

Fund Profile

Antares Listed Property Fund

June 2021



Fund description and investment return objective

The Fund is an actively managed portfolio that primarily invests in property securities that are listed (or expected to be listed) on the Australian share market. The Fund may also invest in listed Australian companies that operate in the property industry such as listed property development and funds management companies, as well as listed infrastructure companies, where the income and assets are property-related in nature.

The Fund's objective is to outperform the Benchmark (after fees) over rolling five-year periods.

Fund commentary

The Antares Listed Property Fund delivered a return of 6.2% (net of fees) for the month of June 2021, ahead of the benchmark S&P/ASX 200 AREIT Total Return Index which increased by 5.5% during the month.

All sectors posted increases, led by Industrial AREITs (+9.4%) followed by Diversified AREITs (+5.7%), Office AREITs (+3.7%) and Retail sector AREITs (+2.0%).

An overweight position in Goodman Group (GMG), an underweight position in National Storage RET (NSR) and not owning Charter Hall Long WALE (CLW) contributed to performance. Detracting from performance were overweight holdings Hotel Property Investments (HPI), Transurban (TCL) and Peet (PPC).

Our security selection and portfolio construction process continue to be driven by our proprietary, bottom up research. For the A-REITs, this analysis focuses on the fundamental factors of earnings growth, portfolio quality, management, balance sheet strength and valuations. We are also very focussed on supply constraints within the property sub-sectors and especially for the properties held by A-REITs in our portfolio. In general, we continue to be concerned about the supply of space in office markets and select industrial markets, as well as increasing competition in retail from the online shift. We believe our focus and strategy to own high quality assets and businesses that can deliver solid earnings growth will serve us well over the medium term. First and foremost, our preference remains for well managed physical asset owners with relatively better-quality assets that could demonstrate solid earnings growth – GPT, Mirvac, TCL and GMG. In addition, we expanded our exposure to capital light funds management model through Charter Hall Group (CHC) and we remain positive on select small cap REITs – Ingenia, Hotel Property Investment and Waypoint REIT.

Fund facts

Inception date:	28 February 1994
Fund size at 30 June 2021:	\$24.0m
Benchmark:	S&P/ASX 200 A-REIT Total Return Index
Investment timeframe:	At least 5 years
Relative risk:	High
Relative return¹:	High

Top 10 share holdings

as at 30 June 2021 (alphabetical order)

- Charter Hall Group
- Dexus
- Goodman Group
- GPT Group
- Ingenia Communities Group
- Mirvac Group
- Scentre Group
- Shopping Centres Australasia Property Group
- Stockland
- Waypoint REIT

Investment returns as at 30 June 2021¹

Period	1 month	3 months	1 year	3 years pa	5 years pa	7 years pa	10 years pa	Since inception pa
Net return² %	6.2	11.2	32.8	5.1	3.9	8.6	10.4	7.8
Gross return ³ %	6.2	11.4	33.8	5.8	4.7	9.4	11.2	8.6
Benchmark return %	5.5	10.5	33.2	7.7	5.8	10.3	11.8	7.7
Net excess return %	0.7	0.7	-0.4	-2.6	-1.9	-1.7	-1.4	0.1
Gross excess return %	0.7	0.9	0.6	-1.9	-1.1	-0.9	-0.6	0.9

¹ Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this document.

² Investment returns are based on exit prices, and are net of management fees and assume reinvestment of all distributions.

Investor profile

This Fund is designed for investors who wish to benefit from the returns and diversification benefits provided by listed property and property related securities. Returns from listed property can comprise both distribution of income and capital growth, and are mainly derived from the Fund's investments in listed securities. The types of securities may include Listed Property Trusts, Real Estate Investment Trusts, property development and funds management companies, as well as infrastructure companies, where the income and assets are property related in nature. Investors should also be comfortable with potential fluctuations in capital values in the short to medium-term.

Investment details

Minimum investment:	\$20,000
Minimum additional investment:	\$5,000
Distribution:	Quarterly
Entry fee:	Nil
Exit fee:	Nil
Management fee⁴:	0.72% pa of the Fund's net asset value (including GST net of Reduced Input Tax Credit)

⁴ Certain sophisticated and professional investors or wholesale clients (as defined in the Corporations Act 2001 (Cth)) may be able to negotiate this fee by contacting Client Services.

Investment guidelines and ranges

	Minimum	Benchmark Allocation	Maximum	As at 30 Jun 21
Australian shares	90%	100%	100%	99%
Cash and cash equivalents	0%	0%	10%	1%

Distribution history ⁵

Quarter end	Cents per unit
30 June 2021	71.06
31 March 2021	0.00
31 December 2020	0.00
30 September 2020	0.00
30 June 2020	76.73
31 March 2020	12.47
31 December 2019	55.64
30 September 2019	20.53
30 June 2019	61.79
31 March 2019	25.47
31 December 2018	35.42
30 September 2018	18.69
30 June 2018	298.58
31 March 2018	60.66
31 December 2017	27.20
30 September 2017	38.42
30 June 2017	378.83
31 March 2017	65.74
31 December 2016	73.30
30 September 2016	29.16

⁵ Distribution rates have been rounded to two decimal places. As a result, the actual payment rate may differ slightly to the rates listed above.

Tax-deferred levels⁶

Year end	
30 June 2021	0.00%
30 June 2020	5.94%
30 June 2019	13.35%
30 June 2018	8.10%
30 June 2017	5.78%

⁶ Tax-deferred levels are calculated by dividing the Total Deferred Income (cpu) by the total cash distribution(cpu).

About Antares

Antares Equities (Antares) is a specialist Australian equities manager. Since 1994, Antares has managed portfolios for wholesale, advised and direct investors through a suite of products including segregated mandates, investment funds and managed account models. Antares has A\$5.5 billion (at 30 June 2021) under advice across a range of strategies including large capitalisation, concentrated, property, income and long-short. Antares believes in bottom-up stock picking. A consistent process and detailed, quality research executed by a highly experienced, stable and diverse team underpin this approach. The investment philosophy is based on the belief that markets can misprice stocks and these opportunities can be identified using the proven, proprietary Antares research process. Antares Equities is part of Antares Capital Partners Limited (ABN 85 066 081 114, AFSL 234483).

For further information please contact our Client Services Team - Toll Free: 1800 671 849

Important information: Antares Capital Partners Ltd ABN 85 066 081 114, AFSL 234483 ('ACP'), is the Responsible Entity of, and the issuer of units in, the Antares Listed Property Fund ARSN 090 826 592 ('the Fund'). An investor should consider the current Product Disclosure Statement and Product Guide for the Fund ('PDS') in deciding whether to acquire, or continue to hold, units in the Fund and consider whether units in the Fund is an appropriate investment for the investor and the risks of any investment. This report has been prepared in good faith, where applicable, using information from sources believed to be reliable and accurate as at the time of preparation. However, no representation or warranty (express or implied) is given as to its accuracy, reliability or completeness (which may change without notice). This communication contains general information and may constitute general advice. This report does not take account of an investor's particular objectives, financial situation or needs. Investors should therefore, before acting on information in this report, consider its appropriateness, having regard to the investor's particular own objectives, financial situation or needs. We recommend investors obtain financial advice specific to their situation. Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this document. Any projection or other forward looking statement ('Projection') in this report is provided for information purposes only. No representation is made as to the accuracy or reasonableness of any such Projection or that it will be met. Actual events may vary materially. Any opinions expressed by ACP constitute ACP's judgement at the time of writing and may change without notice. ACP is a part of the IOOF group of companies (comprising IOOF Holdings Ltd ABN 49 100 103 722 and its related bodies corporate) ('IOOF Group'). The capital value, payment of income and performance of the Fund are not guaranteed. An investment in the Fund is subject to investment risk, including possible delays in repayment of capital and loss of income and principal invested. Neither ACP nor any other member of the IOOF Group guarantees the repayment of your capital, payment of income or the performance of your investment.