

## Monthly Factsheet

31 May 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<sup>1</sup>**  
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 May 2023)

| Net performance        |        |
|------------------------|--------|
| Periods                | Fund % |
| 1 month                | 0.45   |
| 3 months               | -0.83  |
| 6 months               | -0.03  |
| 1 year                 | -1.30  |
| 2 years p.a.           | 5.32   |
| 3 years p.a.           | 1.37   |
| Calendar year to date  | 0.48   |
| Financial year to date | -2.51  |
| Since inception p.a.   | 0.95   |

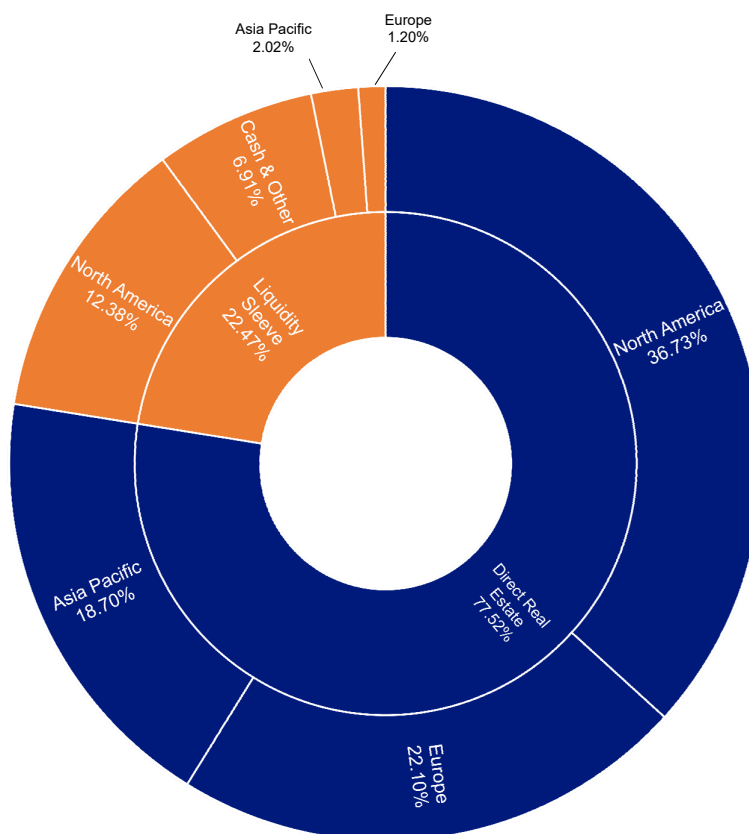
The Fund returns are shown after ongoing fees and assumes reinvestment of income. Past returns are not a reliable indicator of future returns. Future returns may be affected by a range of factors including economic and market influences.

### Assets under management

|               | A\$m      |
|---------------|-----------|
| Fund AUM:     | 44.26     |
| Strategy AUM: | 33,040.03 |

### Fund analysis (as at 31 May 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.



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**Performance Commentary**

Returns for the month of May were slightly positive. Listed real estate produced a gross total return of -2.97% in May. Equity positioning was the main negative contributor to listed real estate performance, and the overall fixed income performance was also negative during the month of May. The USD appreciated approximately 1.7% versus the AUD in May. On the trailing 12-month basis, the USD appreciated circa 10.9%.

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**Asset allocation review**

The Fund's allocation to direct real estate was 77% as at 31 May 2023. The 23% liquidity sleeve allocation at month end was split as 16% to listed real estate and 7% to cash-like investments (all allocation figures are approximate).

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**Outlook - Listed Real Estate**

The Global REIT market delivered negative returns during May with performance, as reported by the FTSE EPRA Nareit Developed Index of -4.41%. The US REIT Preferred market had a negative performance as reported by the FTSE Nareit Preferred Stock Index at -3.72%. For the month of May, the US CMBS market outperformed US REIT Preferred as reported by the Barclays US Aggregate CMBS Total Return Index at -0.61%.

The narrative around inflation control in North America and Europe continues to dominate capital market behaviours. The slower forward path for interest rate rises is clear, however, recent resilient economic data and service sector leading indicators suggest a sharp decline in core inflation has not yet been forthcoming. Further interest rate rises are anticipated in Europe and the US Federal Reserve is no longer providing guidance. Financial conditions have generally tightened with weak money supply trends. Chinese economic data has begun to soften, while Japan appears less impacted by wider global issues. Global listed real estate performance was weak in the period. European real estate lagged as higher leverage was punished. Hong Kong also lagged as Chinese growth expectations dimmed risk appetite. The best performance was notable among US data centres and single-family rental REITs.

Another month has passed without any significant increase in private real estate investment transaction activity as the recent banking sector challenges have increased the cost of debt and reduced finance availability. More positively, occupier demand remains resilient and re-leasing spreads are positive in most sectors and markets. Global listed real estate ends the period trading at a discount to average underlying net asset values.

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**Notes**

<sup>1</sup>Invesco does not guarantee that the Fund will achieve its objective.guarantee that the Fund will achieve its objective.

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**Important information**

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