

### 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 closed lower in the March 2018 quarter by 3.8%. Performance of the domestic market was mixed versus its global peers. In the US, equity markets also closed lower (the S&P 500 fell 0.8% while the Dow Jones Industrial Index fell 2.0%). However, Europe significantly underperformed as the UK FTSE and the German DAX closed the quarter lower by -7.2% and -6.4% respectively. Asia was mixed with Japan falling by 6.4% but Hong Kong rose 0.9%.

Domestically, mid-cap stocks (S&P/ASX MidCap 50 Accumulation Index: -2.2%) and small-cap stocks (S&P/ASX Small Ordinaries Accumulation Index: -2.8%) outperformed, while large-cap stocks (S&P/ASX 20 Accumulation Index: -4.2%) underperformed.

In March, the Fund out-performed the index by 0.2% with a return of -3.5%. During the month, pleasingly four out of the six managers of the portfolio out-performed the index. Bennelong and L1 Capital performed the best, losing 2.8% and 3.1% respectively. The largest contributor to fund performance was an overweight position in Chorus, which rallied over 8% during March. An underweight position in Telstra (-6.3%) also added to performance. On the flip side, overweight positions in Rio Tinto (-10.4%) and BlueScope Steel (-7.6%) detracted from fund performance. Over the rolling year, the Fund also out-performed the index, rising 7.2% and beating the index by 4.3%. Bennelong was the best performing manager with a return of 15.0%, followed by L1 Capital (+10.9%) and Fidelity (+7.9%), against an index return of 2.9%.

### Fund Performance and Risk Analytics Summary

Current Period Return (net of fees as at 31 March 2018)

|             | 1 Mth        | 3 Mth        | 6 Mth       | 1 Yr        | 3 Yrs (pa)  | 5 Yrs (pa)  | 10 Yrs (pa) |
|-------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|
| <b>Fund</b> | <b>-3.5%</b> | <b>-2.8%</b> | <b>5.4%</b> | <b>7.2%</b> | <b>6.5%</b> | <b>9.8%</b> | <b>5.7%</b> |
| Index       | -3.7%        | -3.8%        | 3.7%        | 2.9%        | 3.9%        | 7.6%        | 5.2%        |
| Excess      | 0.2%         | 1.0%         | 1.7%        | 4.3%        | 2.6%        | 2.2%        | 0.5%        |

### Risk Exposure

|                                    | 1 Yr        | 3 Yrs (pa)   | 5 Yrs (pa)   | 10 Yrs (pa)  |
|------------------------------------|-------------|--------------|--------------|--------------|
| <b>Fund Volatility (Std Dev %)</b> | <b>7.0%</b> | <b>11.0%</b> | <b>10.8%</b> | <b>13.7%</b> |
| Benchmark Index (Std Dev %)        | 7.0%        | 11.1%        | 11.2%        | 13.8%        |
| Beta                               | 0.94        | 0.96         | 0.96         | 0.98         |
| Tracking Error (% pa)              | 1.6%        | 2.1%         | 2.0%         | 2.4%         |

### Calendar Year return (net of fees)

|             | 2009         | 2010         | 2011          | 2012         | 2013         | 2014        | 2015        | 2016        | 2017         |
|-------------|--------------|--------------|---------------|--------------|--------------|-------------|-------------|-------------|--------------|
| <b>Fund</b> | <b>36.9%</b> | <b>-1.6%</b> | <b>-12.2%</b> | <b>14.6%</b> | <b>22.9%</b> | <b>5.6%</b> | <b>8.6%</b> | <b>8.8%</b> | <b>16.3%</b> |
| 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%        |

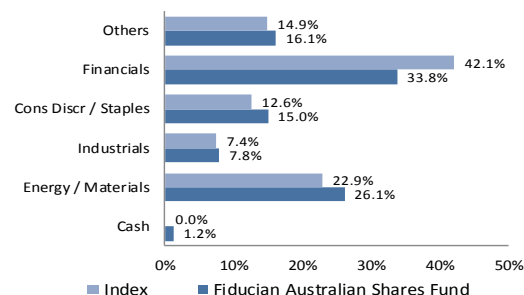
### Fund Facts

**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:** \$366.8 million as at 31 March 2018  
**Application/Exit Fee:** Nil  
**Management Fee:** 1.55%

### Style Tilts

| Managers     | Style         | No. of Stocks | Weight |
|--------------|---------------|---------------|--------|
| Ausbil Dexia | Style Neutral | 39            | 15.0%  |
| Bennelong    | Growth        | 31            | 16.6%  |
| BT           | Core          | 43            | 11.0%  |
| Fidelity     | Value         | 58            | 16.0%  |
| L1 Capital   | Style Neutral | 27            | 21.7%  |
| Solaris      | Style Neutral | 48            | 18.3%  |
| Cash         | N/A           | N/A           | 1%     |

### Sector Weights



### Top Holdings

| Stocks                         | Weight       |
|--------------------------------|--------------|
| COMMONWEALTH BANK OF AUSTRALIA | 6.5%         |
| WESTPAC BANKING CORPORATION    | 6.3%         |
| BHP BILLITON LIMITED (BHP)     | 5.7%         |
| CSL LIMITED                    | 5.2%         |
| NATIONAL AUSTRALIA BANK        | 4.5%         |
| ANZ GROUP LIMITED              | 4.0%         |
| RIO TINTO LTD                  | 3.8%         |
| MACQUARIE GROUP LTD            | 2.5%         |
| ARISTOCRAT LEISURE LTD         | 2.2%         |
| TREASURY WINE ESTATES LIMITED  | 2.2%         |
| BORAL LIMITED                  | 2.1%         |
| MACQUARIE ATLAS ROADS GR       | 2.0%         |
| QANTAS AIRWAYS LTD             | 1.9%         |
| BLUESCOPE STEEL LIMITED        | 1.8%         |
| LENLEASE GROUP                 | 1.7%         |
| ORIGIN ENERGY LTD              | 1.5%         |
| QBE INSURANCE GROUP LIMITED    | 1.3%         |
| WESFARMERS LIMITED ORD         | 1.2%         |
| RELIANCE WORLDWIDE CORP LTD    | 1.2%         |
| FLIGHT CENTRE TRAVEL GROUP LTD | 1.2%         |
| <b>TOTAL</b>                   | <b>59.1%</b> |

## Fund Performance against Benchmark

### Investment Growth

Time Period: 1/04/2013 to 31/03/2018

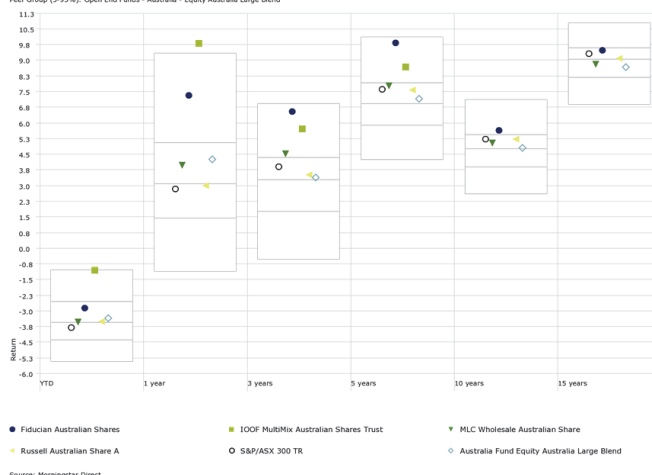


— Fiducian Australian Shares      — S&P/ASX 300 TR

## Performance vs Peer Group

### Performance Relative to Peer Group

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

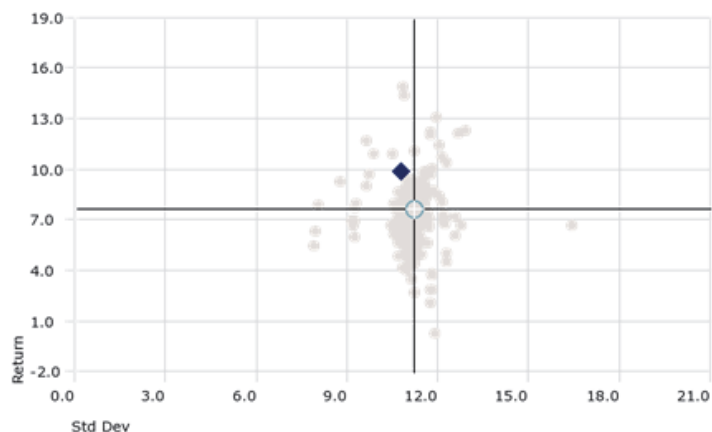


Source: Morningstar Direct

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

### Risk-Reward

Time Period: 1/04/2013 to 31/03/2018



• Fiducian Australian Shares      • S&P/ASX 300 TR

## Performance Contributors and Detractors

(Attribution only for stocks held in the portfolio)

### Top Contributors to Performance

|                           | Under Weight % | Overweight % | Contribution |
|---------------------------|----------------|--------------|--------------|
| CHORUS LIMITED            |                | 1.03%        | 0.09%        |
| TELSTRA CORPORATION LTD   | -1.22%         |              | 0.08%        |
| LYNAS CORPORATION LIMITED |                | 0.54%        | 0.08%        |
| MACQUARIE ATLAS ROADS     |                | 1.77%        | 0.07%        |
| WOOLWORTHS GROUP LIMITED  | -1.44%         |              | 0.07%        |

### Top Detractors of Performance

|                               | Under Weight % | Overweight % | Contribution |
|-------------------------------|----------------|--------------|--------------|
| RIO TINTO LTD                 |                | 2.00%        | -0.21%       |
| BLUESCOPE STEEL LIMITED       |                | 1.30%        | -0.10%       |
| BORAL LIMITED                 |                | 1.65%        | -0.08%       |
| CSL LIMITED                   |                | 1.16%        | -0.06%       |
| TREASURY WINE ESTATES LIMITED |                | 1.50%        | -0.05%       |