# Invesco Global Real Estate Fund – Class A

Monthly Factsheet

31 March 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 31 March 2023)

**Net performance**

| Periods | Fund % |
|---|---|
| 1 month | -0.30 |
| 3 months | 1.01 |
| 6 months | -3.51 |
| 1 year | 1.69 |
| 2 years p.a. | 5.39 |
| 3 years p.a. | -0.75 |
| Calendar year to date | 1.01 |
| Financial year to date | -2.00 |
| Since inception p.a. | 1.14 |

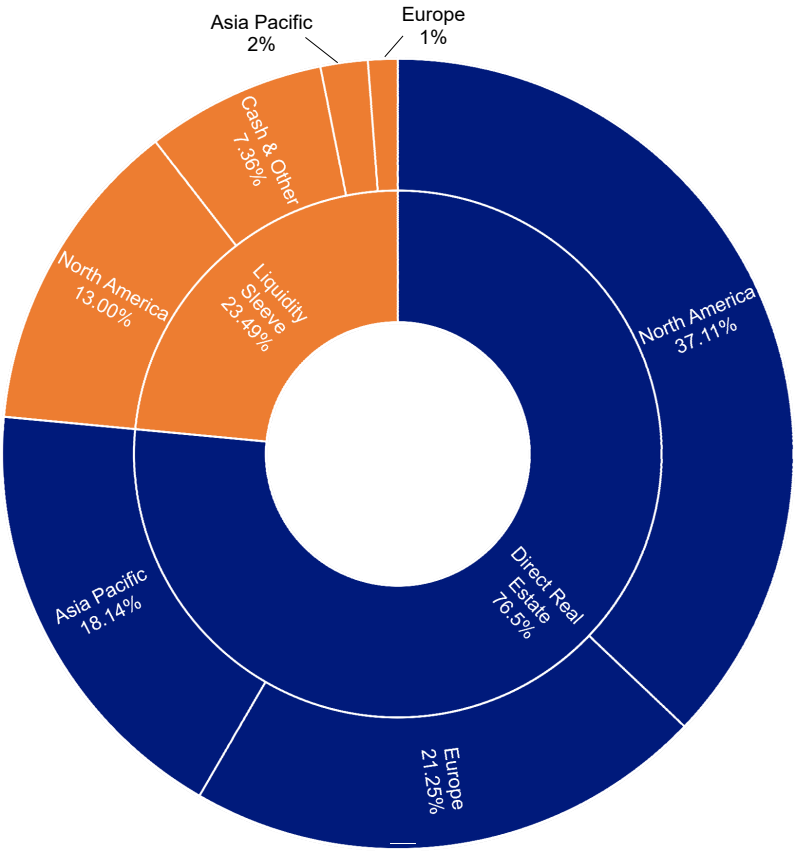
The Fund returns are shown after ongoing fees and assumes reinvestment of income. Past returns are not a reliable indicator of future returns. Future returns may be affected by a range of factors including economic and market influences.

**Assets under management**

| | A$m |
|---|---|
| Fund AUM: | 45.50 |
| Strategy AUM: | 32,788.50 |

## Fund analysis (as at 31 March 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.



## Monthly commentary

**Performance commentary**
For the month of March, GREF produced a slightly negative total gross return. Listed real estate produced a gross return of -3.63% (in USD terms), whilst direct real estate values were unchanged.

**Asset allocation review**
GREF ended March with a 77% allocation to Direct Real Estate, a 16% allocation to Listed Real Estate and a 7% allocation to cash & other securities. As of 31 March 2023, GREF's three largest sector exposures within its direct real estate holdings were office (37%), industrial (26%) and residential (19%). From a geographic perspective, the direct real estate holdings were allocated circa 49% to North America, 28% to Europe and 24% to Asia Pacific.

**Outlook - Listed Real Estate**
GREF's direct real estate portfolio is well positioned with 92% occupancy (core portfolio), high quality tenants and an average lease length of 6 years supporting its income. Embedded Net Operating Income (NOI) growth of approximately 10% a year over the next three years will help support increasing distributions in an inflationary environment. The conservative Loan to Value of 29% and high proportion of fixed rate finance (83%) with an average cost of 3.2% provides protection significant against rate rises. We have seen some market yield/cap rate expansion over recent quarters and we may see further expansion over the next couple of quarters, although we expect the magnitude of potential price movements to be relatively small compared to recent listed market drawdowns. Any price movements will be partially offset by NOI growth. We continue to believe higher quality assets will perform better and be more resilient in a more challenging environment. GREF remains well-positioned from both a geographic and sector standpoint and should continue to benefit from exposures supported by long-term secular trends.

## Contact

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## Notes

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

## Important information

This document has been prepared by Invesco Australia Ltd (Invesco) ABN 48 001 693 232, Australian Financial Services Licence number 239916, who can be contacted on freecall 1800 813 500, by email to clientservices.au@invesco.com, or by writing to GPO Box 231, Melbourne, Victoria, 3001. You can also visit our website at www.invesco.com/au.

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