

# Fiducian Ultra Growth Fund

Monthly Report - August 2023



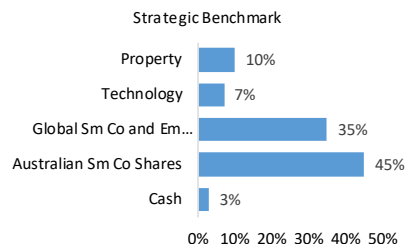
## Fund description

The Fiducian Ultra Growth Fund has over 95% exposure to growth assets. It is diversified between multiple managers and geographies, utilising the Fiducian “Manage the Manager” system that aims to achieve superior returns with reduced risk. The main assets held are Australian and international small cap shares, emerging market shares and listed property securities. The fund should be capable of generating high returns over the longer term, but will also experience significant volatility and capital losses when markets turn down.

The Fund is suitable for investors seeking good long term capital growth with possible significant short term volatility. The recommended holding period is at least 8 years.

## Fund facts

**Portfolio manager:** Conrad Burge  
**ARSN:** 133 391 634  
**APIR code:** FPS0014AU  
**Benchmark:** Morningstar Multisector Aggressive Median  
**Current fund size:** \$282 million (August 2023)  
**Management cost:** 1.45%  
**Total management costs:** 1.81%  
**Application/Exit fee:** Nil  
**Inception Date:** September 2008



## Performance and Risk

After fee returns as at 31 August 2023

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5yrs	7 Yrs	10 Yrs
Fund	0.3%	4.3%	3.7%	4.9%	6.0%	4.7%	6.6%	9.0%
Index	-0.5%	4.5%	6.4%	10.2%	8.6%	6.1%	7.5%	8.0%
Excess	0.8%	-0.2%	-2.7%	-5.3%	-2.6%	-1.4%	-0.9%	1.0%
Ranking				123/124	114/115	99/108	82/103	11/91

### Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	10.6%	12.7%	16.1%	12.6%
Benchmark (Std Dev %)	9.9%	9.7%	11.5%	9.4%
Beta	0.95	1.15	1.31	1.24
Tracking Error (% pa)	2.7%	5.7%	6.4%	5.1%

### Investment Growth

Time Period: 9/1/2016 to 8/31/2023

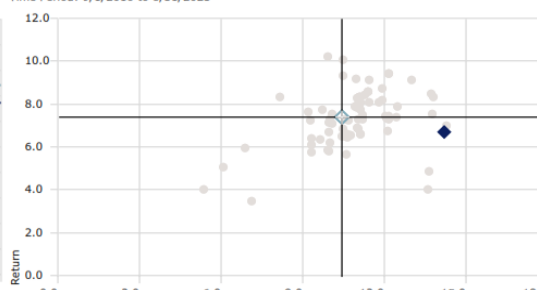


—Fiducian Ultra Growth

—Australia Fund Multisector Aggressive

### Risk-Reward

Time Period: 9/1/2016 to 8/31/2023

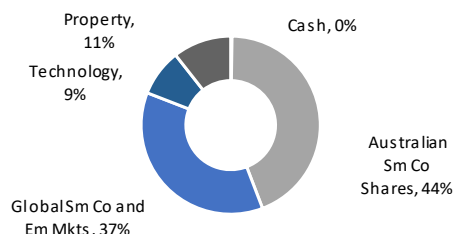
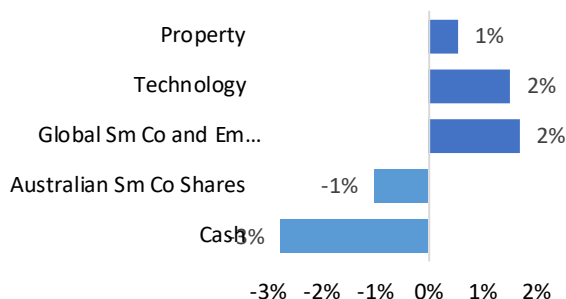


• Std Dev

• Fiducian Ultra Growth

◆ Australia Fund Multisector Aggressive

## Tactical tilts and current asset weights



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## Market Commentary and Outlook

Economic data across most developed countries continues to highlight sluggish growth at best in response to tight monetary policy being implemented in most jurisdictions. However, higher interest rates have been steadily pushing inflation lower, while unemployment rates have begun to rise modestly.

Overall, this combination of news was modestly negative for most asset class returns in August. The broad US market (S&P 500 index) declined by 1.7%, and the Australian stock market (ASX 200 index) declined by 0.7%. Australian listed property sector recorded gains during the month (+2.3%), and bulk commodity prices, including coal and iron ore, were also higher. The Australian dollar was weaker during the month, declining by 3.6% against the US dollar.

Looking ahead, geopolitical risks, alongside elevated interest rates and slower economic growth this year, represent potential headwinds for markets. The International Monetary Fund (IMF) is forecasting global growth to be 3.0% in both 2023 and 2024. The IMF expects growth rates to remain slightly below long-term trend levels for some time. However, in broad terms, share markets continue to appear more attractive than most other investment opportunities.

## Fund Commentary

The Fund outperformed its benchmark during the month, returning 0.3% compared to the -0.5% return by the median manager. Over the 12 months to the end of August, the Fund has returned 4.9%.

A strong performance from the Fiducian Australian Small Companies Fund assisted performance in August, as did positive returns from the listed property sector and technology. Emerging market equities declined during the month.

A small overweight exposure to technology and global small cap and emerging markets remains, as valuations appear attractive relative to other asset classes. There is currently an underweight position in Australian small companies and cash.

In the Morningstar Multisector Aggressive Category, the Fiducian Ultra Growth Fund returns were ranked 123 out of 124 funds over one year, 99 out of 108 funds over five years, and 11 out of 91 funds over the ten year period to 31 August 2023.

## Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities (Small Cap) 43.9%	Ausbil Dexia	15.4%
	Pendal	6.7%
	Novaport	6.1%
	Phoenix	4.3%
	QVG	0.0%
	Perpetual	11.3%
International Equities (Small Cap, Emerging Markets) 35.6%	Royce	13.9%
	Fidelity	14.3%
	Vanguard Global Small Cap	5.2%
	State Bank of India	0.4%
	Sundaram	0.6%
	Tata	0.4%
	EquiPoise	0.2%
	Vanguard Emerging Market:	0.6%
Technology 8.4%	Wellington Technology	4.9%
	Wellington Biotechnology	1.4%
	Nordic Technology	2.1%
Listed Property 10.5%	BlackRock	1.0%
	Phoenix	4.9%
	Principal	4.6%
Cash 1.6%	CMT	1.6%

## Top stock holdings

Top Australian Stocks	Industry	Weight
Macquarie Technology Gr	Integrated Teleco	2.1%
Mma Offshore Limited	Oil & Gas Services	2.0%
Eqt Holdings Limited	Asset Management & Custod	2.0%
Psc Insurance Group Ltd	Insurance Brokers	1.9%
Gold Road Resources	Gold	1.9%
Genesis Minerals Ltd	Gold	1.9%
Domain Holdings	Interactive Media	1.9%
Johns Lyng Group Ltd	Construction & Engineering	1.7%
Pacific Current Group Ltd	Asset Management	1.7%
Life360 Inc	Application Software	1.7%

Top Technology Stocks	Industry	Weight
Microsoft Corp	Systems Software	7.6%
Alphabet Inc	Interactive Media	6.7%
Amazon	Internet & Direct Marketing	5.7%
Nvidia Corporation	Semiconductors	4.4%
Meta Platforms Inc	Interactive Media	3.0%
Broadcom Inc	Semiconductors	2.4%
Sdiptech Ab B	Environmental & Facilities Se	2.2%
On Semiconductor	Semiconductors	2.0%
Chemometec As	Life Sciences Tools	2.0%
Uber Technologies	Trucking	2.0%

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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 8.9.2023 ©2023 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. This report or data has been prepared for clients of Morningstar Australasia Pty Ltd (ABN: 95 090 665 544, AFSL: 240892) and/or New Zealand wholesale clients of Morningstar Research Ltd, subsidiaries of Morningstar, Inc. Any general advice has been provided without reference to your financial objectives, situation or needs. For more information refer to our Financial Services Guide at [www.morningstar.com.au/s/fsg.pdf](http://www.morningstar.com.au/s/fsg.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. Morningstar's publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Morningstar's full research reports are the source of any Morningstar Ratings and are available from Morningstar or your adviser. Past performance does not necessarily indicate a financial product's future performance. To obtain advice tailored to your situation, contact a financial adviser.