

# Fiducian Property Securities Fund

## Listed Property Securities



**FIDUCIAN**  
INTEGRITY • TRUST • EXPERTISE

Monthly Report - August 2020

### Fund Description

The Fund invests in a diversified group of specialist property managers. These fund managers invest in property trusts and other property securities (where underlying assets are properties or property related businesses) predominantly listed on the Australian Stock Exchange. Property investments are capable of providing attractive levels of income with a small amount of growth in the value of capital invested. Listed property trusts have generally been found to deliver returns that are on average below the returns from shares, but which also tend to exhibit lower variance in price during share market declines.

Property sectors include commercial, retail, tourism and residential property. Companies include property investment, development, contracting, tourism and leisure activities.

It is recommended that investors in this Fund should plan to hold their investments for at least four to six years. Investment in this sector can be volatile over the short-term.

**Fund Classification**      Core/Diversified      **Sector**      Specialist/Satellite

### Manager Commentary

During August, the S&P/ASX 300 A-REIT Accumulation Index gained solid ground, rising by 7.9% compared to a 2.8% rise by the broader Australian equities market. Residential property developers were the key outperformers in August, as most homes purchased prior to the COVID- impacted period settled. New home and land sales have also performed strongly since June. Many companies indicated that government stimulus for homebuilding had a substantial impact on sales rates, particularly in Queensland and Western Australia. Retail property owners also performed well over the month as sales figures and foot traffic in states that have reopened appeared to be resilient.

The Fund marginally under-performed the index by 0.3% in August with a rise of 7.6%. Principal, one of the Fund's two active underlying fund managers out-performed the benchmark during the month, rising 8.3% while Phoenix rose by 7.0%. Since the onset of the pandemic, the listed property sector has been amongst the most volatile core asset classes both domestically and globally. A 35.1% fall by the S&P/ASX 300 Property Accumulation Index in March 2020 was followed by a 21.7% rally over April and May. Such extreme volatility could partly be explained by uncertainty caused by the pandemic, where a once very forecastable sector has suffered from the withdrawal of earnings guidance, expected cuts to contracted rents in support of tenants and a renewed focus on balance sheets and the cost and availability of debt. It now appears that a substantial proportion of the earnings deterioration has been priced into listed property stocks, providing some downside protection from current levels.

### Fund Performance and Risk Analytics Summary

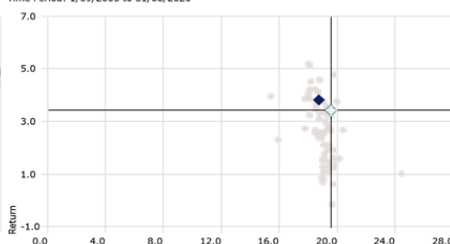
#### Investment Growth

Time Period: 1/09/2005 to 31/08/2020



#### Risk-Reward

Time Period: 1/09/2005 to 31/08/2020



— Fiducian Property Securities      — S&P/ASX 200 A-REIT TR      • Fiducian Property Securities      ◊ S&P/ASX 200 A-REIT TR

### Fiducian Property Securities Fund

Current Period Return (net of fees as at end August 2020)

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7yrs	10 Yrs
Fund	7.6%	7.7%	-15.0%	-16.2%	4.7%	6.6%	9.3%	10.3%
Index	7.9%	7.0%	-15.5%	-17.7%	4.4%	5.8%	8.9%	9.6%
Excess	-0.3%	0.7%	0.5%	1.5%	0.2%	0.7%	0.4%	0.7%

### Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	39.9%	23.8%	19.8%	15.7%
Benchmark (Std Dev %)	41.3%	24.8%	21.0%	16.9%
Beta	0.97	0.97	0.96	0.95
Tracking Error (% pa)	3.3%	2.3%	2.3%	2.1%

### Calendar Year Return (net of fees)

	2012	2013	2014	2015	2016	2017	2018	2019
Fund	34.5%	7.4%	26.7%	14.4%	12.0%	9.4%	1.6%	20.6%
Index	33.0%	7.1%	27.0%	14.3%	13.2%	5.7%	2.9%	19.4%
Excess	1.5%	0.3%	-0.4%	0.1%	-1.1%	3.7%	-1.3%	1.2%

Note: Figures are annualised over 1 year.

### Fund Facts

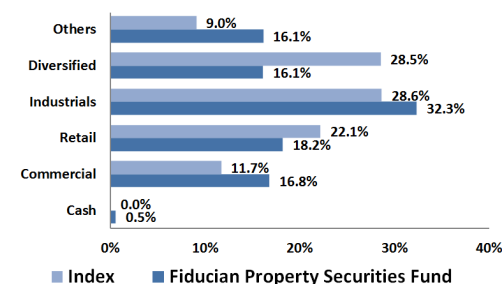
**Portfolio Manager:** Conrad Burge  
**Asset Sector:** Listed Property Securities  
**Asset Code:** PS1  
**ARSN:** 093 544 079  
**APIR Code:** FPS0007AU  
**Benchmark:** S&P/ASX 200 Property  
**Inception Date:** March 1997  
**Fund Size:** \$153.3 million as at 31 August 2020  
**Application/Exit Fee:** Nil  
**Management Cost:** 0.96%  
**Total Management Cost:** 1.03%

(Management Costs includes the base fee charged by the RE for managing your fund. Total Management Costs includes management costs, performance fees payable to underlying managers only for outperformance, margins on cash account monies and out of pocket costs.)

### Style Tilts

Managers	Style	No. of Stocks	Weight
BlackRock	Index		8%
Principal Global Investors	GARP	21	49%
Phoenix Capital	Sector Neutral	49	42%
Cash			1%

### Sector Weights



### Top Holdings

Stocks	Weight
GOODMAN GROUP	24.6%
DEXUS	8.7%
CHARTER HALL LIMITED	8.4%
SCENTRE GROUP	7.8%
MIRVAC GROUP	7.0%
GPT GROUP	5.4%
STOCKLAND	4.1%
VICINITY CENTRES	3.4%
INGENIA COMMUNITIES GROUP	2.3%
CHARTER HALL LONG WALE REIT	2.0%
LENLEASE GROUP	2.0%
GROWTHPOINT PROPERTIES AUSTRALIA	1.8%
CENTURIA CAPITAL LTD	1.6%
UNIBAIL-RODAMCO-WESTFIELD-CDI	1.5%
WAYPOINT REIT LTD	1.5%
<b>Total</b>	<b>82.3%</b>

### Fiducian Investment Management Services Limited

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The information has been compiled from sources considered reliable, but is not guaranteed. Past performance is not indicative of future performance and we do not guarantee the performance of the Fund or any specific rate of return.