



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: \$504 million (October 2023)

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				

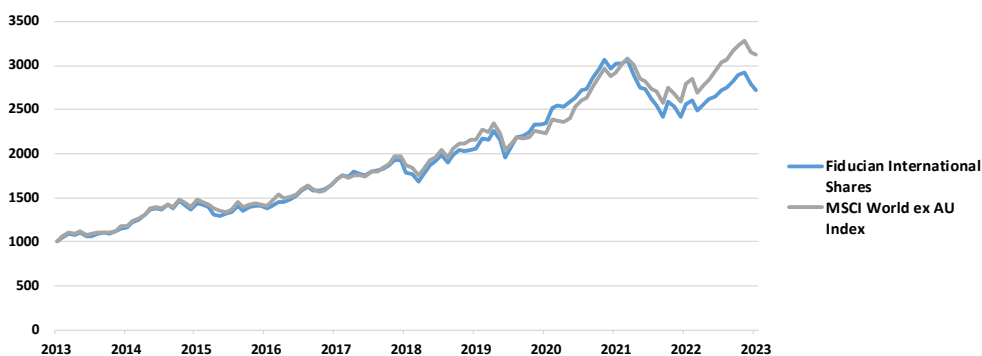
Performance and Risk

After fee returns as at 31 October 2023

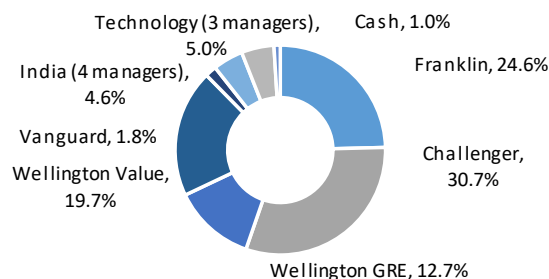
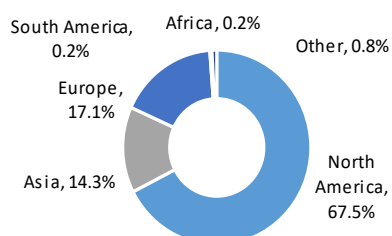
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	-1.8%	-5.1%	0.7%	6.9%	5.4%	8.9%	10.3%	10.6%
Index	-1.0%	-3.4%	2.9%	11.7%	12.0%	10.8%	12.1%	12.1%
Excess	-0.9%	-1.7%	-2.2%	-4.8%	-6.6%	-1.9%	-1.8%	-1.5%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	8.9%	12.1%	12.7%	11.5%
Benchmark (Std Dev %)	9.8%	12.0%	12.2%	11.2%
Beta	0.78	0.92	0.97	0.96
Tracking Error (% pa)	3.2%	4.2%	4.3%	3.9%



Geographic exposures and current manager weights





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.

Fund Commentary

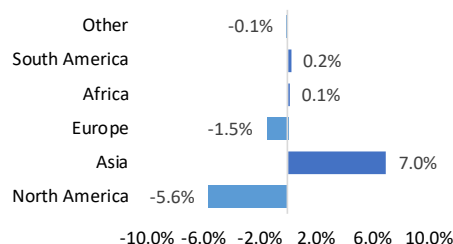
The Fund declined by 1.8%, which was below the index return of -1.0% for the MSCI ex-Australia index (in AUD). Over the month, the Wellington Global Research Mandate (-0.6%) was the top performer followed by the Fiducian India Fund (-0.9%)

For the 12 months to the end of October 2023, the Fund rose by 6.9%, compared to the 11.7% rise in the index. Challenger (+12.2%) has been the best performer over the period followed by the Wellington Global Research Equity Mandate (+11.7%). Franklin Growth Mandate and the Fiducian Technology Fund have underperformed the broader index during the period.

The Fund remains strongly diversified, with 13 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
Humana Inc	Healthcare-Services	2.1%
Synopsys Inc	Software	1.9%
Zscaler Inc	Computers	1.8%
Alphabet Inc	Internet	1.8%
Mercadolibre Inc	Internet	1.7%
Broadridge Financial	Software	1.7%
Tyler Technologies Inc	Software	1.6%
Equinix Inc	REITS	1.6%
Intercontinental Exchange	Diversified Financial	1.6%
Inari Medical Inc	Healthcare-Products	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) before making a decision about whether to acquire or continue to hold any financial product.