

# Fiducian Ultra Growth Fund

Monthly Report - February 2024



## 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:** Zenith AMI Mixed Asset Aggressive Index

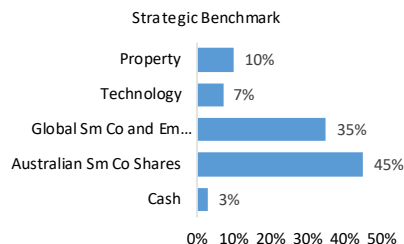
**Current fund size:** \$300 million (February 2024)

**Management cost:** 1.45%

**Total management costs:** 1.81%

**Application/Exit fee:** Nil

**Inception Date:** September 2008



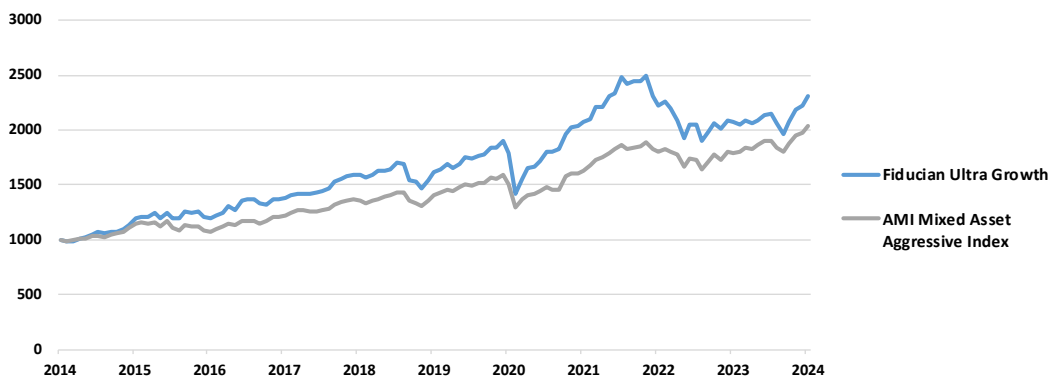
## Performance and Risk

After fee returns as at 29 February 2024

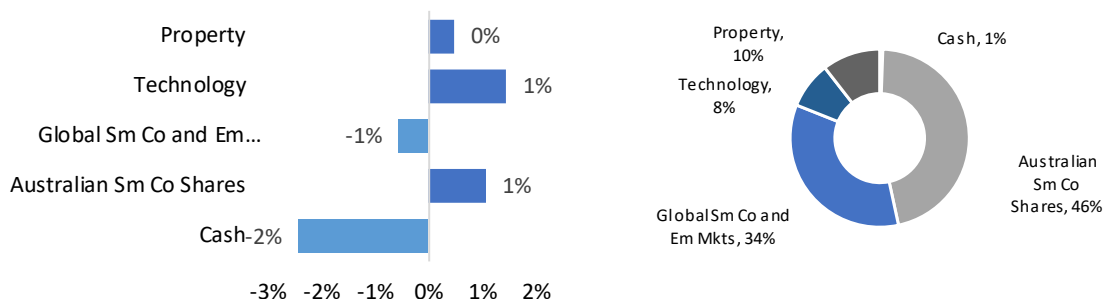
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5yrs	7 Yrs	10 Yrs
Fund	4.7%	11.5%	7.8%	11.8%	3.7%	7.3%	7.6%	8.7%
Index	2.6%	8.1%	7.2%	13.5%	7.6%	7.6%	7.5%	7.3%
Excess	2.1%	3.4%	0.6%	-1.7%	-4.0%	-0.3%	0.1%	1.3%
Ranking				76/85	75/76	48/70	33/66	4/60

### Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	10.9%	13.4%	15.9%	13.0%
Benchmark (Std Dev %)	7.5%	9.4%	11.3%	9.6%
Beta	1.29	1.28	1.31	1.26
Tracking Error (% pa)	4.2%	5.8%	6.3%	5.2%



## Tactical tilts and current asset weights



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## Market Commentary and Outlook

Measures of global economic growth have generally been better than expected in recent months. There have been some signs of improvement in manufacturing activity, and consumer spending has remained robust. The downside to this is that inflation has also been slightly higher, and interest rates are likely to stay 'higher for longer' than previously anticipated.

Global equity market performance was strong in February. In the US, the broad market (S&P 500 index) gained 5.2%, bolstered by a number of positive earnings announcements, and the Australian stock market (ASX 200 index) gained 0.8%. Emerging markets rebounded, led by gains in China (+8.1%) following the announcement of government measures to support the stock market. Fixed income returns were negative as longer term bond yields increased.

Looking ahead, monetary policy could become less restrictive this year, which may be positive for markets. However, geopolitical risks, alongside slower economic growth in the coming year represent potential headwinds. The International Monetary Fund (IMF) recently updated its economic outlook, and is now forecasting global growth to be 3.1% in 2024. This is above previous estimates, but still below the long-term trend rate of growth. In broad terms, share markets continue to appear more attractive than most other investment opportunities.

## Managers and weights

Asset Class	Fund Manager	Weight
<b>Australian Equities (Small Cap) 46.0%</b>	Ausbil Dexia	15.9%
	Pendal	8.5%
	Novaport	8.3%
	Phoenix	5.2%
	Perpetual	8.2%
<b>International Equities (Small Cap, Emerging Markets) 33.3%</b>	Royce	13.3%
	Fidelity	12.2%
	Vanguard Global Small Cap	5.7%
	State Bank of India	0.4%
	Sundaram	0.5%
	Tata	0.4%
	EquiPoise	0.3%
	Vanguard Emerging Market:	0.6%
	Wellington Technology	4.6%
<b>Technology 8.3%</b>	Wellington Biotechnology	1.1%
	Loftus Peak Technology	1.6%
	Nordic Technology	1.1%
<b>Listed Property 10.5%</b>	BlackRock	1.0%
	Phoenix	4.8%
	Principal	4.7%
<b>Cash 1.8%</b>	CMT	1.8%

## Fund Commentary

The Fund outperformed its benchmark during the month, returning 4.7% compared to the 2.6% return by the median manager. Over the 12 months to the end of February, the Fund has returned 11.8%.

All major sectors of the fund were strong during the month, with Technology, Emerging Markets Shares and Listed property recording the best gains.

A small overweight exposure to technology, property and Australian Small Companies remains, as valuations appear attractive relative to other asset classes. There is currently an underweight position in cash.

In the Zenith AMI Mixed Asset-Aggressive Category, the Fiducian Ultra Growth Fund returns were ranked 76 out of 85 funds over one year, 48 out of 70 funds over five years, and 4 out of 60 funds over the ten year period to 29 February 2024.

## Top stock holdings

Top Australian Stocks	Industry	Weight
Mma Offshore Ltd	Commercial Services	2.6%
Light & Wonder Inc	Entertainment	2.4%
Eqt Holdings Ltd	Diversified Financial Services	2.4%
Macquarie Technology Gr	Telecommunications	2.1%
Aussie Broadband	Telecommunications	2.1%
Life360 Inc	Software	2.0%
Codan Ltd	Telecommunications	1.6%
Psc Insurance Group	Insurance	1.6%
Tuas Ltd	Leisure Time	1.6%
Kelsian Group Ltd	Transportation	1.5%

Top Technology Stocks	Industry	Weight
Microsoft Corp	Software	8.9%
Amazon.Com	Internet	7.3%
Nvidia Corp	Semiconductors	5.8%
Taiwan Semi	Semiconductors	4.0%
Alphabet Inc	Internet	3.2%
Uber Technologies Inc	Internet	2.7%
Netflix Inc	Internet	2.6%
Integrum Ab	Healthcare-Products	2.5%
Adv Micro Devices	Semiconductors	2.2%
Flex Ltd	Electronics	2.0%

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