

Portfolio Profile



Antares Listed Property Model Portfolio January 2021

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Model Portfolio description and investment return objective

The Antares Listed Property Model Portfolio is an actively managed portfolio that primarily invests in property securities that are listed (or expected to be listed) on the Australian share market. The Model may also invest in listed Australian companies that operate in the property industry such as listed property development and funds management companies, as well as listed infrastructure companies, where the income and assets are property-related in nature. The Model's objective is to outperform the Benchmark over rolling five-year periods.

Investment returns as at 31 January 2021¹²³

Period	1 month	3 months	1 year	3 years pa	5 years pa	Since inception pa
Gross return ³ %	-4.4	9.1	-14.3	2.7	4.5	7.6
Benchmark return %	-4.1	9.1	-14.0	5.1	5.9	8.5
Gross excess return %	-0.3	0	-0.3	-2.4	-1.4	-0.9

Model Portfolio performance and attribution

The Antares Model Portfolio delivered a return of -4.4% (gross of fees) for the month of January 2021, which was below the benchmark S&P/ASX 200 AREIT Total Return Index which decreased by 4.1% during the month.

AREITs were the worst performing sector with the rise in bond yields most likely the key driver. All sectors posted declines led by Industrial AREITs (-6.3%), followed by Office (-4.5%), Diversified (-3.4%) and Retail AREITs (-3.0%).

Being overweight Peet (PPC) and Ingenia Communities (INA) and underweight Charter Hall (CHC) contributed to performance. Detracting from performance was an underweight position in Stockland (SGP) and overweight holding in Mirvac (MGR).

Our security selection and portfolio construction process continue to be driven by our proprietary, bottom up research. For the A-REITs, this analysis focuses on the fundamental factors of portfolio quality, management, balance sheet strength and valuations. However, we believe our focus and strategy to own high quality assets and businesses that can deliver solid earnings growth will serve us well over the medium term. First and foremost, our preference remains for well managed REITs with quality assets – GPT, Mirvac, Scentre Group and Goodman's – while we also continue to add to businesses that demonstrate strong fundamentals for growing earnings over the next 2-3 years. In addition, we remain positive on toll road operator Transurban (TCL) and small cap REITs – Ingenia and Waypoint REIT.

Stock Activity

Buys / Additions

Nil

Sales / Reductions

Vital Harvest Freehold Trust (VTH) - VTH received a takeover bid from Macquarie Bank's funds management arm. We have owned VTH since its IPO and decided to fully exit the position in January to redeploy the proceeds into better returning opportunities within the A-REIT sector.

Top 10 share holdings

as at 31 January 2021 (alphabetical)

- Charter Hall Group
- Dexu
- Goodman Group
- GPT Group
- Mirvac Group
- Scentre Group
- Shopping Centres Australasia
- Stockland
- Vicinity Centres
- Waypoint REIT

Sector Allocation

GICS	%
Diversified Reits	32.17
Industrial Reits	28.47
Retail Reits	24.67
Office Reits	7.35
Other	3.16
Residential Reits	2.48
Specialised Reits	1.70

Source: Antares Equities; 31 Jan 2021

Note: GICS - Global Industry Classification Standard % are absolute ie sector proportion of portfolio

¹ Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this document. The value of an investment may rise or fall with the changes in the market. ² Investment returns for the Model Portfolio are based on a notional model portfolio constructed by Antares and are gross of administration (platform) and investment management fees, net of estimated transaction costs, and assume all dividends remain in the Model Portfolio. Performance is based on the income and market value of the notional model portfolio. ³ Inception date for the Model Portfolio is 9 October 2014.

Investment guidelines and ranges

	Minimum	Benchmark Allocation	Maximum	As at 31 Jan 21
Australian shares	90%	100%	100%	97.3%
Cash and cash equivalents	0%	0%	10%	2.7%

Portfolio managers

Vikrant Gupta

•Investment Manager

Key Responsibilities

Vikrant is the Portfolio Manager of .

Years with the group 8

Years of Industry

Experience 11



Andrew Hamilton

•Head of Research

Key Responsibilities

Andrew is the Deputy Portfolio Manager of the Listed Property Model Portfolio and Ex-20 Australian Equities Managed Fund .

Years with the group 20

Years of Industry

Experience 23



Platform availability

Navigator, Netwealth and Macquarie.

Ratings



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About Antares Equities

Antares Equities (Antares) is a specialist Australian equities manager. Since 1994, Antares has managed portfolios for wholesale, advised and direct investors through a suite of products including segregated mandates, investment funds and managed account models. Antares has A\$5.2 billion (at 31 December 2020) under advice across a range of strategies including large capitalisation, concentrated, property, income and long-short. Antares believes in bottom-up stock picking. A consistent process and detailed, quality research executed by a highly experienced, stable and diverse team underpin this approach. The investment philosophy is based on the belief that markets can misprice stocks and these opportunities can be identified using the proven, proprietary Antares research process. Antares Equities is part of Antares Capital Partners Limited (ABN 85 066 081 114, AFSL 234483).

Investor Profile

The Model Portfolio is designed for investors who wish to benefit from the returns and diversification benefits provided by listed property and property related securities. Returns from listed property can comprise both distribution of income and capital growth. Investors should also be comfortable with potential fluctuations in capital values in the short to medium-term..

Model portfolio facts

Inception date:	9 October 2014
Benchmark:	S&P/ASX 200 A-REIT Total Return Index
Investment timeframe:	At least 5 years
No of shares:	10 to 30
Indicative portfolio turnover:	10% to 30% pa
Relative risk:	High
Relative return¹:	High

For further information please contact our Client Services Team - Toll Free: 1800 671 849

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