

# Portfolio Profile



## Antares Listed Property Model Portfolio May 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 31 May 2020<sup>123</sup>

Period	1 month	3 months	1 year	3 years pa	5 years pa	Since inception pa
Gross return %	6.3	-21.0	-17.3	-0.9	2.7	6.0
Benchmark return %	7.0	-21.1	-16.8	0.8	3.8	7.0
Gross excess return %	-0.7	0.1	-0.5	-1.7	-1.1	-1.0

### Model Portfolio performance and attribution

The Antares Listed Property Model Portfolio provided a gross return of 6.3% for the month of May 2020. This was below the benchmark S&P/ASX 200 AREIT Total Return Index of 7.0%. Industrial AREITs were the strongest sector (+16.9%), followed by Diversified AREITs (+8.3%). The Retail AREIT sector posted a 0.3% increase while the Office sector declined by 1.3% as investors considered the possibility of remote working on an ongoing basis for many formerly office-based workers.

Securities exposed to the residential sector benefitted amidst speculation about a housing stimulus package. Residential property developer Peet (PPC) bounced back in May, boosting performance while the Fund's underweight in Stockland contributed negatively.

As for current positioning, the portfolio continues to own stocks that have better quality assets, are priced reasonably and have a relatively strong financial position to withstand current economic challenges. The key large cap overweights in the portfolio are Mirvac (MGR), GPT and Scentre Group (SCG). We think MGR and GPT have a well-diversified base of good quality assets and have a sound management team navigating the current crisis. Similarly, with our retail exposure, our strategy is to continue owning the best assets located in dense metro locations and operated by a strong management team. We see good value in SCG which continues to trade at a discount to our valuation.

### Stock Activity

#### Buys / Additions

Nil

#### Sales / Reductions

Nil

### Top 10 share holdings

as at 31 May 2020 (alphabetical)

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

### Sector Allocation

GICS	%
Diversified Reits	35.60
Retail Reits	25.65
Industrial Reits	25.17
Office Reits	7.56
Other	3.50
Specialised Reits	2.52
Residential Reits	0.00

Source: Antares Equities; 31 May 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 31 May 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**



## 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

## Platform availability

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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