

Fiducian Balanced Fund

Monthly Report - March 2024



Fund description

The Fiducian Balanced Fund includes holdings in shares, property, bonds and liquid assets diversified between managers and countries, utilising the Fiducian “Manage the Manager” system that aims to achieve superior returns with reduced risk.

Over the long term, the Fund is expected to generate higher returns than funds with a lower allocation to growth assets, but will also be exposed to capital losses when markets turn down.

The Fund is suitable for investors seeking good long term capital growth with possible short term volatility. The recommended holding period is at least 6 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 093 541 612

APIR code: FPS0003AU

Benchmark: Zenith AMI Mixed Asset Balanced Index

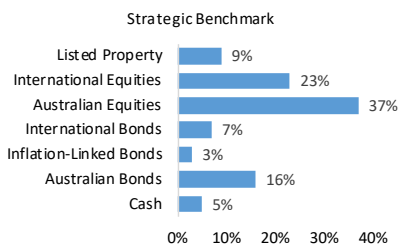
Current fund size: \$810 million (March 2024)

Management cost: 0.93%

Total management costs: 1.01%

Application/Exit fee: Nil

Inception Date: March 1997



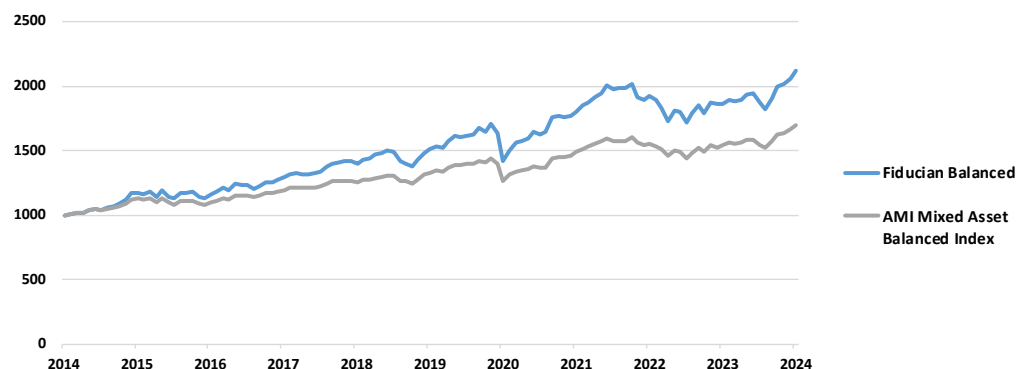
Performance and Risk

After fee returns as at 31 March 2024

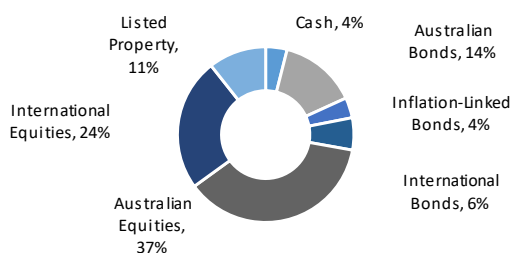
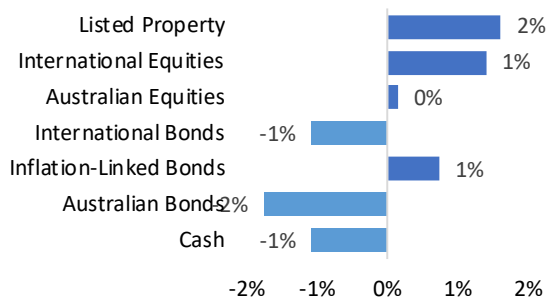
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	2.9%	6.1%	13.1%	13.7%	5.6%	7.0%	7.2%	7.8%
Index	2.0%	4.3%	9.6%	9.8%	4.4%	5.0%	5.1%	5.4%
Excess	0.9%	1.7%	3.5%	3.8%	1.1%	2.0%	2.1%	2.4%
Ranking				7/117	19/112	4/102	3/96	2/83

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	8.6%	9.8%	11.4%	9.5%
Benchmark (Std Dev %)	5.8%	6.6%	7.6%	6.3%
Beta	1.35	1.42	1.44	1.46
Tracking Error (% pa)	2.9%	3.6%	4.1%	3.4%



Tactical tilts and current asset 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 Fund outperformed its benchmark in March, with a return of 2.9%, compared to the benchmark return of 2.0%. Over the 12 months to the end of March, the Fund returned 13.7%.

Growth assets continued to perform well, with Listed Property (+9.7%) delivering strong gains, alongside Australian and International Equities. Bond returns were also positive for the month, returning 1%.

The Fund currently has small overweight positions in International equities and listed property. Additionally, the underweight position in bonds relative to cash has now been closed.

In the Zenith AMI Mixed Asset-Balanced Category, the Fiducian Balanced Fund returns were ranked 7 out of 117 funds over one year, 4 out of 102 funds over five years, and 2 out of 83 funds over the ten year period to 31 March 2024.

Managers and weights

Asset Class	Fund Manager	Weight
Australian Equities 36.9%	Solaris	6.5%
	Fidelity	5.3%
	Bennelong	7.1%
	L1 Capital	4.9%
	Ausbil Dexia	6.9%
	Pendal	6.3%
International Equities 24.0%	Franklin Templeton	5.7%
	Challenger	7.7%
	Wellington	4.0%
	Wellington Value	3.5%
	State Bank of India	0.3%
	Sundaram	0.4%
	Tata	0.3%
	EquiPoise	0.2%
	Vanguard	0.4%
	Wellington Technology	0.9%
	Wellington Biotechnology	0.2%
	Loftus Peak Technology	0.3%
	Nordic Technology	0.2%
Listed Property 10.6%	BlackRock	1.0%
	Phoenix	4.8%
	Principal	4.8%
Australian Bonds 14.2%	Perpetual Fixed Interest	5.3%
	BlackRock	0.1%
	Challenger	8.8%
Inflation Linked Bonds 3.7%	Challenger	3.7%
International Bonds 5.9%	BlackRock	5.9%
Cash 4.6%	BlackRock	2.9%
	Cash	1.7%

Top stock holdings

Top Australian Stocks	Industry	Weight
BHP Group	Mining	8.1%
CSL Limited	Biotechnology	7.4%
Commonwealth Bank	Banks	5.3%
Goodman Group	REITS	4.7%
Santos Ltd	Oil & Gas	3.7%
National Australia Bank	Banks	3.6%
Macquarie Group	Banks	3.1%
QBE Insurance Group	Insurance	2.9%
James Hardie Industries	Building Materials	2.8%
Aristocrat Leisure	Entertainment	2.3%

Top International Stocks	Industry	Weight
Daiichi Sankyo	Pharmaceuticals	1.8%
Amazon.Com	Internet	1.7%
Equinix Inc	REITS	1.6%
Humana Inc	Healthcare-Services	1.6%
Tyler Technologies	Software	1.6%
Charles River	Healthcare-Services	1.6%
Intuitive Surgical	Healthcare-Products	1.5%
Zebra Technologies	Business Equipment	1.5%
Sika Ag	Building Materials	1.5%
Broadridge Financial	Software	1.5%

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