

## Resolution Capital Real Assets Fund

APIR Code	WHT0014AU
ARSN Code	131 850 363

### Month Ending January 2021

	1 Month %	3 Months %	1 Year %	3 Years p.a. %	5 Years p.a. %	10 Years p.a. %	Since Inception* p.a. %
Fund^ Return (After Fees)	-3.43	7.95	-6.85	8.40	8.73	11.70	7.68
Benchmark# Return	-4.07	8.93	-13.33	5.54	6.30	10.52	5.88
Value Added (After Fees)	0.64	-0.98	6.48	2.86	2.43	1.18	1.80

\*30 September 2008.

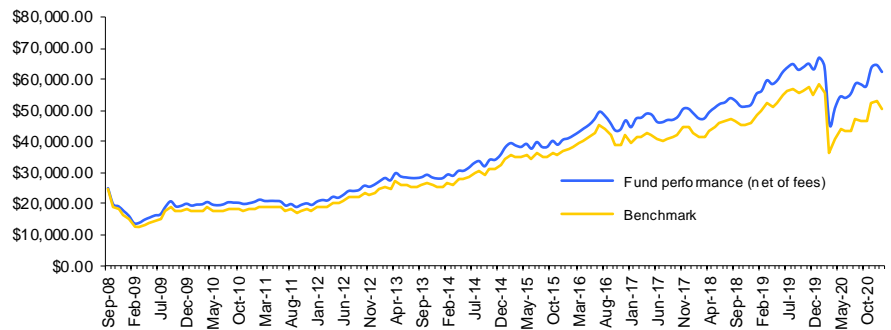
#Benchmark is S&P/ASX 300 AREIT Accumulation Index.

^Please note the strategy of the Fund changed effective 1 October 2019. The Resolution Capital Real Assets Fund was previously known as the Resolution Capital Core Plus Property Securities Fund.

### \$25,000 invested Since Inception\*

#### Fund Facts

*Inception Date	30 September 2008
Fund Size	\$14.8 Million
Management Costs	0.65% p.a.
Buy/Sell Spread	+0.20%/-0.20%
Minimum Investment	\$25,000
Distribution Frequency	Quarterly



Source: Resolution Capital, as at 31 January 2021

Top 5 Weights		
Security Name		%
1. Goodman Group		19.55
2. Scentre Group		10.14
3. Mirvac Group		6.99
4. Transurban Group		5.95
5. Stockland		5.02

Top 5 Contributors		
Security Name		%
1. Stockland		0.32
2. Spark Infrastructure Group		0.12
3. Cedar Woods Properties		0.11
4. Switch		0.07
5. Ingenia Communities Group		0.06

Bottom 5 Contributors		
Security Name		%
1. Goodman Group		-1.38
2. Mirvac Group		-0.73
3. Charter Hall Group		-0.36
4. Sydney Airport		-0.34
5. Scentre Group		-0.18

## Market Commentary

The S&P/ASX 300 A-REIT Accumulation Index produced a total return of -4.1% for the month ended 31 January 2021, underperforming the Australian equities market (S&P/ASX 300 Accumulation Index) by 4.4%.

The infrastructure sector slightly outperformed the A-REIT index. Particularly, Spark Infrastructure (SKI) performed strongly, whilst data centre company NEXTDC (NXT) underperformed.

Within the A-REIT sector this month industrial landlords underperformed, followed by office, while retail was more resilient.

During the month diversified REIT Stockland (SGP) performed strongly, reversing the underperformance of the previous month. The Housing Industry Association (HIA) reported that December was the second strongest month of new home sales in the 20 years of their survey, only exceeded by March 2001.

In December new home sales nearly doubled compared to the number of sales recorded in November. Sales during the December 2020 quarter were 48.7% higher than the September 2020 quarter.

In addition to strong residential sales volumes, house price appreciation forecasts by commentators continue to increase. Both factors are positive for Stockland's residential development segment.

For the remainder of the A-REITs, there was relatively little company specific news in January, ahead of results in February.

Shopping centre REIT Vicinity Centres (VCX) announced a net valuation decline of 4% or AU\$570m for the six-month period ending 31 December 2020 for its 60 directly owned retail properties. This follows an 11% devaluation in the previous six-month period. Income degradation and assumptions including probable higher incentives drove the bulk of the devaluation, along with minimal tourism and low office occupancy.

Centuria Office REIT (COF) completed external valuations on half its investment portfolio, reporting a slight 0.8% reduction in valuations over the six months to 31 December.

During the month Dexus (DXS) continued its on market share buyback. The company is currently the only A-REIT actively buying back shares.

European listed retail REIT Unibail-Rodamco-Westfield (URW) completed the disposal of the SHiFT office building in Paris for €620m. The proceeds will be used to reduce leverage. The stock performed relatively strongly during the month, largely driven by short covering at the end of the month, following news of retail investors targeting heavily shorted stocks.

For toll road owner Atlas Arteria (ALX) traffic flows in France, which recovered strongly in Q3, was again affected in Q4 2020, albeit to a lesser extent, by movement restrictions implemented in November in response to a second wave of COVID-19.

Heavy vehicle traffic was less affected by the imposition of lockdown measures than light vehicles, falling by only 2.1% in Q4 2020 compared with 2019.

Overall revenue in France was down 18% in quarter compared to last year.

## Fund Details

Investment Manager	Resolution Capital
Objective	<ul style="list-style-type: none"><li>The Fund aims to achieve an annual total return that exceeds the total return of the Benchmark after fees on a rolling 3 year basis.</li></ul>
Benchmark	<ul style="list-style-type: none"><li>S&amp;P/ASX 300 AREIT Accumulation Index.</li></ul>
Portfolio Allocation	<ul style="list-style-type: none"><li>50-100% invested in ASX listed real estate securities.</li><li>0-50% invested in ASX listed infrastructure securities.</li><li>0-20% invested in global listed REITs, real estate securities and global listed infrastructure securities.</li><li>0-15% invested in cash and short dated money market securities.</li></ul>
Investment Timeframe	<ul style="list-style-type: none"><li>Medium to long term, being 5 or more years.</li></ul>
Number of Stocks	<ul style="list-style-type: none"><li>Generally 20 to 35.</li></ul>
Minimum Investment	<ul style="list-style-type: none"><li>Indirect investors: refer to the operator of your service.</li><li>Direct investors: minimum initial investment \$25,000.</li></ul>
Platform Availability	<ul style="list-style-type: none"><li>HUB24</li><li>OneVue</li></ul>

## Contact Us

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