

# Portfolio Profile



## Antares Listed Property Model Portfolio

April 2020

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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 30 April 2020<sup>123</sup>

Period	1 month	3 months	1 year	3 years pa	5 years pa	Since inception pa
Gross return %	13.6	-29.3	-19.3	-3.2	1.9	4.9
Benchmark return %	13.7	-29.8	-20.3	-1.8	3.0	5.8
Gross excess return %	-0.1	0.5	1.0	-1.4	-1.1	-0.9

### Model Portfolio performance and attribution

The Antares Listed Property Model Portfolio provided a gross return of 13.6% for the month of April 2020. This was in line with the benchmark S&P/ASX 200 AREIT Total Return Index which recovered during April to post a 13.7% increase. Having led the sector down in March, the Retail AREITs returned 30.0% in April, followed by Diversified AREITs (+11.5%), Industrial AREITs (+8.7%) and Office AREITs (+0.4%).

Retail AREITs in the portfolio boosted performance as Scentre Group (SCG) bounced back. Detracting from performance was our overweight holding in residential developer Peet (PPC). With unemployment expected to surpass 10% and a recession inevitable, house prices are expected to fall by up to 15%. As for current positioning, the key large cap overweights in the portfolio are Mirvac (MGR), GPT and SCG. We think MGR and GPT have a well-diversified base of good quality assets and strong balance sheets to withstand the current crisis. While SCG has materially underperformed the benchmark, we believe it is overdone at current prices. With our retail exposure, our strategy is to continue owning the best assets operated by a strong management team. While government policies in the short term remain the risk for all retail asset owners, and the duration of the impact is unknown, we think good quality retail in dense metro locations will make a quick comeback on the other side of this partial lockdown.

### Stock Activity

#### Buys / Additions

**Shopping Centres Australasia (SCP):** We initiated a position in SCP as we believe it is well positioned to weather the storm from the disruptions caused by the coronavirus. SCP has relatively less exposure to discretionary retail than many other retail AREITs. Close to half of SCP income comes from supermarket anchor tenants.

#### Sales / Reductions

Nil

### Top 10 share holdings

as at 30 April 2020 (alphabetical)

- Abacus Property
- Charter Hall Group
- Dexus
- Goodman Group
- GPT
- Mirvac
- Scentre Group
- Stockland
- Vicinity Centres
- Viva Energy REIT

### Sector Allocation

GICS	%
Diversified Reits	36.81
Retail Reits	26.32
Industrial Reits	22.96
Office Reits	8.14
Other	3.37
Specialised Reits	2.39
Residential Reits	0.00

Source: Antares Equities; 30 Apr 2020

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

<sup>1</sup> 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. <sup>2</sup> 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. <sup>3</sup> Performance is based on the income and market value of the notional model portfolio. <sup>3</sup> Inception date for the Model Portfolio is 9 October 2014.

## Investment guidelines and ranges

	Minimum	Benchmark Allocation	Maximum	As at 30 Apr 20
Australian shares	90%	100%	100%	97%
Cash and cash equivalents	0%	0%	10%	3%

## Portfolio managers

### Vikrant Gupta

•Investment Manager

#### Key Responsibilities

Vikrant is the Portfolio Manager of .

**Years with the group 7**

**Years of Industry**

**Experience 10**



### 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 19**

**Years of Industry**

**Experience 22**



## 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\$4.2 billion (at 31 March 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

<b>Inception date:</b>	9 October 2014
<b>Benchmark:</b>	S&P/ASX 200 A-REIT Total Return Index
<b>Investment timeframe:</b>	At least 5 years
<b>No of shares:</b>	10 to 30
<b>Indicative portfolio turnover:</b>	10% to 30% pa
<b>Relative risk:</b>	High
<b>Relative return<sup>1</sup>:</b>	High

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

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