

Fund Description

The Fund invests in a diversified group of specialist international equity 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 and down, over short intervals. This Fund gives investors an opportunity to participate in the economic growth of major global economies through investment in international companies. This Fund has a currency overlay managed by a specialist currency manager to manage exposure to international currencies.

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

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

Manager Commentary

Global equity markets rose in November, with a late month decline in technology stocks taking some of the air out of the market's recent advance. Economic and monetary policy conditions remained benign during the month, with all the major economies showing solid growth. Although the US Federal Reserve has raised interest rates again in December and the Bank of England hiked rates in November, monetary policy still remains loose in the Eurozone and Japan. Corporate earnings were also relatively robust.

The Fund under-performed the MSCI ex-Australia Index (in AUD terms) in November, gaining 2.9%, while the index rose 3.2%. The strongest contributor to performance in relative terms was the Franklin Growth portfolio, which rose a solid 4.0%. Over the rolling year ended-November, however, the Fund out-performed the index, rising a solid 24.2% against an index return of 20.2%. The Fiducian India Fund performed the best over the year, with a gain of 33.9%, followed by the Franklin Growth portfolio (+31.4%). Currency hedging detracted the most from fund performance in November, following a depreciation of the Australian Dollar against most major currencies.

Fund Performance and Risk Analytics Summary



Current Period Return (net of fees as at 30 November 2017)

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs (pa)	5 Yrs (pa)	10 Yrs (pa)
Fund	2.9%	9.8%	8.2%	24.2%	12.9%	18.1%	5.8%
Index	3.2%	11.4%	7.5%	20.2%	12.5%	19.3%	6.4%
Excess	-0.3%	-1.6%	0.7%	4.0%	0.4%	-1.3%	-0.6%

Risk Exposure

	1 Yr	3 Yrs (pa)	5 Yrs (pa)	10 Yrs (pa)
Fund Volatility (Std Dev %)	7.0%	10.9%	10.3%	12.1%
Benchmark (Std Dev %)	9.2%	10.8%	10.5%	11.9%
Beta	1.10	1.13	1.10	1.13
Tracking Error (% pa)	3.8%	3.8%	3.5%	5.3%

Calendar Year return (net of fees)

	2009	2010	2011	2012	2013	2014	2015	2016
Fund	10.6%	4.1%	-9.9%	14.8%	39.7%	14.7%	10.4%	5.0%
Index	-0.3%	-2.0%	-5.3%	14.1%	48.0%	15.0%	11.8%	7.9%
Excess	+10.9%	+6.1%	-4.6%	+0.7%	-8.4%	-0.3%	-1.4%	-2.9%

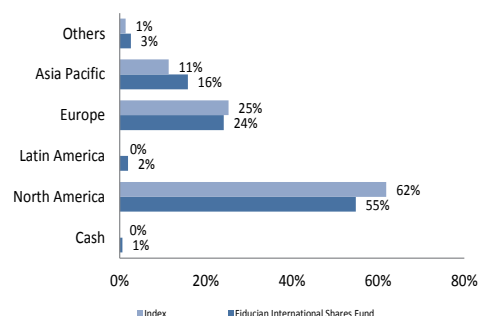
Fund Facts

Portfolio Manager: Conrad Burge
Asset Sector: International Equity
Asset Code: IE1
ARSN: 093 543 456
APIR Code: FPS0005AU
Benchmark: MSCI ex-Australia Index
Inception Date: February 1997
Fund Size: \$277.8 mil as at 30 November 2017
Application/Exit Fee: Nil
Management Fee: 1.33%

Style Tilts

Managers	Style	Weight
Blackrock	Index	1.9%
Fiducian India Fund	Emerging Markets	4.2%
Fiducian Technology Fund	Technology	6.8%
Franklin Templeton	Growth	27.6%
Pareto	Currency Manager	
State Street Global Advisers	Index Plus	26.9%
Vanguard	Emerging Markets	4.6%
Wellington	Sector Neutral	27.0%
Cash	N/A	0.6%

Country Weights



Currency Exposure

Currency	Exposure	Hedge Ratio
Canadian Dollar	5.0%	10.5%
Swiss Franc	6.3%	24.5%
Euro	14.5%	16.3%
British Pound	8.1%	8.3%
Japanese Yen	6.2%	14.7%
US Dollar	59.9%	19.9%

Top Holdings

Stocks	Weight
APPLE INC	2.1%
SIGNATURE BANK	1.7%
DSV A/S 13-7-1976	1.7%
ADOBE SYSTEMS INC	1.7%
VISA INCORPORATED CLASS A SHARES	1.6%
FERGUSON PLC	1.5%
UMICORE	1.5%
DANAHER CORP	1.4%
VERISK ANALYTICS INC	1.4%
JUST EAT PLC-WI	1.4%
TOTAL	15.9%

The above are security holdings in the actively managed portfolios only (managed fund holdings are not included).