



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 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 5 to 7 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 093 543 456

APIR code: FPS0005AU

Benchmark: MSCI Ex-Australia Index

Current fund size: \$516 million (April 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 30 April 2023

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	2.4%	6.0%	6.2%	4.8%	9.2%	8.6%	10.6%	12.4%
Index	3.2%	9.4%	8.6%	11.1%	12.7%	11.1%	12.1%	13.9%
Excess	-0.7%	-3.4%	-2.4%	-6.4%	-3.5%	-2.5%	-1.4%	-1.5%

Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	14.9%	13.9%	13.1%	11.8%
Benchmark (Std Dev %)	14.8%	13.1%	12.4%	11.5%
Beta	1.02	1.08	1.07	1.08
Tracking Error (% pa)	2.9%	4.8%	4.1%	3.8%

Investment Growth

Time Period: 5/1/2003 to 4/30/2023



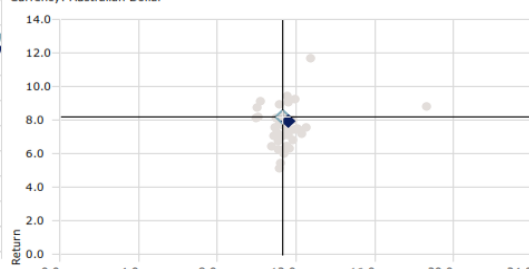
—Fiducian International Shares

-MSCI World Ex Australia NR AUD

Risk-Reward

Time Period: 5/1/2003 to 4/30/2023

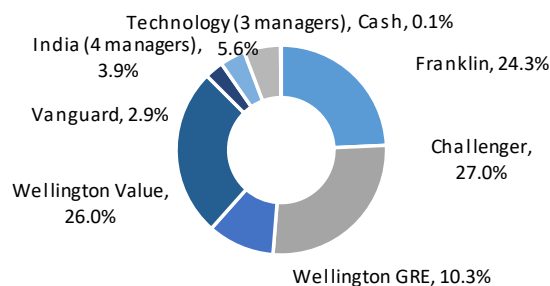
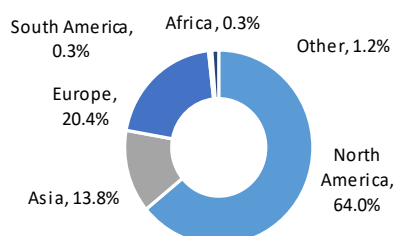
Currency: Australian Dollar



• Fiducian International Shares

◊ MSCI World Ex Australia NR AUD

Geographic exposures and current manager weights



Market Commentary and Outlook

The global economy has continued to slow, with manufacturing output contracting in most major economies in recent months. However, measures of activity in April for service industries continue to expand. Headline inflation numbers were lower during the month due to a decline in energy prices, but core measures of inflation generally remain well above central bank target ranges.

The Reserve Bank of Australia (RBA) elected to hold interest rates steady in April following ten consecutive increases. However, this pause was short-lived, with the RBA, along with the US Federal Reserve and European Central Bank increasing rates in early May.

Global equity markets recorded gains for the month. In the absence of any material surprises in economic data, the focus was on quarterly profit results from large US companies, which were generally above expectations. The US market (S&P 500 index) gained 1.5% for the month, and the Australian market (ASX 200 index) was 1.8% higher. Listed property stocks rebounded (+5.3%), but some key commodity prices declined over the month.

Looking ahead, elevated geopolitical risks, alongside higher interest rates and slower economic growth this year, represent potential headwinds for markets. The International Monetary Fund (IMF) recently made a small downgrade to its economic forecasts, with global growth now expected to be 2.8% in 2023. The IMF expects growth rates to remain slightly below long-term trend levels for some time. In broad terms, share markets continue to appear more attractive than most other investment opportunities.

Fund Commentary

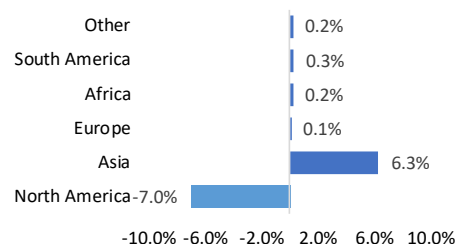
The Fund rose by 2.4% in April, which was below the index return of 3.2% for the MSCI ex-Australia index (in AUD). Over the month, the Fiducian India Fund (+6.6%) was the best performer, followed by Wellington Global Research (+3.4%) and Challenger (+3.2%).

For the 12 months to the end of March 2023, the Fund rose by 4.8%, compared to the 11.1% rise in the index. Challenger has been the best performer (+11.6%), with Wellington Global Research (+11.4%) also performing ahead of the index. Growth style managers have trailed the index over the period, including Franklin Templeton and the Fiducian Technology Fund.

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, 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
Alphabet Inc	Interactive Media	1.8%
Humana Incorporated	Managed Health Care	1.6%
Intuitive Surgical Inc	Health Care Equipment	1.6%
Mercadolibre Inc	Internet & Direct Marketing F	1.5%
Amadeus IT Group	Hotels	1.5%
Danaher Corp	Life Sciences Tools	1.5%
Visa Incorporated	Data Processing	1.4%
Equinix Inc	Specialized REITs	1.4%
Inari Medical Inc	Health Care Equipment	1.4%
Rockwell Automation	Electrical Components	1.4%



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