Invesco Global Real Estate Fund – Class A

Monthly Factsheet

30 June 2023

Fund Managers - Invesco Real Estate Team

Invesco Real Estate (IRE), a global real estate investment manager, invests in direct property and publicly-traded real estate securities, and has an investment track record of over 35 years.

Fund facts at a glance

Asset class
Global property

Objective[1]
The Fund aims to provide an average annual gross total return in line with that of a dedicated global core real estate portfolio, while maintaining a significant allocation to liquid assets to ensure the overall fund is more liquid than a dedicated core real estate portfolio

Management style
Core/global property

Benchmark
The fund is not managed against a benchmark

Time horizon
5-7 years

Distribution frequency
Quarterly

Inception date
11/9/2019

Minimum investment
$20,000

MER/ICR
1.30%

Buy/Sell Spread
0.15%/0.15%

APIR Code
GTU5547AU

Fund performance analysis (periods to 30 June 2023)

Net performance

Periods	Fund %
1 month	-0.82
3 months	-1.34
6 months	-0.35
1 year	-3.31
2 years p.a.	3.26
3 years p.a.	2.05
Calendar year to date	-0.35
Financial year to date	-3.31
Since inception p.a.	0.71

The Fund returns are shown after ongoing fees and assumes reinvestment of income. Past returns are not a reliable indicator of future returns. Future returns may be affected by a range of factors including economic and market influences.

Assets under management

	A$m
Fund AUM:	43.35
Strategy AUM:	32,320.24

Fund analysis (as at 30 June 2023)

The data below is based on the underlying portfolio, i.e. the underlying Funds, into which the Invesco Global Real Estate Fund directly invests.

Regional allocation

Direct Real Estate sleeve	%
North America	37.0
Europe	22.2
Asia Pacific	18.8

Liquidity sleeve	%
North America	11.6
Europe	1.1
Asia Pacific	1.9
Cash & Other	7.5

Monthly commentary

Performance commentary

Gross total returns for the month of June were slightly negative. Listed real estate produced a gross total return of 1.44% in June. Equity positioning was the main positive contributor to listed real estate performance, and the overall fixed income performance was also positive during the month of June.

Asset allocation review

The Fund's allocation to direct real estate was 78% as at 30 June. The 22% liquidity sleeve allocation at month end was split as 14% to listed real estate and 7% to cash-like investments (all approximate).

Outlook - Listed Real Estate

The Global REIT market delivered positive returns during June (measured from June 1, 2023   June 30, 2023) with performance, as reported by the FTSE EPRA Nareit Developed Index of 3.00%. The US REIT Preferred market had positive performance as reported by the FTSE Nareit Preferred Stock Index at 6.68%. For the month of June, the US CMBS market underperformed US REIT Preferred as reported by the Barclays US Aggregate CMBS Total Return Index at -0.85%. Risk appetite was mixed for equity markets in June. Listed real estate also showed varied performance across property types and geographies, with performance led by the more cyclical property types, including office and retail. In most key economies inflation is now trending down as base effects impact annual change. However, measures of core inflation remain well above target levels and although some labor market weakness may now be showing, unemployment rates are little moved, and service sector wage inflation remains a threat. Central bank activity remains key to determining where interest rates may peak and how material any periods of negative growth may be. Most key central banks in Europe raised interest rates in June, as did Canada and Australia. The US Federal Reserve offered up a hawkish pause . The scene is set for more hikes over the summer months. Global listed real estate ends the period trading at a double-digit discount to net asset value that is already reflective of meaningful private market asset value declines.

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Notes

[1] Invesco does not guarantee that the Fund will achieve its objective.

Important information

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