

Investment Strategy

The Fund invests in a range of listed property securities, spread primarily across retail, commercial, industrial and residential property sectors.

Fund Facts

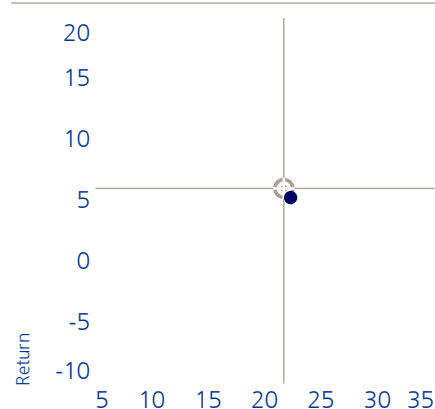
APIR Code	ZUR0064AU
Inception Date	28/02/2000
Total Est. Management Cost % [^]	0.81
Buy/Sell Spread%	0.3
Est. Transactional Op. Cost %	Nil
Distribution Frequency	Quarterly
Underlying Fund Manager	Renaissance Property Securities Pty Ltd

Portfolio Characteristics

Funds Under Management	\$286.44m
Number Of Holdings	37
Turnover Ratio%	10.29
Latest distribution date	31 Mar 2021
Latest distribution amount	0.0028
Benchmark	S&P/ASX 300 AREIT Accumulation Index

Risk Reward

Time Period: 30/04/2016 to 30/04/2021



Fund Performance After Fees*

As at 30/04/2021	1 Month %	3 Months %	1 Year % p.a	3 Years % p.a	5 Years % p.a	Since Inception % p.a
Growth	2.32	5.86	27.96	2.26	1.59	1.16
Distribution	0.00	0.24	3.07	3.00	3.68	6.35
Total	2.32	6.10	31.03	5.26	5.27	7.51
Benchmark	3.08	6.86	31.81	7.51	6.02	7.13

Investment Growth

30/04/2016 to 30/04/2021



Top 5 Active Positions

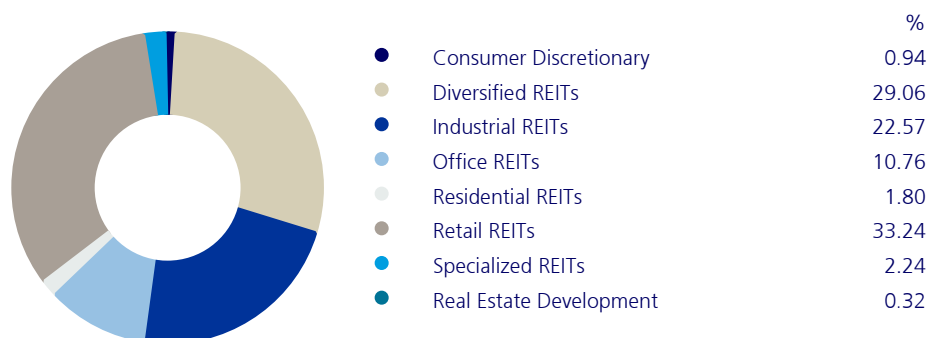
	Portfolio Weight%	Overweight%
Scentre Group	14.46	3.69
Vicinity Centres	6.89	2.21
Stockland	10.52	2.00
Unibail-Rodamco	2.85	1.99
Carindale Prop. Trst.	1.93	1.93

Risk Statistics

Time Period: 30/04/2016 to 30/04/2021

Std Dev	22.28
Alpha	-0.70
Beta	1.02
Sharpe Ratio (arith)	0.30
Up Capture Ratio	95.67
Down Capture Ratio	98.03

Portfolio Equity Sectors



Top 5 Holdings

Portfolio Date: 30/04/2021	Portfolio Weighting%	Benchmark Weighting%
Goodman Group	21.11	24.26
Scentre Group	14.46	10.77
Stockland Corp Ltd	10.52	8.53
Vicinity Centres	6.89	4.68
Mirvac Group	6.81	8.08

Market

The AREIT market advanced in April, driven by a minor reversion in the bond yield, a significant second wave of COVID-19 in India, caution around AstraZeneca's link to blood clotting and some retracement in the out and about trade globally.

The Australian economy continues to rebound strongly. April house prices rose 1.7% with Sydney leading the charge at 2.1%. First quarter CPI disappointed at 0.6%, driven by homebuilder grants and lower electricity prices. Housing finance continued to surge with housing credit up 0.5% and 4.1% year-over-year. Employment rose 70,000 and unemployment fell to 5.6%.

The main news of the month included:

- Completion of Blackstone/Milestone industrial portfolio sale for \$3.8b or a 4.5% yield. This was followed by an \$850m industrial portfolio sell-down by Blackstone to Manulife also at a 4.5% cap rate.
- The Dexus merger of DWPF and the AMP fund ADFP was approved. This is a \$5b fund although it has a \$2.0b redemption facility. Dexus has agreed to offer \$400m immediately and progress the remaining unsatisfied redemptions over the next 18 months via asset sales.
- In M&A news, the battle for Vital Harvest continued with the final price being \$1.26 after starting at \$1.00 last year.

Fund

The Fund produced a solid return in April but was unable to keep pace with the strong index performance. Calendar year-to-date, the Fund is slightly ahead of the index return.

The main positive contributors included the overweights Vital Harvest, Stockland and Centuria Office. Vital Harvest benefited from a bidding war which saw it deliver an impressive return in the month. Stockland benefited from a strong quarterly update which showed robust and resilient residential lot sales. Centuria Office benefited from a slight shift in sentiment towards office.

Underweight positions that contributed positively included Waypoint (petrol stations), Shopping Centres Australasia (supermarkets) and GPT. Waypoint was held back by poor petrol sales from its operator, Shopping Centres Australasia underperformed on the back of softening supermarket sales, and GPT underperformed along with the mall REITs as investors sought less cyclical/value exposures in light of the surge of coronavirus cases in India.

Negative contributors included overweight positions in the mall stocks such as Scentre, Vicinity and Unibail. The share price declines in these names were again driven by the rotation out of cyclical/value stocks as India's coronavirus cases surged.

Underweight positions in Charter Hall and Goodman detracted from performance as the market rotated back into growth names within funds management and industrial. In addition, Charter Hall raised its profit guidance. Lastly, the underweight in Mirvac detracted after releasing a very strong quarterly update which showed that residential sales surged 98% quarter-on-quarter. Additionally, Mirvac noted they are seeing the early stages of a recovery in apartments.

Portfolio Positioning

Portfolio changes in April included:

- The underweight in Mirvac was decreased because evidence suggests the apartment market has bottomed and it has started improving.
- Exposure to Elanor Investors Group was increased as the stock has underperformed the market, plus it has become significantly cheaper than other real estate fund managers.
- The Fund participated in the HomeCo Daily Needs raise as it offered good value.
- Exposure to Stockland was increased as the investment team continues to have a positive view on residential. Additionally, Stockland's share price underperformed briefly post its third quarter update.

These increases were funded by selling out of:

- Waypoint and APN Convenience (petrol stations) as these names are expected to continue to underperform in a recovering economic environment
- Growthpoint was reduced following recent outperformance, plus the company has benefited from its industrial exposure and the market rerating industrial post the Blackstone/Milestone sale.
- Dexus and Australian Unity Office were reduced after both companies' saw a strong recovery in their share prices driven by positive leasing and enquiry news in the market.

* Performance returns quoted are compound rates of return calculated on exit prices and assume reinvestment of distributions. Returns are calculated net of all ongoing fees and any taxes payable by the fund. Total return includes both growth and distribution returns. Growth return is the change in exit price over the relevant period. The benchmark return shown is a gross return. Please note that figures shown are rounded to one decimal place, therefore some rounding errors may occur.

^ The Estimated Total Management Cost of 0.81% includes a Management Fee of 0.81%, an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0%

Past performance is not a reliable indicator of future performance.

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