



### Fund description

The Fund invests in a diversified group of international equity managers. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting best of breed managers with different styles, sector and geographical exposures with the aim of achieving superior returns with reduced risk.

This Fund gives investors exposure to the growth of major global economies through investment in international companies. A currency overlay manages the exposure to international currencies.

International share investment can be volatile over the short term, and the recommended holding period is at least 8 years.

### Fund facts

**Portfolio manager:** Conrad Burge

**ARSN:** 093 543 456

**APIR code:** FPS0005AU

**Benchmark:** MSCI Ex-Australia Index

**Current fund size:** \$578 million (January 2024)

**Management cost:** 1.24%

**Total management costs:** 1.30%

**Application/Exit fee:** Nil

**Inception Date:** February 1997

Manager	Style		Sector	
	Value	Core	EM	DM
Franklin Templeton		●		●
Challenger		●		●
Wellington GRE		●		●
Wellington Value	●			●
Fiducian India			●	
Fiducian Technology			●	●
Vanguard		●	●	

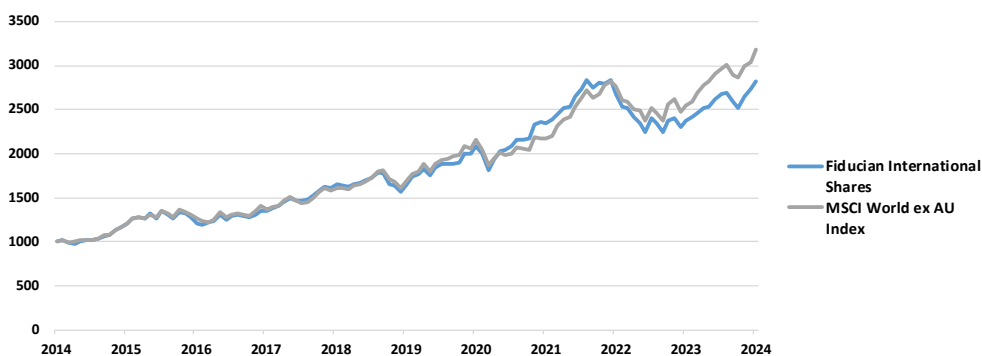
### Performance and Risk

After fee returns as at 31 January 2024

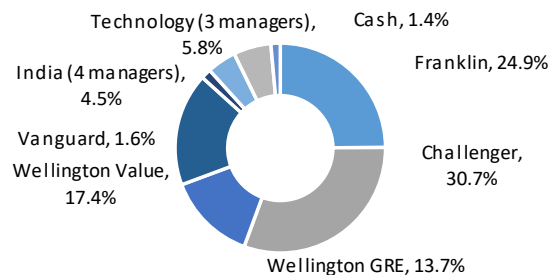
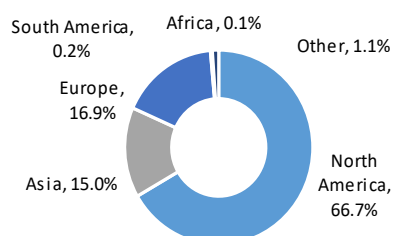
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	2.6%	10.7%	5.0%	18.2%	6.4%	11.4%	11.0%	10.8%
Index	4.5%	11.1%	7.3%	25.1%	13.6%	13.7%	12.8%	12.3%
Excess	-1.9%	-0.4%	-2.3%	-6.9%	-7.2%	-2.3%	-1.8%	-1.4%

#### Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	8.6%	11.9%	12.5%	11.5%
Benchmark (Std Dev %)	8.0%	11.7%	12.0%	11.1%
Beta	0.89	0.92	0.96	0.96
Tracking Error (% pa)	3.6%	4.3%	4.3%	4.0%



### Geographic exposures and current manager weights



## Market Commentary and Outlook

The elevated rates of inflation observed across most of the world in the past two years have shown continued signs of moderating, as restrictive monetary policy has been proving effective in returning inflation rates back towards the target levels of most central banks. However, better than expected economic growth data in many parts of the world has made the timing of potential interest rate cuts less certain.

Global equity market performance was mixed in January. In the US, the broad market (S&P 500 index) gained 1.6%, and the Australian stock market (ASX 200 index) gained 1.2%. Emerging markets were broadly lower, led by declines in China (-6.3%). Fixed income returns were flat, and the Australian dollar declined by 3.3% against the US dollar.

Looking ahead, monetary policy could become less restrictive this year, which could 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.

## Fund Commentary

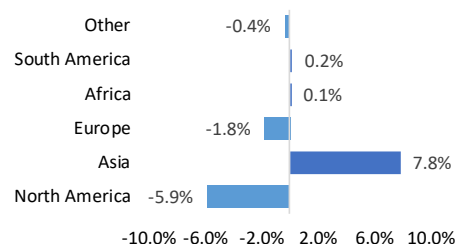
The Fund rose by 2.6% in January, which was below the index return of 4.5% for the MSCI ex-Australia index (in AUD). Over the month, the Fiducian India Fund (+5.1%) was the top performer followed by the Wellington Global Research mandate (+4.7%).

For the 12 months to the end of January, the Fund rose by 18.2%, compared to the 25.1% rise in the index. The Fiducian India Fund (+35.7%) has been the best performer over the period followed by Challenger (+25.6%). Wellington Value Mandate and Vanguard Emerging Markets have detracted from performance.

The Fund remains strongly diversified, with 14 underlying managers and exposure to over 50 different countries and a broad range of industries. The United States and Europe remain the largest regional exposures by virtue of their size in global markets. The largest regional tilt is towards Asian equities (predominantly India), which offer relatively high earnings growth rates, and overall the Fund has a marginal overweight exposure to emerging markets relative to developed markets.

## Top stock holdings and geographic tilts

Stock	Industry	Weight
Zscaler Inc	Computers	1.8%
Charles River Labs	Healthcare-Services	1.8%
Broadridge Financial	Software	1.8%
Synopsys Inc	Software	1.7%
Equinix Inc	REITS	1.7%
Humana Inc	Healthcare-Services	1.6%
Alphabet Inc	Internet	1.6%
Intercontinental Exch	Diversified Financial Services	1.6%
Mercadolibre Inc	Internet	1.6%
Tyler Technologies Inc	Software	1.6%



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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](http://fiducian.com.au)) before making a decision about whether to acquire or continue to hold any financial product.