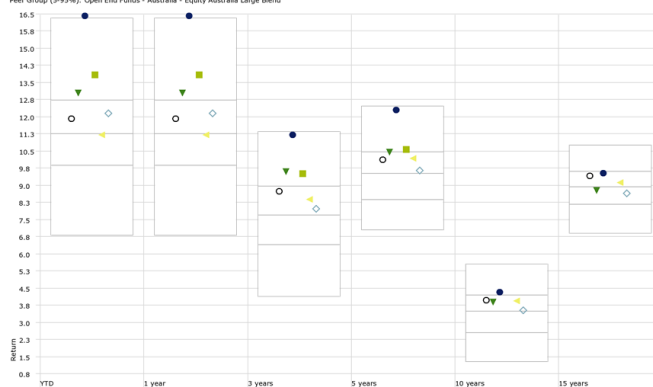
• Fiducian Australian Shares

• S&P/ASX 300 TR

Performance vs Peer Group

Performance Relative to Peer Group

Peer Group (5-95%): Open End Funds - Australia - Equity Australia Large Blend



• Fiducian Australian Shares

• IOOF MultiMix Australian Shares Trust

• MLC Wholesale Australian Share

• Russell Australian Share A

• S&P/ASX 300 TR

• Australia Fund Equity Australia Large Blend

Source: Morningstar Direct

Performance Contributors and Detractors

(Attribution only for stocks held in the portfolio)

Top Contributors to Performance

	Under Weight %	Overweight %	Contribution
QANTAS AIRWAYS LTD		1.44%	0.17%
RIO TINTO LTD		2.64%	0.15%
LENLEASE GROUP		1.22%	0.15%
CSL LIMITED		1.10%	0.13%
TELSTRA CORPORATION LTD	-1.32%		0.12%

Top Detractors of Performance

	Under Weight %	Overweight %	Contribution
CHORUS LIMITED		0.91%	-0.07%
DOMINOS PIZZA ENTERPRISES LIMITED		0.38%	-0.07%
INSURANCE AUSTRALIA GROUP LTC	-0.53%		-0.07%
JANUS HENDERSON GROUP PLC		0.64%	-0.05%
MACQUARIE ATLAS ROADS GR		1.37%	-0.05%