

Portfolio Profile



Antares Listed Property Model Portfolio February 2021

For Adviser use only

This report is intended only for financial advisers. It must not be distributed or communicated to any third party and must be kept confidential. The Model Portfolio performance information in this report is based on Antares' construction of the notional model portfolio which is not available for direct investment. It is not a guarantee or an indication of the actual performance of a client's portfolio. Advisers need to consider the relevant disclosure documents of providers or platforms that offer the Model Portfolio for investment before recommending the Model Portfolio to their client.

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 28 February 2021¹²³

Period	1 month	3 months	1 year	3 years pa	5 years pa	Since inception pa
Gross return ³ %	-2.0	-5.3	-11.8	3.1	3.6	7.1
Benchmark return %	-2.6	-6.2	-12.0	5.4	4.7	8.0
Gross excess return %	0.6	0.9	0.2	-2.3	-1.1	-0.9

Model Portfolio performance and attribution

The Antares Model Portfolio delivered a return of -2.0% (gross of fees) for the month of February 2021, which was ahead of the benchmark S&P/ASX 200 AREIT Total Return Index which decreased by 2.6% during the month.

AREITs were again among the poorer performing sectors as bond yields continued to rise. The bright spot was the Retail AREIT sector which posted a 3.7% increase as lockdown restrictions eased. But the other AREIT sectors posted declines led by Industrial AREITs (-6.2%), followed by Diversified (-5.0%) and Office AREITs (-1.4%).

Being underweight Charter Hall (CHC), not owning BWP Trust (BWP) and being overweight Scentre Group (SCG) contributed to performance. Detracting from performance was an underweight position in Vicinity (VCX), not owning Charter Hall Retail (CQR) and an 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

Nil

Top 10 share holdings

as at 28 February 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	31.50
Industrial REITs	27.51
Retail REITs	26.24
Office REITs	7.49
Other	3.13
Residential REITs	2.48
Specialised REITs	1.66

Source: Antares Equities; 28 Feb 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 28 Feb 21
Australian shares	90%	100%	100%	95.6%
Cash and cash equivalents	0%	0%	10%	4.4%

Portfolio managers

Vikrant Gupta

•Investment Manager

Key Responsibilities

Vikrant is the Portfolio Manager of the Listed Property Model Portfolio and the Listed Property Managed Fund.

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



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

Platform availability

Navigator, Netwealth and Macquarie.

Ratings



The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

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).

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

Important information: This report is prepared by Antares Capital Partners Ltd ABN 85 066 081 114, AFSL 234483 (Antares). Antares is the investment manager for the [*] Model Portfolio. This report is general advice prepared for licensed financial advisers only. Advisers must not distribute this document or any part of it to retail clients or to any other person. The report has been prepared without taking into account any person's individual objectives, financial situation or needs. Advisers should therefore, before acting on information in this report, consider its appropriateness, having regard to their clients particular objectives, financial situation or needs. Advisers also need to consider the relevant disclosure documents of providers or platforms that offer the Model Portfolio for investment before recommending the Model Portfolio to their clients. Antares is a subsidiary of the National Australia Bank Limited group (NAB group) of companies. An investment in any financial product offered by any member company of the NAB group of companies is not a deposit with or liability of, and is not guaranteed by NAB or its subsidiaries and is subject to investment risk, including possible delays in repayment and loss of income and capital invested. Any opinion expressed in this presentation constitutes Antares' judgement at the time of issue and is subject to change. Antares believe that the information presented is correct and that any estimates, opinions, conclusions or recommendations are reasonably held or made as at the time of compilation. However, no warranty is made as to their accuracy or reliability (which may change without notice). 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 communication. Any projection or forward looking statement in this presentation is provided for information purposes only and no representation is made as to its accuracy or that it will be met. Where applicable, information is based on information from sources believed to be reliable and accurate as at the time of preparation. Antares is not responsible for the accuracy of information provided by third parties, and is not liable for any loss arising from it. Bloomberg Finance L.P. and its affiliates (collectively, Bloomberg) do not approve or endorse any information included in this publication and disclaim all liability for any loss or damage of any kind arising out of the use of all or any part of any such information.