

Fund Summary

OnePath Property Securities Trust

Wholesale

31 December 2020

Fund details

Investment manager	OnePath Funds Management sub-advised by SG Hiscock & Company
Fund code	AJF0803AU
Asset type	Real Estate / Listed
Region	Australia
Fund size	\$2.24 million as at 31 Dec 2020
Commencement date	01 Oct 1993
Distributions	Quarterly

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 200 AREIT Accumulation Index, over periods of three years or more.

Investment strategy

The fund invests predominantly in a diversified portfolio of property securities selected in accordance with a disciplined investment process.

Minimum time horizon

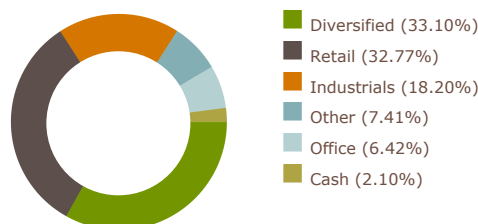
5 years

Standard Risk Measure*

The Standard Risk Measure (SRM) is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20 year period. The SRM for this fund is shown below:



Property sector allocation



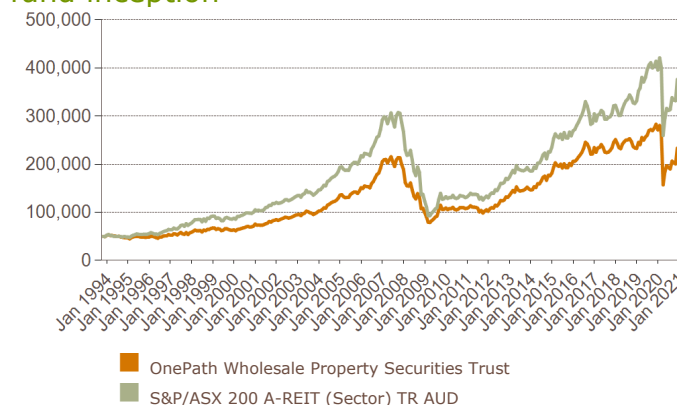
Fund performance

As at 31 Dec 2020

	1 mth %	3 mth %	1 yr %	3 yr % pa	5 yr % pa	7 yr % pa	10 yr % pa
Total Return †	0.41	15.35	-13.75	-2.32	2.59	6.94	8.00
Benchmark ‡	0.42	13.30	-4.61	5.42	6.99	10.69	11.07
Excess Return	-0.01	2.05	-9.14	-7.74	-4.39	-3.75	-3.07
Distribution	0.00	0.02	3.20	3.73	3.68	3.70	4.20
Growth	0.41	15.34	-16.95	-6.05	-1.08	3.24	3.80
Risk (1 Std Dev)	-	-	50.70	29.60	23.81	21.13	18.78
Tracking Error	-	-	8.21	5.75	5.00	4.35	3.75
Info. Ratio	-	-	-1.1	-1.3	-0.9	-0.9	-0.8

Calendar year returns	2020	2019	2018	2017	2016
Total Return †	-13.75	16.59	-7.31	7.09	13.88
Benchmark ‡	-4.61	19.36	2.91	5.72	13.16
Excess Return	-9.14	-2.77	-10.22	1.37	0.72

Growth of \$50,000 invested since fund inception



Top 10 holdings

Security	% of fund
GOODMAN GROUP	17.73%
SCENTRE GROUP	16.03%
STOCKLAND STAPLED	11.18%
VICINITY CENTRES	9.13%
GPT GROUP	7.92%
MIRVAC GROUP	7.10%
PEET LTD	4.36%
UNIBAIL GROUP STAPLED	3.16%
DEXUS PROPERTY GROUP	3.04%
GDI PROPERTY GROUP LTD	2.67%
Total Top 10	82.33%

* For further information on Standard Risk Measures and the calculation methodology used, go to onepath.com.au/personal/performance/product-updates.aspx

† Returns quoted use the unit price which is calculated using the net asset values for the relevant month end. The prices shown may differ from the actual unit price if an investor is applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction on an investor's investment. Please note that all returns are after the deduction of management fees and expenses and assumes all distributions are re-invested. Where applicable, management fees have been deducted at the highest entry fee option rate. No allowance has been made for entry or exit fees.

‡ Benchmark returns should be used for indicative purposes only. These returns may not be a true indication of this Fund's performance against its investment objective.

Fund Summary

OnePath Property Securities Trust

Wholesale

31 December 2020

Market and portfolio review

The S&P/ASX 300 Property Accumulation Index consolidated the jump registered in November, up 0.6% in December, as most of the AREIT sector's participants traded on an Ex-Distribution basis (predominantly for the half) late in the month. Global REITs were the strongest, up 2.5% following their November jump, off the back of the vaccine news. The broader market in Australia (S&P/ASX 300 Accumulation Index) rose 1.3%. A continuation of Australia's relatively better health prospects in managing the Pandemic, continues to lead to an improvement in economic prospects. This was reflected in the 10-Year Bond Yield, which rose another seven bps, finishing at 97 bps. The Australian Real Bond Yield fell 18 bps to negative 80 bps, implying Inflation of ~1.8% (up from the 1.5% in November). Further steepening of the Yield Curve should continue to benefit the cyclical/value names going forward. The Australian Dollar jumped over 3.5 cents, finishing just under US\$0.77, as Iron Ore continues to soar, up ~20% for the month. An ever-weakening US Dollar is also leading to the strong Australian Dollar, much to the chagrin of the Reserve Bank of Australia (RBA).

Future investment strategy

We continue to target Australian Real Estate Investment Trusts (AREITs) that provide solid fundamentals over the medium-to-long-term that are trading attractively relative to other AREITs. Overall we endeavour to invest in entities that offer a combination of:

- ? A Net Present Value ("NPV") Discount;
- ? An Internal Rate of Return ("IRR") Premium;
- ? Ideally a (Real, not manufactured) Free Cashflow Yield Premium; and
- ? A Lower Price to Net Asset Value ("NAV").

OnePath Funds Management Limited (ABN 21 003 002 800 AFSL 23 8342) and OnePath Custodians Pty Limited (ABN 12 008 508 496 AFSL 238346 RSE L0000673) are the issuers of this material. Except as described in the relevant Product Disclosure Statement (PDS), the issuers do not stand behind or guarantee the capital or performance of your investment. Your investment is subject to investment risk, including possible repayment delays and loss of income and principal invested.

This information is current as at 31 Dec 2020 but may be subject to change. Updated information will be available free of charge by contact Client Services on 133 665. The information is of a general nature and does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you should consider the appropriateness of the information, having regard to your needs, financial circumstances and objectives. Past performance is not indicative of future performance. The future value of investments may rise and fall with changes in the market. You should read the relevant PDS available at onepath.com.au and consider whether that particular product is right for you before making a decision to acquire or continue to hold the product.