

Portfolio Profile



Antares Listed Property Model Portfolio March 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 March 2021¹²³

	1 month (%)	1 year (%)	3 years (% pa)	5 years (% pa)	Since Inception (% pa)
Gross Return	6.1	43.1	5.2	4.4	8.0
Benchmark Return	6.6	44.7	7.6	5.6	8.9
Gross Excess Return	-0.4	-1.5	-2.4	-1.2	-0.9

Top 10 share holdings as at 31 March 2021 (alphabetical)

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

Model Portfolio performance and attribution

The Antares Model Portfolio delivered a return of 6.1% (gross of fees) for the month of March 2021, which was below the benchmark S&P/ASX 200 AREIT Total Return Index which increased by 6.6% during the month.

The AREITs bounced back in March with all AREIT sectors posting increases led by Industrial AREITs (9.6%), Office (9.1%) and Diversified AREITs (8.0%). The Retail AREITs had performed relatively better in February but lagged the other sectors in March, posting a 1.0% increase.

Being underweight Vicinity (VCX) and being overweight Mirvac (MGR) and Goodman Group (GMG) contributed to performance. Detracting from performance were overweight holdings in Carindale (CDP), Peet (PPC) and Hotel Property Investments (HPI).

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. We are also very focussed on supply constraints within the property sub-sectors and especially for the properties held by A-REITs in our portfolio. In general, we are concerned about the supply of space in office markets and select industrial markets, as well as increasing competition in retail from the online shift. 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 physical asset owners with relatively better-quality assets that could demonstrate solid earnings growth – GPT, Mirvac, TCL and GMG. In addition, we remain positive on select small cap REITs – Ingenia, Hotel Property Investment and Waypoint REIT.

Sector Allocation

GICS	%
Diversified REITs	31.90
Industrial REITs	29.67
Retail REITs	22.44
Office REITs	7.02
Other	4.10
Specialised REITs	2.45
Residential REITs	2.42

Source: Antares Equities; 31 Mar 2021

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

Stock Activity

Buys / Additions

Nil

Sales / Reductions

Charter Hall Long WALE REIT (CLW) - We exited CLW in the March quarter on the back of the rising bond yield environment and better investment opportunities within the A-REIT sector.

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. ³ 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 Mar 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

MLC/Navigator, Netwealth and Macquarie.

Ratings



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

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