

The name of the Fund was changed from Resolution Capital Global Property Securities Fund to Resolution Capital Global Property Securities Fund (Managed Fund) on 22 February 2022 to facilitate quotation of the fund on the ASX.

# Resolution Capital Global Property Securities Fund (Managed Fund)

ARSN: 128 122 118 TICKER: RCAP



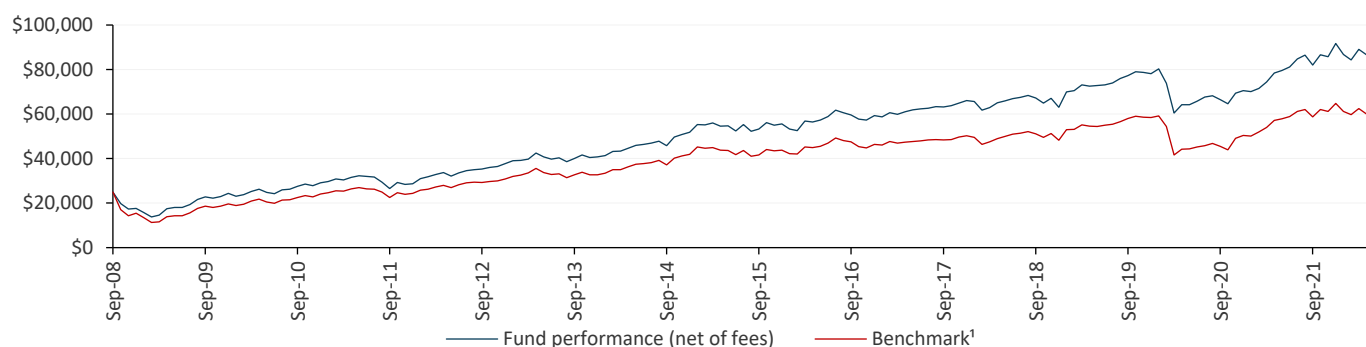
31 May 2022

## Performance Summary

	1 Month %	3 Months %	1 Year %	3 Years p.a. %	5 Years p.a. %	10 Years p.a. %	Since Inception* p.a. %
Fund Return (Net Performance)	-5.96	-3.39	2.40	3.83	5.62	9.76	9.02
Benchmark <sup>1</sup> return	-4.62	-4.14	-1.19	1.65	3.71	7.83	6.24
Value Added (Net Performance)	-1.34	0.75	3.59	2.18	1.91	1.93	2.78

Performance numbers less than one year are cumulative while numbers greater than one year are annualised.  
Past performance is no guarantee of future results.

## Growth of \$25,000 invested Since Inception\*



<sup>1</sup>Benchmark is FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI. Prior to 1 April 2015 the benchmark was UBS Global Real Estate Investors Index (AUD Hedged) Net TRI. Past performance is no guarantee of future results.

Source: Resolution Capital

Investors who apply for units directly with the Responsible Entity may pay a different price per unit to an investor who purchases those units on the ASX at the same time, and such differences may have a material impact on the performance of that investment. The above performance reflects the performance of the Fund where units are purchased and redeemed directly with the Responsible Entity only.

## Fund Details

<b>APIR code</b>	WHT0015AU	<b>Management Fee</b>	0.80% p.a.
<b>Benchmark</b>	FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI	<b>Performance Fee</b>	20% of outperformance above the benchmark
<b>ARSN Code</b>	128 122 118	<b>Buy/Sell Spread<sup>2</sup></b>	+0.20%/-0.20%
<b>*Inception Date</b>	30 September 2008	<b>Distribution Frequency</b>	Quarterly
<b>RCAP Listing Date</b>	22 February 2022	<b>No. of Stocks</b>	Generally 30 to 60
<b>Fund Size</b>	\$2,181.0 Million	<b>Platform Availability</b>	<a href="https://rescap.com/globalfund">https://rescap.com/globalfund</a>
<b>NAV per Unit</b>	\$1.85	<b>Minimum Investment<sup>2</sup></b>	\$25,000

<sup>2</sup>only applicable for investors who apply for units directly with the Responsible Entity

## Investors can buy or sell units on the ASX

<b>Ticker</b>	RCAP
<b>Exchange</b>	ASX
<b>Trading Currency</b>	Australian Dollar
<b>iNAV Provider</b>	Solactive
<b>Market Maker</b>	Citigroup Global Markets Australia
<b>Pricing</b>	Intra-day

## Market pricing information on RCAP

	Ticker	iNAV Ticker
Bloomberg	RCAP AU Equity	RCAPAUIV
Reuters/Refinitiv	RCAP.AX	RCAPAUDINAV=SOLA
IRESS	RCAP.AXW	RCAPAUDINAV

## Top 5 Weights

Security Name	%
Prologis	6.57
Welltower	6.04
Kimco Realty Corporation	5.02
Invitation Homes	5.01
Equinix	4.37

## Top 5 Contributors

Security Name	%
Switch	0.17
Assura	0.11
Sun Hung Kai Properties	0.08
Mitsubishi Estate Company	0.07
Link REIT	0.05

## Bottom 5 Contributors

Security Name	%
Prologis	-1.83
Essex Property Trust	-0.71
Rexford Industrial Realty	-0.62
Public Storage	-0.45
Kimco Realty Corporation	-0.42

## Market Commentary

The FTSE EPRA/NAREIT Developed Index (AUD Hedged) produced a total return of -4.6% for the month ended 31 May 2022. Hong Kong was the best performing region, with a total return of 2.6% in local currency terms. The U.S. was the worst performer with a -6.3% total return in local currency terms.

In APAC, the performance of China and Hong Kong diverged as the former felt the impact of restrictive Covid lockdowns. Hong Kong had less onerous restrictions and has recovered more quickly. In Hong Kong, retail occupancy and sales are once again improving.

On a sectoral basis, all but one sector posted negative returns in May as central banks continued to raise interest rates and the likelihood of a global economic slowdown grew. Healthcare was the notable exception with a positive return for the month. We attribute this to the expectation that healthcare related real estate is viewed as defensive and less sensitive to an economic slowdown.

Energy prices and supply uncertainties dominate the headlines as the Russia-Ukraine conflict entered a fourth month. Industrial REITs underperformed which was largely attributed to Amazon's decision to sublet excess warehouse space after the ecommerce behemoth acknowledged that it had excess capacity after rapidly expanding its footprint over the past two years. Hotel REITs performed better than other sectors with several hotel REITs reporting improved trading conditions.

Public markets real estate merger and acquisition activity remained active during the month including:

- In the data centre sector, DigitalBridge Group (DBRG) agreed to acquire portfolio holding Switch (SWCH) for \$34.25 per share, an 11% premium to SWCH's unaffected share price.
- Leading logistics REIT Prologis (PLD) made public its unsolicited offer to acquire smaller rival Duke Realty (DRE) in an all-stock deal that valued DRE at ~\$24bn. The proposed deal price represents a 29% premium to DRE's stock price. DRE's board rejected the proposal as being insufficient.
- Deutsche-Euroshop (DEQ) agreed to be acquired by Oaktree and Alexander Otto, DEQ's largest shareholder, for circa €4bn, cash. DEQ is a German-listed shopping centre landlord and the deal price represents a 44% premium to DEQ's share price, and a 42% discount to reported NAV.
- Capital & Counties (CAPC) and Shaftesbury (SHB) announced discussions for an all-script merger that will create a £6.5bn Central London, predominantly retail company. CAPC already owns 25% of SHB. The negotiations have not concluded yet.
- LXI REIT PLC (LXI), a UK based diversified REIT, made a cash + stock offer to merge with Secure Income REIT (SIR) for £2.3bn. Secure Income is also a UK based diversified REIT. The proposed deal price represents a ~13% premium to SIR's unaffected share price. The combination would create a £3.9bn portfolio comprised of 346 assets across the UK.

Notable real estate transaction included:

- Office REIT Boston Properties (BXP) continued its expansion in Seattle with the \$730m acquisition of Madison Centre. The 37 storey asset, 760k sq. ft. of Class A office space is currently 93% leased.
- Cofinimmo (COFB), a healthcare REIT, announced the sale of three office assets in Brussels for €52m, with closings expected in 2023 and 2024. These transactions continue the company's strategy of divesting office assets and focusing on healthcare.
- In the UK, Student Roost, a £3.3bn student housing portfolio was sold by Brookfield (BAM) to GIC, a sovereign wealth fund, and Greystar. The portfolio includes 21k beds with an imputed value of ~£155k/bed.
- Also in student housing, Xior Student Housing (XIOR), a Belgium based REIT, agreed to acquire a €939m portfolio that consists of 5,000 units across Europe.

## Contact Us

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Links to the Product Disclosure Statement: [WHT0015AU](#)

Links to the Target Market Determination: [WHT0015AU](#)

For historic TMD's please contact Pinnacle client service Phone 1300 010 311 or Email [service@pinnacleinvestment.com](mailto:service@pinnacleinvestment.com)

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