

Fiducian Ultra Growth Fund

Monthly Report - October 2023



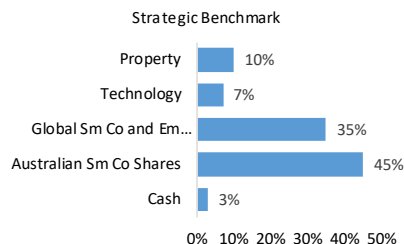
Fund description

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: Zenith AMI Mixed Asset Aggressive Index
Current fund size: \$257 million (October 2023)
Management cost: 1.45%
Total management costs: 1.81%
Application/Exit fee: Nil
Inception Date: September 2008



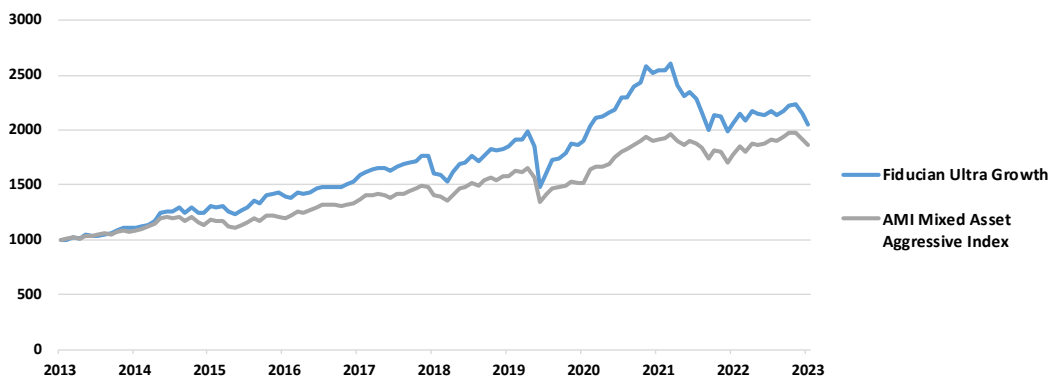
Performance and Risk

After fee returns as at 31 October 2023

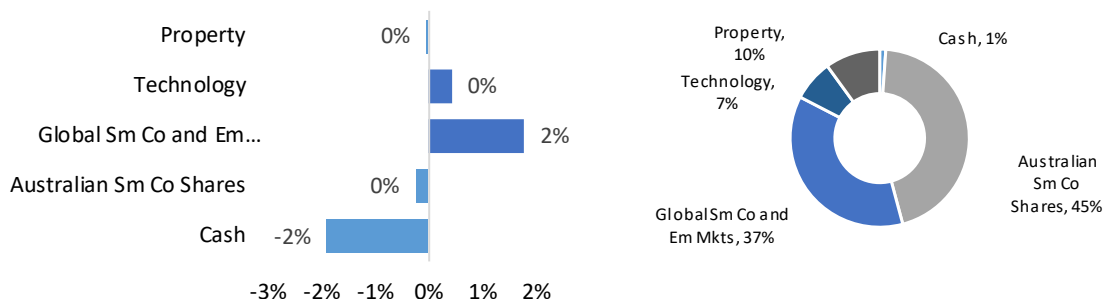
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5yrs	7 Yrs	10 Yrs
Fund	-4.6%	-7.9%	-5.6%	-0.6%	2.5%	4.9%	5.6%	7.4%
Index	-2.5%	-5.4%	-2.3%	4.9%	7.2%	5.9%	6.6%	6.5%
Excess	-2.1%	-2.5%	-3.2%	-5.5%	-4.7%	-0.9%	-0.9%	1.0%
Ranking				87/88	80/81	61/76	62/72	8/66

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	9.5%	13.3%	15.9%	12.8%
Benchmark (Std Dev %)	8.4%	10.0%	11.4%	9.5%
Beta	0.99	1.18	1.30	1.25
Tracking Error (% pa)	2.9%	5.6%	6.3%	5.2%



Tactical tilts and current asset weights



Fiducian Ultra Growth Fund

Monthly Report - October 2023



Market Commentary and Outlook

The global economy remains sluggish due to severe measures taken by monetary authorities to reduce inflation. While inflation is slowing, manufacturing and service industry activity levels and retail sales point to a general slowdown in activity. However, employment levels remain high and need to come down further and this, along with an uptick in inflation rates could see interest rates stay high for an extended period. At the beginning of November, the Reserve Bank of Australia increased its cash rate by 0.25% to 4.35%, after being on pause since July.

In a repeat of last month, concerns that inflation rates remain too high saw an increase in bond yields. This had negative flow-on effects for most asset classes. The broad US market (S&P 500 index) declined by 2.2%, and the Australian stock market (ASX 200 index) declined by 3.8%. Interest rate sensitive sectors experienced falls, but some commodity prices, including iron ore and gold, rose during the month.

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 2023 and 2.9% 2024, which is below the long-term trend rate of growth. However, in broad terms, share markets continue to appear more attractive than most other investment opportunities.

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities (Small Cap) 44.5%	Ausbil Dexia	15.7%
	Pendal	7.0%
	Novaport	6.3%
	Phoenix	4.5%
	QVG	0.0%
International Equities (Small Cap, Emerging Markets) 35.7%	Perpetual	11.0%
	Royce	13.4%
	Fidelity	14.8%
	Vanguard Global Small Cap	5.1%
	State Bank of India	0.4%
	Sundaram	0.7%
	Tata	0.4%
Technology 6.9%	EquiPoise	0.2%
	Vanguard Emerging Market:	0.7%
	Wellington Technology	4.5%
Listed Property 9.9%	Wellington Biotechnology	1.2%
	Nordic Technology	1.2%
	BlackRock	0.9%
Cash 3.0%	Phoenix	4.6%
	Principal	4.4%
	CMT	3.0%

Fund Commentary

The Fund underperformed its benchmark during the month, returning -4.6% compared to the -2.5% return by the median manager. Over the 12 months to the end of October, the Fund has returned -0.6%.

Cash was the only asset class to finish the month higher, with falls seen in equities, property, and also in bonds being broad-based.

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 Zenith AMI Mixed Asset-Aggressive Category, the Fiducian Ultra Growth Fund returns were ranked 87 out of 88 funds over one year, 61 out of 76 funds over five years, and 8 out of 66 funds over the ten year period to 31 October 2023.

Top stock holdings

Top Australian Stocks	Industry	Weight
Eqst Holdings Ltd	Diversified Financial Services	2.3%
Mma Offshore Ltd	Commercial Services	2.1%
Macquarie Technology Gr	Telecommunications	2.1%
Gold Road Resources	Mining	2.0%
Psc Insurance Group	Insurance	1.8%
Domain Holdings Australi	Internet	1.8%
Light & Wonder Inc	Entertainment	1.8%
Life360 Inc	Software	1.7%
IPH Ltd	Commercial Services	1.7%
Johns Lyng Group Ltd	Engineering & Construction	1.6%

Top Technology Stocks	Industry	Weight
Microsoft Corp	Software	11.3%
Amazon.Com	Internet	6.6%
Micron Technology	Semiconductors	3.4%
Nvidia Corp	Semiconductors	3.3%
Alphabet Inc	Internet	3.2%
Uber Technologies	Internet	2.6%
Flex Ltd	Electronics	2.5%
Adv Micro Devices	Semiconductors	2.3%
Broadcom Inc	Semiconductors	2.1%
Integrum Ab	Healthcare-Products	2.0%

Fiducian Investment Management Services Limited

Issued by Fiducian Investment Management Services Limited ABN 28 602 441 814 AFS Licence number 468211. This document provides general information only. It does not have regard to your objectives, financial situation or needs. We recommend that you seek financial planning advice, and consider whether this investment is appropriate to your objectives, financial situation and needs before making any investment decision.

The information has been compiled from sources considered reliable, but is not guaranteed. Past performance is not indicative of future performance and we do not guarantee the performance of the Fund or any specific rate of return. Potential investors should also obtain and consider the relevant Target Market Determination (TMD) and Product Disclosure Statement (PDS) (available from your financial adviser and via fiducian.com.au) before making a decision about whether to acquire or continue to hold any financial product. All data is as at 31 October 2023 unless indicated otherwise.

Ranking data © FE fundinfo (Australia) Pty Limited ABN 18 601 868 311 (FE fundinfo). Authorised Representative of Zenith Investment Partners Pty Ltd ABN 27 103 132 672. AFSL 226872 under AFS Representative Number 1297668. Data provided by FE fundinfo does not constitute financial product advice. However, to the extent that any information in this document constitutes advice, it is General Advice (s766B Corporations Act) for Wholesale clients only and FE fundinfo has not taken into account the objectives, financial situation or needs of any specific person who may read it, including target markets of financial products, where applicable. It is not a specific recommendation to purchase, sell or hold any product(s) and is subject to change at any time without prior notice. Individuals should seek their own independent financial advice before making any investment decision and should consider the appropriateness of any advice in light of their own objectives, financial situations or needs. Investors should obtain a copy of and consider any relevant PDS or offer document before making any decision. Data is provided in good faith and is believed to be accurate, however, no representation, warranty or undertaking in relation to the accuracy or completeness of the data is provided. Data provided is subject to copyright and may not be reproduced, modified or distributed without the consent of the copyright owner. Except for any liability which cannot be excluded, FE fundinfo does not accept any liability for any errors or omissions, whether direct or indirect, arising from use of data or information contained in this document. Past performance is not an indication of future performance. Full details regarding FE fundinfo's contact details are available at <https://www.fefundinfo.com/en-au/contact-us/>