

Australian Property Securities Fund

Fund Focus - December 2023



Investment Strategy

The Fund invests in a range of listed property securities, spread primarily across retail, commercial, industrial and residential property sectors.

Portfolio Characteristics

Funds Under Managemen..	\$330.76m
Number of Holdings	32
Turnover Ratio %	8.210
Latest Distribution Date	31 December 2023
Latest Distribution Amount	0.0480
Benchmark	S&P/ASX 300 AREIT Accumulation Index

Fund Facts

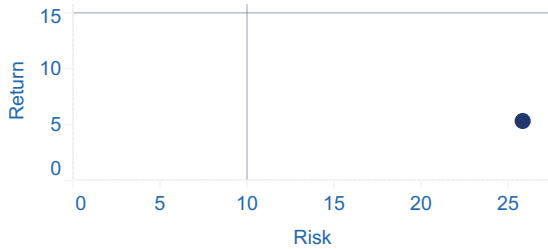
APIR Code	ZUR0064AU
Inception Date	28 February 2000
Total Est. Management Cost %	0.81
Est. Transactional Op. Cost %	0
Buy/Sell Spread %	0.30
Distribution Frequency	Quarterly
Underlying Fund Manager	Renaissance Property Securities Pty Ltd

Fund Performance After Fees

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.39	0.41	2.30	2.50	2.71	5.90
Growth	10.62	16.54	15.08	3.43	2.69	1.38
Total	11.01	16.94	17.39	5.93	5.40	7.28
Benchmark	11.40	16.50	16.90	5.88	6.39	6.95

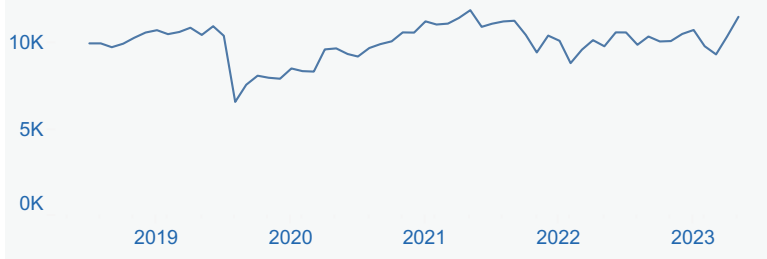
Risk Reward

1 Jan 2019 to 31 Dec 2023



Investment Growth (\$10,000)

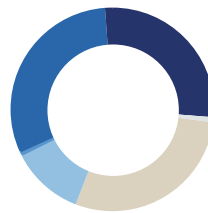
1 Jan 2019 to 31 Dec 2023



Top 10 Holdings (%)

	Weight	Benchmark
Goodman Group	26.91	31.19
Scentre Group	13.30	11.07
Stockland	7.53	7.58
Vicinity Centers	6.35	5.63
Mirvac Group	5.39	5.88
Gpt Group	5.28	6.34
Dexus	5.21	5.89
Charter Hall Group	4.69	4.06
Unibail-rodamco-west	3.85	0.54
Gdi Property Group	2.74	0.25

Portfolio Equity Sectors (%)



Diversified REITs	25.36
Health Care Reits	0.30
Hotels Resorts & Cruise Lin..	0.47
Industrial Reits	27.88
Multi-Family Residential Re..	1.59
Office Reits	9.78
Real Estate Development	0.57
Retail Reits	29.61
Self Storage Reits	1.09

Risk Statistics

1 Jan 2019 to 31 Dec 2023

Std Dev	25.80
Alpha	-0.83
Beta	0.99
Sharpe Ratio (arith)	0.21
Up Capture Ratio	94.18
Down Capture Ratio	95.42

Top 5 Active Positions

	Portfolio Weight (%)	Benchmark	Active Position (%)
Unibail-rodamco-west	3.85	0.54	3.31
Gdi Property Group	2.74	0.25	2.49
Carindale Prop Trst	2.36	0.00	2.36
Scentre Group	13.30	11.07	2.23
Aspen Group	1.02	0.00	1.02

Market Commentary

The AREIT market experienced a significant growth during the December quarter, primarily driven by declining bond yields. This favourable trend particularly benefited interest-sensitive sectors like REITS.

In terms of monetary policy, the Reserve Bank of Australia (RBA) raised the cash rate in November but maintained stability in October and December. During the December meeting, the RBA emphasised that future rate adjustments will be contingent on data trends and a comprehensive assessment of risks.

In terms of economic indicators, the gross domestic product for the third quarter showed a slight increase compared to the previous quarter. Simultaneously, the unemployment rate rose from 3.8% to 3.9% due to a higher participation rate. Business confidence and conditions declined in November, while consumer confidence experienced a rise in December.

Fund Commentary

The Fund produced a stellar return in the December quarter and was ahead of the impressive index return. For the 12 months to 31 December 2023, the Fund is also ahead of the noteworthy index return.

Positive contributors to performance in the quarter included overweights to the malls (Unibail, Scentre and Vicinity), GDI and Charter Hall Group. The three mall stocks outperformed on the back of strong quarterly sales and rental growth. Unibail also benefited from falling bond yields, taking pressure off its balance sheet, and improving its ability to divest its US assets. GDI rebounded along with several of the other office names. Charter Hall Group benefited from falling bond yields and the market's assumption that falling rates will improve the outlook for transactions and FUM growth.

Underweight positions that contributed positively to performance included National Storage, Bunnings, and Mirvac. National Storage was relatively expensive and has generally outperformed during market weakness, leading to underperformance when the market rallies. Bunnings is closer to fair value and not perceived to have benefited as much from falling bond yields. Mirvac underperformed on the back of softening office markets, and it was negatively impacted by soft residential sales.

Overweight positions that detracted from performance in the quarter included Carindale and Aspen. These stocks are small caps names which typically get left behind in strong market rallies.

Underweight positions that detracted included Goodman Group which outperformed in the quarter as the market prefers the company's exposure to industrial, and now data centres, relative to the more traditional sub-sectors.

* Performance returns quoted are compound rates of return calculated on exit prices and assume reinvestment of distributions. Returns are calculated net of all ongoing fees and any taxes payable by the fund. Total return includes both growth and distribution returns. Growth return is the change in exit price over the relevant period. The benchmark return shown is a gross return. Please note that figures shown are rounded to one decimal place, therefore some rounding errors may occur.

^ The Estimated Total Management Cost of 0.81% includes an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.00%.

Past performance is not a reliable indicator of future performance.

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