

Listed Property TAMIM Property Fund

At 31 May 2022



May was a month of significant pressure on both A-REITs and Global REITs. Reversing the situation we saw last month, Australian REITs significantly underperformed general equities with the ASX 200 returning -2.60% compared to Australian REITs -8.73%.

The TAMIM Property Fund: Listed Property portfolio's Australian REIT holdings outperformed the ASX 200 A-REIT index, falling -7.11% vs -8.73%. Unfortunately, the global portfolio was down by -7.10%, underperforming the GPR 250 R Index which fell by -5.99% in AUD terms.

The month saw Australia's 10-year bond rate continuing to rise, peaking at 3.60% but the rate did pull back during the second half of the month ending at 3.35%. It might be too soon to call stability with the current macroeconomic and geopolitical situation likely to persist for some time still.

On the REIT earnings side, the month did see several A-REITs who reported results or operational updates posting robust numbers during the period. In particular, Retail REIT results were especially encouraging. Unfortunately, industrial names such as Goodman (GMG.ASX) and Centuria (CIP.ASX) were caught up in the global warehouse and logistics property sell off due to Amazon (AMZN.NASDAQ) reporting a loss and indicating a pullback in their warehouse operations. As with Europe, we see the logistics sector in Australia as still having some way to grow and think the selloff was overdone. Goodman did see an improvement towards the end of the month, but Centuria is still languishing.

On a further negative note, Australian property transactions have shown a slowdown in May with \$2.2bn in transactions occurring compared to the 12-month average of \$3.8bn. Buyers and sellers appear quite far apart on expected and realisable values; properties For Sale are up to \$18.3bn but completed sales are languishing.

Until global geopolitical and macroeconomic stability starts to emerge, we maintain that the outlook for the rest of Q2 is one of persistent volatility. Australia may be a beneficiary of geopolitical safe haven status and there may be potential AUD strengthening as the year continues. We will continue to closely monitor how the global market situation, and its impact on Australia, progresses.

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

COMPANY	Sector	Current Weight
Irongate Group	Diversified REITs	8.52%
Vicinity Centres	Retail REITs	7.69%
Centuria Industrial	Industrial REITs	7.11%
National Storage REIT	Storage REITs	6.94%
Shopping Centres Australasia	Office REITs	5.89%

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\$	\$0.9476	\$0.9452	\$0.9428

March Quarter 2022 Distribution: 1.4 cents

Portfolio Performance

Inception: 12/7/2021	1 m	3 m	6 m	Since inception (total)
Listed Property	-5.95%	-4.72%	-6.24%	-3.88%
Cash	0.037	0.05%	0.07%	0.15%

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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Australian Performance Contributors:	
Irongate Group	0.14%
Vicinity Centres	0.09%
BWP Trust	-0.02%
Stockland	-0.12%
HomeCo Daily Needs	-0.13%

As with A-REITs, May was a negative month for global property. The GPR 250 R index ended the month down -5.99% and the FTSE EPRA Nareit Global Real Estate Index was down by -6.18%.

The month was trying for almost all global markets. On a regional level (in GPR 250 Index local currency terms) Africa was the top performer (+1.7%) followed by Asia (+1.0%). This compares to Europe (-3.7%), Oceania (-5.0%), Europe (-5.9%), and North America (-6.3%).

May continued the declines from late April despite US REITS continuing to post good Q1 results, these were ignored as general market sentiment continued to be negative. REITs were then hit with Amazon's negative warehouse news and the sector tumbled to a low on the 10th of May before recouping some losses at the end of the month. We are not expecting market volatility to ease anytime soon and, as Central Banks will not be stimulating the global economy but are still threatening larger than expected rate hikes, it may be a while before the market returns to the level it opened 2022 at.

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

COMPANY	Sector	Current Weight
Prologis	Industrial	4.19%
VGP NV	Industrial	3.78%
Switch	Datacentre	3.55%
Welltower Inc.	Healthcare	3.40%
Public Storage	Storage	3.31%

Global Performance Contributors:	
Switch	0.37%
Link REIT	0.05%
Gaming and Leisure Properties	0.04%
WP Carey	0.04%
Nippon Building	0.03%

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