

### Fund description

The Fund invests in a diversified group of specialist listed property managers. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting best of breed managers with different sector exposures with the aim of achieving superior returns with reduced risk.

Typically, property securities provide attractive levels of income plus a small amount of capital growth. Returns from property trusts are generally lower than shares, but typically exhibit lower variance in price during market declines.

The recommended holding period for this fund is at least 6 years.

### Fund facts

**Portfolio manager:** Conrad Burge

**ARSN:** 093 544 079

**APIR code:** FPS0007AU

**Benchmark:** ASX 200 Property Accumulation Index

**Current fund size:** \$289 million (July 2024)

**Management cost:** 0.96%

**Total management costs:** 1.00%

**Application/Exit fee:** Nil

**Inception Date:** March 1997

Manager	Style			Size		
	Value	Core	Growth	Large	Broad	Small
Principal			●		●	
Phoenix		●			●	
Blackrock		●			●	

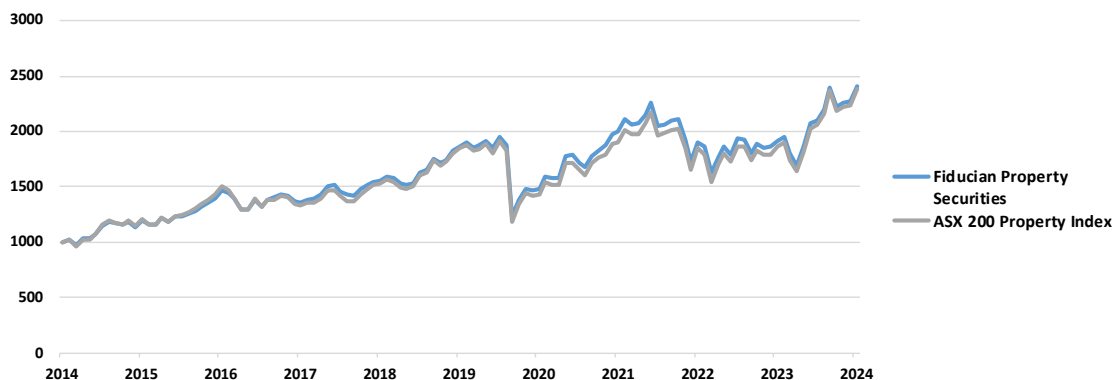
### Performance and Risk

After fee returns as at 31 July 2024

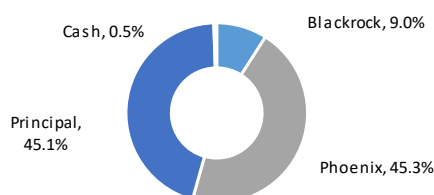
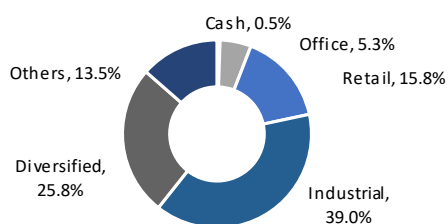
	1 Mth	3 Mth	6 Mth	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Fund	6.0%	8.2%	14.6%	25.5%	6.5%	5.2%	8.5%	9.2%
Index	6.8%	9.3%	16.2%	28.2%	8.0%	5.2%	8.6%	9.1%
Excess	-0.8%	-1.2%	-1.5%	-2.8%	-1.5%	0.0%	-0.2%	0.1%

#### Risk Exposure

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund Volatility (Std Dev %)	21.8%	21.5%	25.0%	19.3%
Benchmark (Std Dev %)	23.1%	23.0%	26.5%	20.6%
Beta	0.86	0.91	0.93	0.92
Tracking Error (% pa)	1.5%	2.0%	2.3%	2.2%



### Sector exposures and current manager weights



### Market Commentary and Outlook

Measures taken by central banks over the last two years to reduce rates of inflation by implementing restrictive monetary policies have continued to take effect. Globally, unemployment rates remain low, but have risen from the historically low levels observed during 2023. Consumer spending growth has also moderated, but still remains positive. Inflation rates are now gradually moving back towards the target ranges of most central banks, and some (including Europe and Canada) have recently cut interest rates.

Over the month, the Australian market (ASX 200 index) gained 4.2% and the broad US stock market (S&P 500 index) increased by 1.1%. European markets also had a positive month as the European Central Bank recently moved to a less restrictive monetary policy setting. Australian and international bonds recorded positive returns during the month, and the Australian dollar fell by 2% against the US dollar.

Looking ahead, monetary policy could continue to become less restrictive over coming months if inflation rates continue to decline. While this could help to sustain markets, ongoing wars and other geopolitical issues could continue to act as potential headwinds. With the IMF forecasting global growth to be positive (3.2% in 2024 and 3.3% in 2025) and a likely 'soft landing' for the global economy, share markets continue to appear more attractive than most other investment opportunities.

### Fund Commentary

The Fiducian Property Securities Fund gained 6.0% in July, which was below the index return of 6.8%. For the 12 months to the end of July, the Fund returned 25.5%.

The listed property sector gained 6.8%, which was above the broader market (ASX 200 Accumulation index) return of 4.2%.

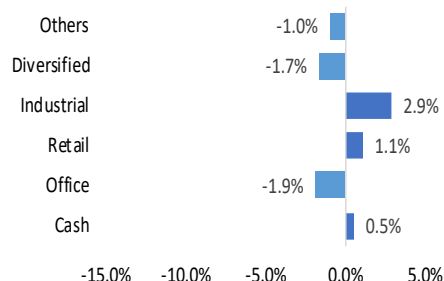
Most stocks in the property sector were higher during the month as inflation data released during July was in line with market expectations, reducing the likelihood of further interest rate increases this cycle.

Over the coming year, conditions in the Industrial property sector are expected to remain strong, while operating conditions for Retail landlords could continue to improve. The outlook for residential developers appears more balanced, while the outlook for office occupancy remains uncertain due to ongoing high vacancy rates. High interest rates remain a headwind for the sector, but property trust share prices appear to have already factored this in to a considerable degree and valuations for the listed sector appear relatively attractive.

Overall, the underlying sector exposures of the Fund are an overweight in the Industrial sector and an underweight to the Office sector, with other sectors broadly in line with the index.

### Top stock holdings and sector tilts

Top Australian Stocks	Industry	Weight
Goodman Group	REITS - Warehouse/Industrial	36.9%
Scentre Group	REITS - Shopping Centers	8.7%
Stockland	REITS - Diversified	8.2%
GPT Group	REITS - Diversified	6.1%
Mirvac Group	REITS - Diversified	5.6%
Charter Hall Group	REITS - Diversified	5.0%
Dexus	REITS - Office Property	3.1%
Vicinity Centers	REITS - Shopping Centers	2.7%
National Storage	REITS - Storage	2.3%
Centuria Industrial	REITS - Warehouse/Industrial	2.1%



### Fiducian Investment Management Services Limited

Issued by Fiducian Investment Management Services Limited ABN 28 602 441 814 AFS Licence number 468211. This document provides general information only. It does not have regard to your objectives, financial situation or needs. We recommend that you seek financial planning advice, and consider whether this investment is appropriate to your objectives, financial situation and needs before making any investment decision.

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. Potential investors should also obtain and consider the relevant Target Market Determination (TMD) and Product Disclosure Statement (PDS) (available from your financial adviser and via [fiducian.com.au](http://fiducian.com.au)) before making a decision about whether to acquire or continue to hold any financial product.