

Listed Property TAMIM Property Fund

At 31 January 2022



January reversed the positivity of December, and most markets saw substantial declines. Australian REITs fell by -9.52% drastically underperforming the ASX300 which fell -6.45%.

Australia

Over the month the TAMIM Australian portfolio holdings outperformed the ASX 200 A-REIT index, falling by -6.66% vs -9.52%. Global portfolio holdings, which were down -3.03%, slightly outperformed the GPR 250 R Index which fell -3.17% in AUD terms.

Fears of central bank hikes have spooked the market and, while we remain comfortable that inflation remains a positive contributor to REIT returns, the general market remains skittish and will most likely continue to be so until the trajectory of hikes in Australia and other major markets becomes clearer.

On the economic data side, there was continuing positive news as Australia's unemployment rate fell to 4.2% in December, the lowest level since 2008. Less positive was that headline inflation was up 3.5% year on year while underlying inflation was up 2.6% year on year, the highest since 2014. It is highly likely that the RBA will hike rates before the second half of 2022.

The 10-year AU yield rose 0.23% in January, closing at 1.90%.

On the positive side, at the end of January one of the fund's largest holdings, Irongate, received a non-binding, indicative proposal from a Charter Hall managed partnership (comprised of Dutch pension fund PGGM and Charter Hall) to acquire, by way of an agreed trust scheme, all of the stapled securities in IAP for A\$1.90 cash per IAP stapled security. The offer saw the IAP shares +17.52% from the previous day's close.

The current Australian portfolio component consists of 21 stocks, and the top 5 holdings are as follows:

COMPANY	Sector	Current Weight
Irongate Group	Diversified REITs	8.01%
Centuria Industrial	Industrial REITs	7.62%
National Storage REIT	Storage REITs	6.85%
Vicinity Centres	Retail REITs	6.72%
GPT Group	Diversified REITs	6.41%

Australian Performance Contributors:	
Irongate Group	0.54%
Eureka Group	-0.07%
Cromwell Property	-0.09%
BWP Trust	-0.12%
Charter Hall Long WALE	-0.16%

Key Facts

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

NAV

	Buy Price	Mid Price	Redemption Price
AU\$	\$1.0175	\$1.0149	\$1.0124

Portfolio Performance

Inception: 12/7/2021	1 m	3 m	6 m	Since inception (total)
Listed Property	-4.75%	1.04%	1.50%	1.79%
Cash	0.01%	0.02%	0.05%	0.10%

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

January saw all global sectors decline in value, but there was a differentiation in terms of decline. Retail, as in January last year, was the best performer relatively. Whereas last year's strong performers, especially self-storage and industrial, saw the largest declines.

On a regional level (in local currency terms), Asia was the top performer (-1.9%) versus Europe (-2.4%), North America (-6.3%), and Oceania (-7.1%).

Earnings releases during the month continued the positive trend that we saw last year. Prologis, released another set of exceptional returns, and logistics and warehousing looks set to deliver another year of exceptional results despite the selling of the sector that we saw in January. We view this as overdone and devoid of financial rationale.

Global property will likely continue to remain under pressure until the market sees clarity as to the actual velocity of US rate hikes. We remain comfortable with the ability of global REIT balance sheets to cope with rate hikes. Company debt levels, interest expense ratios, and debt maturity periods are arguably better placed than at any period in the history of REITs.

The TAMIM global property portfolio consists of 43 stocks and the top 5 holdings are as follows:

COMPANY	Sector	Current Weight
Prologis	Industrial	8.06%
VGP NV	Industrial	5.75%
Simon Property Group	Retail	4.30%
Public Storage	Storage	3.56%
VNET Group	Datacentre	3.36%

Global Performance Contributors:	
Klepierre	0.31%
Mitsui Fudosan	0.20%
Vonovia	0.15%
Ventas	0.11%
Boardwalk Real Estate	0.11%

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