

Fiducian Ultra Growth Fund

Monthly Report - July 2023



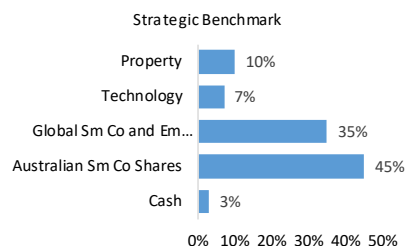
Fund description

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 (July 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 July 2023

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5yrs	7 Yrs	10 Yrs
Fund	2.5%	2.5%	2.2%	4.2%	7.5%	5.4%	6.7%	9.1%
Index	2.6%	3.9%	5.6%	9.7%	9.5%	6.4%	7.5%	8.0%
Excess	-0.1%	-1.4%	-3.5%	-5.5%	-2.0%	-1.1%	-0.8%	1.1%
Ranking				123/124	118/120	96/113	81/106	12/96

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	11.5%	13.1%	16.6%	12.8%
Benchmark (Std Dev %)	11.1%	10.2%	12.0%	9.7%
Beta	1.03	1.07	1.17	1.14
Tracking Error (% pa)	2.8%	5.7%	6.5%	5.2%

Investment Growth

Time Period: 8/1/2016 to 7/31/2023

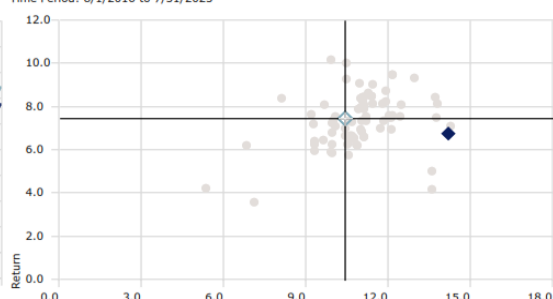


— Fiducian Ultra Growth

— Australia Fund Multisector Aggressive

Risk-Reward

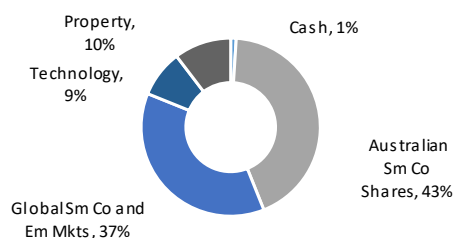
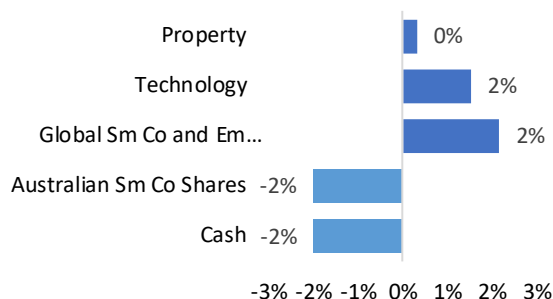
Time Period: 8/1/2016 to 7/31/2023



• Fiducian Ultra Growth

◊ Australia Fund Multisector Aggressive

Tactical tilts and current asset weights



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Market Commentary and Outlook

Economic data was largely positive in July, as inflation measures in both the US and Australia showed larger than expected declines, although current inflation rates remain above central bank targets. Additionally, US economic growth over the June quarter was better than market expectations, raising hopes of a so-called 'soft landing' for the US economy.

However, the global economy continues to face challenges. Manufacturing activity is still contracting in most advanced economies, consumer confidence remains low and employment data has been too strong (adding upwards pressure on inflation).

Overall, this backdrop was positive for markets. The broad US market (S&P 500 index) gained 3.1% and the Australian market (ASX 200 index) rose 2.9% for the month. The listed property sector gained 3.8%, and bonds also recorded a small positive return. Most commodity prices increased during the month, with the oil price rising by 16%.

Looking ahead, geopolitical risks, alongside elevated interest rates and slower economic growth this year, represent potential headwinds for markets. The International Monetary Fund (IMF) recently made a minor upgrade to its economic forecasts, with global growth now expected 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.

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities (Small Cap) 42.8%	Ausbil Dexia	14.8%
	Pendal	6.5%
	Novaport	5.4%
	Phoenix	4.3%
	QVG	0.0%
International Equities (Small Cap, Emerging Markets) 36.1%	Perpetual	11.7%
	Royce	14.0%
	Fidelity	14.7%
	Vanguard Global Small Cap	5.2%
	State Bank of India	0.4%
	Sundaram	0.6%
	Tata	0.4%
Technology 8.5%	EquiPoise	0.2%
	Vanguard Emerging Market:	0.7%
	Wellington Technology	4.8%
Listed Property 10.2%	Wellington Biotechnology	1.3%
	Nordic Technology	2.3%
	BlackRock	1.0%
Cash 2.4%	Phoenix	4.9%
	Principal	4.4%
	CMT	2.4%

Fund Commentary

The Fund underperformed its benchmark during the month, returning 2.5% compared to the 2.6% return by the median manager. Over the 12 months to the end of July, the Fund has returned 4.2%.

Most asset classes had positive returns in July, with gains in Australian and International small caps, emerging markets, property and technology.

A small overweight exposure to technology and global small cap and emerging markets remains, as valuations appear attractive relative to other asset classes, particularly after recent price moves. 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 123rd out of 124 funds over one year, 96th out of 113 funds over five years, and 12th out of 96 funds over the ten year period to 31 July 2023.

Top stock holdings

Top Australian Stocks	Industry	Weight
Domain Holdings	Interactive Media	2.1%
Imdex Limited	Diversified Metals & Mining	2.1%
Macquarie Technology Gr	Integrated Telco	2.1%
MMA Offshore Limited	Oil & Gas Services	2.0%
EQT Holdings Limited	Asset Management	1.9%
Genesis Minerals Ltd	Gold	1.9%
Data No 3 Limited	IT Consulting	1.8%
PSC Insurance Group Ltd	Insurance Brokers	1.7%
Gold Road Resources Limi	Gold	1.6%
Hansen Technology Ltd	Application Software	1.6%

Top Technology Stocks	Industry	Weight
Microsoft Corp	Systems Software	6.7%
Alphabet Inc	Interactive Media	5.5%
Meta Platforms Inc	Interactive Media	4.5%
Nvidia Corporation	Semiconductors	4.3%
Amazon Dotcom Inc	Internet Retail	3.4%
Apple Inc	Technology Hardware	3.2%
Chemometec As	Life Sciences Tools	2.7%
Sdiptech Ab B	Environmental Services	2.6%
TSMC	Semiconductors	2.2%
Cbrain As	Application Software	2.1%

Fiducian Investment Management Services Limited

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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 10.8.2023 ©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/sfsg.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.