

# Fund Summary

## OnePath Property Securities Trust

### Wholesale

31 December 2022

#### 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	\$0.83 million as at 30 Dec 2022
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

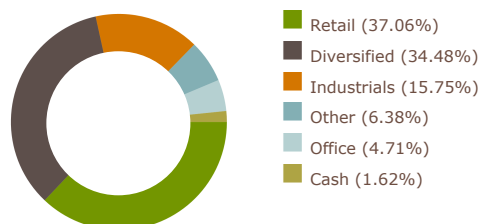
5 years

#### 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



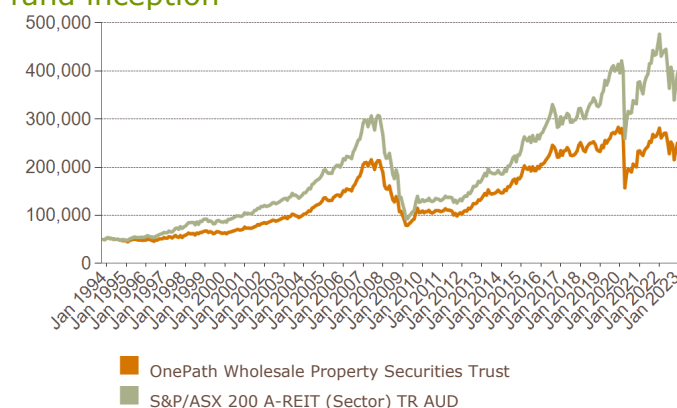
#### Fund performance

As at 31 Dec 2022

	1 mth %	3 mth %	1 yr %	3 yr % pa	5 yr % pa	7 yr % pa	10 yr % pa
Total Return †	-3.37	12.20	-13.96	-3.76	-0.74	2.33	5.98
Benchmark ‡	-4.09	11.50	-20.46	-1.45	3.29	4.99	8.14
Excess Return	0.72	0.70	6.50	-2.30	-4.03	-2.66	-2.17
Distribution	0.46	0.53	1.54	2.41	3.03	3.18	3.28
Growth	-3.83	11.67	-15.50	-6.17	-3.78	-0.85	2.69
Risk (1 Std Dev)	-	-	25.57	32.56	25.87	22.57	19.97
Tracking Error	-	-	3.53	5.70	5.18	4.74	4.11
Info. Ratio	-	-	1.8	-0.4	-0.8	-0.6	-0.5

Calendar year returns	2022	2021	2020	2019	2018
Total Return †	-13.96	20.14	-13.75	16.59	-7.31
Benchmark ‡	-20.46	26.14	-4.61	19.36	2.91
Excess Return	6.50	-6.00	-9.14	-2.77	-10.22

#### Growth of \$50,000 invested since fund inception



#### Top 10 holdings

Security	% of fund
SCENTRE GROUP	16.75%
GOODMAN GROUP	15.55%
STOCKLAND STAPLED	11.76%
VICINITY CENTRES	9.61%
MIRVAC GROUP	6.69%
GPT GROUP	5.03%
CHARTER HALL GROUP	4.47%
PEET LTD	4.16%
UNIBAIL GROUP STAPLED	3.13%
INGENIA COMMUNITIES GROUP	2.56%
<b>Total Top 10</b>	<b>79.71%</b>

\* For further information on Standard Risk Measures and the calculation methodology used, go to [onepath.com.au/personal/performance/product-updates.aspx](http://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 2022

### Market and portfolio review

The S&P/ASX 300 AREIT Accumulation Index rebounded in October, up 9.9% as investors returned to the interest rate sensitive sectors, given the belief that interest rate increases are nearing their cyclical peaks (both domestically and globally). The RBA's surprising 25 bps increase in October was followed-up with another 25 bps on Cup Day, despite increasing inflation forecasts for Australia, not falling back to the 2% to 3% band until 2025 at the earliest. All sub-sectors were positive for the month but office barely so, as the cyclical and structural headwinds take hold. Domestically, the performance was driven by the ten-year bond yield falling 13 bps, to 3.76%. This was only after reaching an intra-month high of 4.20%. Crucially, real interest rates dropped 37 bps, finishing at 1.37%. Implied inflation expectations regained the 24bps it dropped in September, back to 2.38%. As stated last month, this is a "low figure implying a lower inflationary period in comparison to the last decade, which was an extraordinarily low inflationary era. This is counterintuitive to both the domestic and global outlook suggesting a continued and entrenched higher inflationary environment over the medium-term before current inflation figures reach their target levels". The Australian Dollar was down slightly, finishing under US\$0.64. Global REITs underperformed the AREITs, delivering 3.1%, with the retail sub-sector leading the way. The general market (via the S&P/ASX 300 Accumulation Index) rose 6.0%. Financials and Energy were the other outperforming sectors for the month, whilst Materials and Consumer Staples finished down.

### Future investment strategy

The Fund continues 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 2022 with the commentary current for the most recent quarter end (eg. March, June, Sept or Dec) however in some cases may be applicable for the preceding month or quarter end. 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](http://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.