

Fiducian Geared Australian Shares Fund



Monthly Report - March 2024

Fund description

The Fund invests in a diversified group of specialist Australian Share managers. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting best of breed managers with different styles with the aim of achieving superior returns with reduced risk.

In this Fund, the underlying managers can borrow against the investor’s assets in the fund to purchase additional shares and provide a leveraged exposure. This can amplify returns in rising markets, and magnify losses when markets decline.

Share investment can be volatile over the short term, especially when geared, and the recommended holding period is at least 9 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 105 996 192

APIR code: FPS0011AU

Benchmark: ASX 200 Accumulation Index

Current fund size: \$17 million (March 2024)

Management cost: 1.12%

Total management costs: 1.45%

Application/Exit fee: Nil

Inception Date: September 2003

Manager	Style			Size		
	Value	Core	Growth	Large	Broad	Small
First Sentier			●	●		
Ausbil	●			●		
Fiducian	●			●		

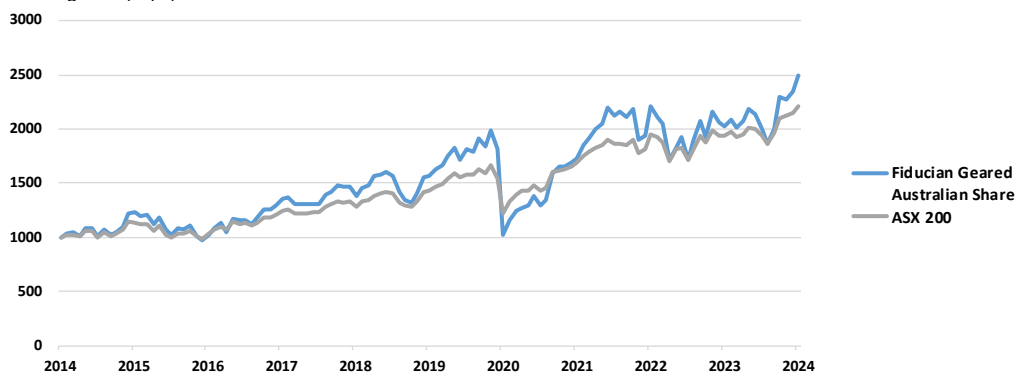
Performance and Risk

After fee returns as at 31 March 2024

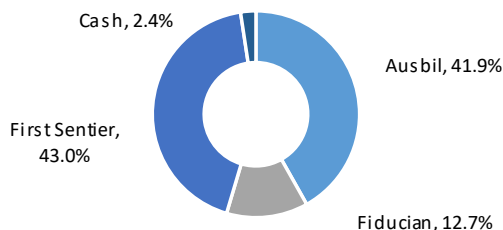
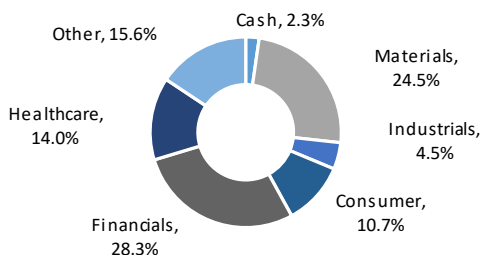
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	6.4%	9.9%	25.4%	23.2%	13.5%	9.9%	9.3%	9.6%
Index	3.3%	5.3%	14.2%	14.4%	9.6%	9.2%	8.6%	8.3%
Excess	3.2%	4.5%	11.2%	8.8%	3.8%	0.8%	0.7%	1.3%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	21.1%	25.3%	31.3%	25.5%
Benchmark (Std Dev %)	10.9%	13.5%	16.4%	14.0%
Beta	1.74	1.78	1.84	1.76
Tracking Error (% pa)	10.6%	12.4%	15.6%	12.1%



Sector exposures and current manager weights



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Market Commentary and Outlook

The global economy has held steady in recent months, although growth in some of the advanced economies, particularly in Europe and Japan, remains weak. However, inflation has continued to decline, and in the words of the International Monetary Fund (IMF April report) most indicators point to a 'soft landing', although interest rates are likely to stay 'higher for longer' than previously anticipated.

Global equity markets had another positive month in March. In the US, the broad market (S&P 500 index) rose by 3.1%, and the Australian stock market (ASX 200 index) gained 3.3%. Other global markets, including Japan, the UK and Germany also recorded gains of between 3% and 4%. Bond returns were positive for the month, whilst commodity price performance was mixed.

Looking ahead, monetary policy could begin to become less restrictive before the end of this year, which could help to sustain markets. However, geopolitical risks represent potential headwinds. Despite this, the IMF is now forecasting global growth to be 3.2% in 2024, which is close to the long-term trend rate for growth. In broad terms, share markets continue to appear more attractive than most other investment opportunities.

Fund Commentary

The Fiducian Geared Australian Shares Fund rose by 6.4% in March, which was above the index return of 3.3%. Over the last 12 months, the fund has returned 23.2% compared to the index return of 14.4%.

The broad Australian share market (ASX200 index) gained 3.3% in March, which was broadly in line with the returns seen in other global equity markets.

For the first quarter of 2024, the Australian market returned +5.3%. This was below the performance of many other global markets as weakness in the materials sector (-6.2%) limited overall index returns

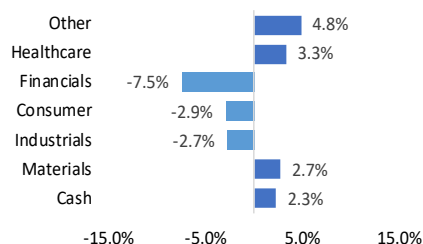
The best performing sectors during March were Property (+9.7%), Energy (+5.3%) and Utilities (+4.8%). Telecommunications (-0.8%) was the only major sector to record a decline.

At an aggregate level, the largest sectoral tilts in the Fund are an underweight to financials, primarily property trusts, with this funding overweight positions in the materials and healthcare sectors. As at the end of March, the average gearing level in the Fund was 44.8%.

Top stock holdings and sector tilts

First Sentier Top Holdings	Weight
BHP Group	13.5%
Commonwealth Bank	9.2%
CSL	8.1%
National Australia Bank	5.9%
QBE Insurance	4.1%
Woolworths	4.0%
Santos	3.9%
Aristocrat Leisure	3.7%
Goodman Group	3.6%
Westpac Bank	3.2%

Ausbil Top Holdings	Weight
BHP	10.9%
CSL	8.5%
Commonwealth Bank	7.8%
National Australia Bank	7.0%
Goodman Group	5.2%
Macquarie Group	4.3%
ANZ Bank	4.0%
Rio Tinto	3.2%
Santos	3.2%
Telstra	3.1%



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