

Martin Currie Property Securities Fund

SEP 2022 | Commentary

Investment objective

The Fund aims to earn an after-fee return in excess of the Benchmark over rolling three-year periods.

Performance (%)

	1 mth	3 mths	1 yr	3 yrs pa	5 yrs pa
Fund (net)	-13.24	-7.10	-21.01	-4.39	0.94
Benchmark	-13.56	-6.88	-21.12	-4.61	3.08

Fund details

Inception date	September 1998
Benchmark	S&P/ASX 300 A-REIT Accumulation Index
ISIN	AU60SSB01288
APIR	SSB0128AU

Calendar year performance (%)

	2021	2020	2019	2018	2017
Fund (net)	25.47	-4.05	19.61	-6.91	7.31
Benchmark	27.03	-3.96	19.57	3.27	6.44

Monthly review

What happened in the market?

The listed real estate market was down -13.6% in September (as measured by the S&P/ASX 300 A-REIT Accumulation Index). In comparison, the Australian equity fell -6.2% in September (as measured by the S&P/ASX 200 Accumulation Index). All A-REIT subsectors were down, with healthcare and industrials falling the most, while diversified and office held up best in September.

What happened in the Fund?

The Fund fell 13.2% in September, in comparison the benchmark was down 13.6%. At the stock level, overweight positions in Aspen Group, Abacus Property group and Digital Core REIT Management were largest contributors to relative outperformance in September. On the other side, this was offset by underweight positions in GPT Group and Mirvac Group which were the largest detractors from relative performance in September.

Over the September quarter, the Fund fell 7.10%, while in comparison the benchmark fell 6.88% over the quarter. At the stock level, overweight positions in Aspen group and Centre Group were positive contributors to performance over the September quarter, while underweight positions in Dexus Property Group and Arena REIT were also accretive to performance. On the other side, underweight positions in Charter Hall Group and Mirvac Group were detractors from relative performance over the September quarter. While overweight positions in Yuexiu Transport Infrastructure and GDI Property Group also detracted from relative performance over the quarter.

In terms of sub-sector weights relative to the benchmark, the Fund retains a relative overweight to residential REITs, Retail REITs and Hotels & Healthcare REITs and an underweight to commercial Real Estate and Industrial REITs.

Highlights

- Invests in a diversified portfolio of listed property or related securities trading below intrinsic values
- Focused on replacement cost rents and securities with sustainable cash flows
- Dedicated local team with deep knowledge of A-REIT markets enables research insights to be captured and implemented quickly and consistently

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Martin Currie

Martin Currie, our global equity specialist manager, has had a presence in Australia since 1954. Today Martin Currie is a leading provider of active equity solutions in Australia, managing a growing suite of equity, multi-sector and tailored strategies across a common investment research platform.



Ratings

Qualitative



Meet the team

Martin Currie's investment process draws on a wide range of proprietary fundamental and quantitative research metrics. The Fund benefits from the close collaboration of the well-resourced and experienced team that includes Ashton Reid and Andrew Chambers.



Ashton Reid, CPA, CFA
Portfolio Manager
With firm since 1998



Andrew Chambers, CA
Portfolio Manager
With firm since 2011

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