

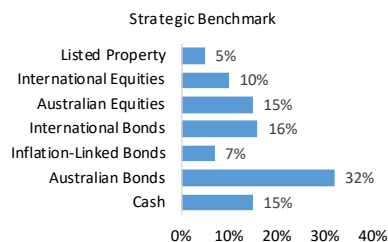
Fund description

The Fiducian Capital Stable Fund has a large allocation to fixed income assets and cash, and also includes some exposure to equities for longer term performance. The fund is diversified between multiple asset classes and countries, utilising the Fiducian “Manage the Manager” system that aims to achieve superior returns with reduced risk.

The Fund is suitable for investors who are relatively conservative but are prepared to take some level of market risk to achieve modest capital growth in addition to a relatively high level of income. The recommended holding period is at least 4 years.

Fund facts

Portfolio manager: Conrad Burge
ARSN: 093 542 879
APIR code: FPS0002AU
Benchmark: Morningstar Multisector Moderate Median
Current fund size: \$482 million (July 2023)
Management cost: 0.76%
Total management costs: 0.82%
Application/Exit fee: Nil
Inception Date: March 1997



Performance and Risk

After fee returns as at 31 July 2023

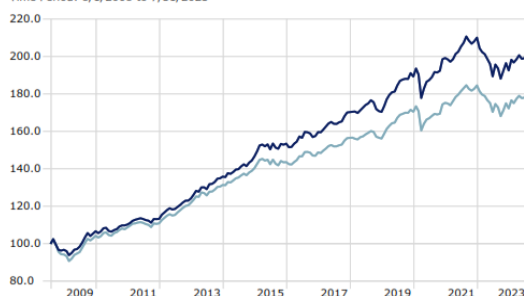
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	1.2%	0.2%	1.4%	2.8%	2.1%	2.8%	3.3%	4.3%
Index	1.0%	0.6%	1.9%	2.8%	2.0%	2.5%	2.9%	3.6%
Excess	0.2%	-0.4%	-0.5%	0.0%	0.1%	0.4%	0.5%	0.7%
Ranking				53/108	51/106	25/93	16/89	10/82

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	6.2%	5.7%	6.0%	4.8%
Benchmark (Std Dev %)	5.6%	4.8%	5.1%	4.1%
Beta	1.02	1.04	1.04	1.02
Tracking Error (% pa)	1.0%	1.4%	1.3%	1.1%

Investment Growth

Time Period: 8/1/2008 to 7/31/2023

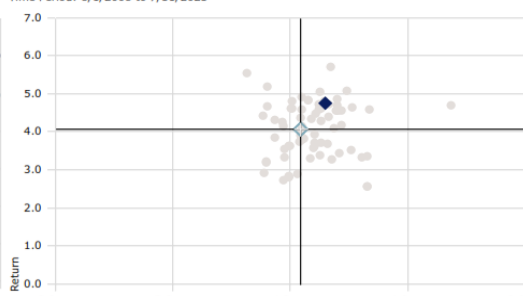


—Fiducian Capital Stable

—Australia Fund Multisector Moderate

Risk-Reward

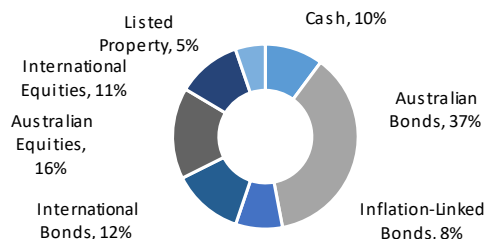
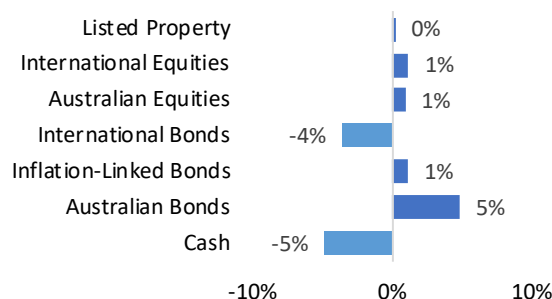
Time Period: 8/1/2008 to 7/31/2023



◆ Fiducian Capital Stable

○ Australia Fund Multisector Moderate

Tactical tilts and current asset weights



Fiducian Capital Stable Fund

Monthly Report - July 2023



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.

Fund Commentary

The Fund outperformed the benchmark in July, with a return of 1.2%, compared to the benchmark return of 1.0%. Over the 12 months to the end of July, the Fund returned 2.8%.

Most asset classes finished the month higher, with gains seen in listed property, Australian shares and International shares. Bonds and cash generated small positive returns.

The Fund currently has a small overweight to Australian and International equities, as relatively attractive valuations are offset by rising interest rates and a slowing economy. The weighting towards bonds has increased in recent months, with a preference for shorter-term Australian bonds over international bonds.

In the Morningstar Multisector Moderate Category, the Fiducian Capital Stable Fund returns were ranked 53rd out of 108 funds over one year, 25th out of 93 funds over five years, and 10th out of 82 funds over the ten year period to 31 July 2023.

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities 15.8%	Solaris	2.7%
	Fidelity	2.5%
	Bennelong	2.5%
	L1 Capital	2.6%
	Ausbil Dexia	3.2%
	Pendal	2.2%
International Equities 10.9%	Franklin Templeton	2.7%
	Challenger	3.4%
	Wellington GRE	1.3%
	Wellington Value	2.3%
	State Bank of India	0.1%
	Sundaram	0.2%
	Tata	0.1%
	EquiPoise	0.0%
	Vanguard	0.2%
	Wellington Technology	0.4%
	Wellington Biotechnology	0.1%
	Nordic Technology	0.1%
	Listed Property 5.2%	BlackRock
Phoenix		2.5%
Principal		2.2%
Australian Bonds 36.9%	Perpetual Fixed Interest	9.8%
	BlackRock	0.3%
	Challenger	26.7%
Inflation Linked Bonds 8.2%	Challenger	8.2%
International Bonds 12.4%	BlackRock	12.4%
	BlackRock	0.2%
Cash 10.7%	BlackRock	0.2%
	Cash	10.5%

Top stock holdings

Top Australian Stocks	Industry	Weight
BHP Group	Diversified Metals & Mining	8.9%
CSL Limited	Biotechnology	6.9%
Commonwealth Bank	Diversified Banks	5.1%
Santos Limited	Oil & Gas	4.3%
James Hardie Industries	Construction Materials	3.9%
National Australia Bank	Diversified Banks	3.3%
Qbe Insurance	Insurance	3.3%
Qantas Airways Ltd	Passenger Airlines	3.0%
Macquarie Group Ltd	Diversified Capital Markets	2.9%
Bluescope Steel Limited	Steel	2.8%

Top International Stocks	Industry	Weight
Alphabet Inc	Interactive Media	2.1%
Humana Incorporated	Managed Health Care	1.7%
Visa Incorporated	Data Processing Services	1.6%
Broadridge Finance	Data Processing Services	1.6%
Charles River	Life Sciences Tools	1.6%
Equinix Inc	Specialized REITs	1.5%
Danaher Corp	Life Sciences Tools	1.5%
Zscaler Inc	Systems Software	1.5%
Amadeus IT Group	Hotels Resorts	1.5%
Zebra Technologies	Electronic Equipment	1.5%

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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.

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.