

Australian Property Securities Fund

Fund Focus - July 2023



Investment Strategy

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

Portfolio Characteristics

Funds Under Management	\$308.02m
Number of Holdings	31
Turnover Ratio %	9.500
Latest Distribution Date	30 June 2023
Latest Distribution Amount	0.0075
Benchmark	S&P/ASX 300 AREIT Accumulation Index

Fund Facts

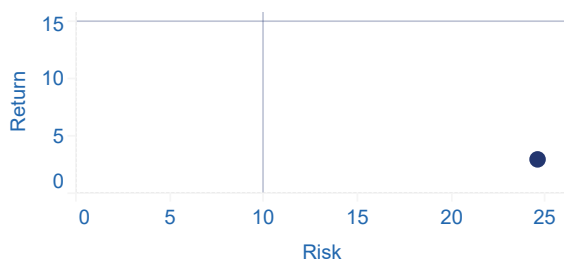
APIR Code	ZUR0064AU
Inception Date	28 February 2000
Total Est. Management Cost %	0.81
Est. Transactional Op. Cost %	0
Buy/Sell Spread %	0.30
Distribution Frequency	Quarterly
Underlying Fund Manager	Renaissance Property Securities Pty Ltd

Fund Performance After Fees

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.62	2.47	2.52	2.72	5.95
Growth	4.08	0.81	-1.55	7.37	0.31	1.04
Total	4.08	1.43	0.92	9.89	3.03	6.99
Benchmark	3.89	1.91	-0.10	9.68	4.48	6.70

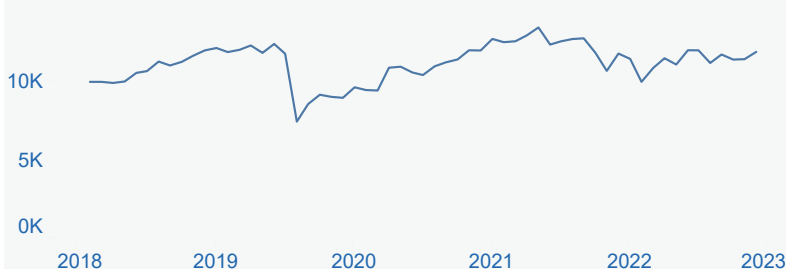
Risk Reward

1 Aug 2018 to 31 Jul 2023



Investment Growth (\$10,000)

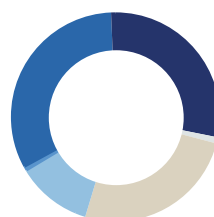
1 Aug 2018 to 31 Jul 2023



Top 10 Holdings (%)

	Weight	Benchmark
Goodman Group	23.57	27.22
Scentre Group	13.98	11.29
Stockland	8.21	7.80
Vicinity Centers	6.91	5.92
Mirvac Group	6.55	7.15
Dexus	5.94	6.85
Gpt Group	5.63	6.44
Unibail-rodamco-west	3.94	0.53
Charter Hall Group	3.89	4.19
Gdi Property Group	2.59	0.26

Portfolio Equity Sectors (%)



Diversified REITs	27.33
Health Care Reits	0.60
Hotels Resorts & Cruise Lin..	0.33
Industrial Reits	24.84
Multi-Family Residential Re..	1.57
Office Reits	9.82
Real Estate Development	0.62
Retail Reits	31.36
Self Storage Reits	0.62

Risk Statistics

1 Aug 2018 to 31 Jul 2023

Std Dev	24.57
Alpha	-1.31
Beta	0.99
Sharpe Ratio (arith)	0.12
Up Capture Ratio	92.98
Down Capture Ratio	96.26

Top 5 Active Positions

	Portfolio Weight (%)	Benchmark	Active Position (%)
Unibail-rodamco-west	3.94	0.53	3.41
Scentre Group	13.98	11.29	2.69
Carindale Prop Trst	2.50	0.00	2.50
Gdi Property Group	2.59	0.26	2.33
Aspen Group	1.10	0.00	1.10

Market Commentary

The AREIT market rose in July on optimism that the cash rate is at or near its peak. The Australian economy continues to show resilience with house prices rising and unemployment falling marginally to 3.5%. The June monthly inflation reading fell slightly and the Reserve Bank of Australia (RBA) held the cash rate at 4.10%. Consumer and business confidence both rose but retail sales softened.

The main outperformers for the month included the malls, office owners, Charter Hall Group and Stockland. The outperformance for these stocks was driven by investors buying recent underperformers on the belief that the RBA has reached the peak of its interest rate hiking cycle. This group of outperformers included Vicinity, Charter Hall, Region, Scentre and Dexu. Charter Hall and Stockland are also expected to benefit from a falling interest rate environment.

Fund Commentary

The Fund produced a solid return of 4.08% in July which was ahead of the strong index return. For the 12 months to 31 July 2023, the Fund has produced a positive absolute return which is ahead of the negative index return.

The main positive contributors included the overweight to Unibail and Scentre which are generally oversold and perceived as beneficiaries of falling interest rates.

Underweight positions that contributed positively included National Storage and Goodman Group. National Storage underperformed due to switching into Abacus Storage. Fund manager, Goodman Group, fell as investors sought out less expensive names.

The main detractors from performance included the overweight in Carindale which interestingly underperformed even though all the other mall trusts outperformed. The stock has relatively low liquidity which may explain the price fall in July.

Underweight positions in Region and Rural Funds detracted. Both names outperformed as investors bought previous underperformers as they see the interest rate environment changing.

* 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 an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.00%.

Past performance is not a reliable indicator of future performance.

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