

# Listed Property TAMIM Property Fund

At 31 August 2022



The Tamim Listed Property unit class delivered a -2.83% return for the month of August 2022. REITs in Australia continue to have a difficult time as interest rate expectations reset globally.

## Australian Portfolio:

Global markets are having a tough time in 2022 and Real Estate has not been spared. There has simply been no place to hide. A-REITs were down for the month by -3.55% after posting a short-lived comeback in July 2022. The Australian Portfolio returned -3.24% for the month, slightly beating the A-REIT index.

Volatility in equity markets continues and contrary to the previous month where A-REITs outperformed the ASX 200 by 6.18%, the A-REIT market underperformed the ASX 200 by -4.72% in August 2022. On 6 September 2022, the RBA's Philip Lowe raised rates for the 5th consecutive month. The Australian inflation rate is not as high as some other developed market countries such as the US and the UK, leading to expectations that Australian interest rates will not peak as high as those in other countries.

The current cash rate is 2.35%, which is close to neutral and almost in line with the set target rate. There are, however, further rate hikes expected over the coming months. We believe there will be a 25bp hike in each of October and November, followed by an extended pause. The Australian unemployment rate is at its lowest level since 1974 at 3.4%. The economy is also performing robustly with 2Q GDP growing at 0.9% quarter on quarter. The annual growth rate of the economy is 3.6% year-on-year.

The 3 office REITs in the Australian Portfolio came in with the worst returns for the month, returning on average -8.20%. The largest contribution to the portfolio came from a Retail REIT, Scentre Group (SCG) who delivered a contribution of 0.22% to the portfolio return. The largest absolute return came from Charter Hall Group (CHC) which delivered +5.95% for the month. Our largest position (7.19%) in National Storage REIT (NSR) returning -1.58% contributed to the portfolio's relative outperformance.

The current Australian component of the portfolio consists of twenty-two stocks. The top five holdings are as follows:

COMPANY	Sector	Current Weight
Vicinity Centres	Retail REITs	8.08%
National Storage REIT	Storage REITs	7.19%
Centuria Industrial	Industrial REITs	6.60%
Shopping Centres Australasia	Retail REITs	5.56%
Scentre Group	Retail REITs	5.46%

Australian Performance Contributors:	
Scentre Group	0.22%
Charter Hall Group	0.17%
Eureka Group Holdings	0.07%

## Key Facts

<b>Investment Structure:</b>	Unlisted unit trust
<b>Minimum investment:</b>	A\$100,000
<b>Applications:</b>	Monthly
<b>Redemptions:</b>	Monthly, with 30 days notice
<b>Unit pricing frequency:</b>	Monthly
<b>Distribution frequency:</b>	Quarterly
<b>Management fee:</b>	0.98% p.a.
<b>Lock up period:</b>	Nil
<b>Buy/Sell Spread:</b>	+0.25%/-0.25%
<b>Exit fee:</b>	Nil
<b>Administration &amp; expense recovery fee:</b>	Up to 0.25%

## NAV

	Buy Price	Mid Price	Redemption Price
<b>AU\$</b>	\$0.9189	\$0.9166	\$0.9143

March Quarter 2022 Distribution: 1.4 cents

## Portfolio Performance

Inception: 12/7/2021	1 m	6 m	12 m	Since inception (p.a.)
<b>Listed Property</b>	-2.83%	-6.74%	-7.89%	-5.23%
<b>Cash</b>	0.15%	0.38%	0.43%	0.43%

Note: Portfolio returns are quoted net of fees. Returns shown for longer than 1 year (other than "Since inception (total)") are annualised. The information provided in this factsheet is intended for general use only. The information presented does not take into account the investment objectives, financial situation and advisory needs of any particular person nor does the information provided constitute investment advice. Under no circumstances should investments be based solely on the information herein. Please consider our Information Memorandum and Services Guide before investing in any of our products. Past performance is no guarantee of future returns. Returns displayed in this document are unaudited. For wholesale and sophisticated investors only. Cash refers to the return on the RBA cash rate.

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## Global Portfolio:

The global REIT market remains under pressure and the narrative of rising interest rates and soaring inflation is still the main theme in global markets. The global portfolio came in with a negative return for the month of -4.58%, in line with the benchmark return of -4.55%.

The US Federal Reserve's Jerome Powell has assumed an aggressive stance to curb CPI which is at 8.3%. Globally, we are expecting more rate hikes at least to the end of the year. One of the main drivers in global inflation is the cost of energy. Russia has threatened to cut off gas supplies to Europe for countries who impose price caps on Russian gas. This has heightened tensions in the area and raised more uncertainty in the markets.

General equities came in with a return of -2.43% outperforming Global REITs which came in with a return of -4.55% during the month of August. The global view highlighted by central banks around the world on raising interest rates to curb inflation has had a significant impact on REITs during the month.

US storage in specific has been the main driver in positive returns in the portfolio for the month. This is seen as a defensive sector in trying economic times and has delivered on that view in August. The greatest detractor to performance was European Industrial which continued to struggle with the economic environment and uncertainty leading up to the winter in the northern hemisphere. The US healthcare sector also had a dismal month compared to other sectors.

The global component of the TAMIM Property Fund: Listed Property portfolio currently consists of fifty stocks. The top five holdings are as follows:

COMPANY	Sector	Current Weight
Prologis	Industrial	4.53%
Public Storage	Storage	3.77%
Duke Realty	Industrial	3.73%
Boardwalk REIT	Residential	3.70%
VGP NV	Industrial	3.42%

Global Performance Contributors:	
Extra Space Storage	0.11%
Public Storage	0.10%
VNET Group	0.04%

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