

# AMP Capital Global Property Securities

Quarterly Investment Option Update

30 September 2021

## Aim and Strategy

To provide total returns (income and capital growth) after costs and before tax, above the FTSE EPRA/NAREIT Developed Net Total Return Index (hedged back to Australian dollars) on a rolling three-year basis, by investing in property securities listed on sharemarkets around the world. Securities in which the portfolio invests are diversified across a range of asset classes, property sectors and geographic regions. The portfolio includes investments in real estate investment trusts and property securities companies across the Americas, Europe and Asia Pacific. The portfolio is managed by an investment team made up of on-the-ground regional investment specialists based in Sydney, Chicago, London and Hong Kong, implementing a research driven process that integrates a macroeconomic (top-down) approach to regional and country allocation, with a stock specific (bottom-up) selection process.

## Investment Option Performance

To view the latest investment performances for each product, please visit [www.amp.com.au/performance](http://www.amp.com.au/performance)

## Investment Option Overview

<b>Investment category</b>	Property and infrastructure
<b>Suggested minimum investment timeframe</b>	5 years
<b>Relative risk rating</b>	Very High
<b>Investment style</b>	Active
<b>Manager style</b>	Single

<b>Asset Allocation</b>	<b>Benchmark (%)</b>
Listed Property and Infrastructure	100
Cash	0

<b>Actual Allocation</b>	<b>%</b>
International Shares	14.72
Australian Shares	0.74
Listed Property and Infrastructure	81.41
Cash	3.13

<b>Sector Allocation</b>	<b>%</b>
Residential REITs	18.74
Specialised REITs	15.71
Industrial REITs	13.58
Retail REITs	10.89
Office REITs	8.13
Real Estate Operating Companies	7.27
Health Care REITs	6.28
Diversified Real Estate Activities	5.98
Diversified REITs	5.70
Cash	3.13
Hotel & Resort REITs	2.79
Real Estate Development	1.79

<b>Top Holdings</b>	<b>%</b>
Prologis Inc	6.05
Equinix Inc	4.39
Welltower Inc	3.44
Alexandria Real Estate Equitie	3.19
Digital Realty Trust Inc	2.94
Public Storage	2.84
Vonovia SE	2.63
Equity Residential	2.60
VICI Properties Inc	2.41
Simon Property Group Inc	2.40
<b>Region Allocation</b>	<b>%</b>
North America	60.76
Asia	16.14
Europe	15.75
Australasia	4.21
Cash	3.13

## Fund Performance

The Fund produced a positive return in the September quarter, outperforming the benchmark for the period. On an industry sector basis, asset allocation drove the outperformance, despite stock selection being negative overall. A significant positive contribution came from the Fund's holdings in the diversified sector. Meanwhile, holdings in the apartment rentals and strip centre sectors detracted over the period. On a regional basis, the Fund's north American holdings again generated the bulk of the outperformance, though its Asia Pacific holdings also aided the return. Of the stocks held by the Fund, an overweight position in Lifestyle Communities Ltd was the largest positive contributor to relative performance, while an overweight position in Sun Hung Kai Properties Ltd was the largest detractor.

## Market Review

Global listed real estate markets generally rose in August, although Asian markets lagged as lockdown measures were extended due to rising cases of the 'Delta' variant of COVID-19. The FTSE EPRA/NAREIT Developed index rose by 1.90% on a total return basis, in Australian dollar terms. Most markets gained due to robust results from reporting season, with improving outlooks due to economies reopening and recovering as vaccine roll outs progressed. However, gains were muted in some markets due to concerns about potential monetary policy tapering in the US. US 10-year treasury yields rose 0.09% to 1.31% over the period. Within the listed real estate market, concerns about the Delta variant of COVID-19 continued to impact segment performance. Defensive segments, like self-storage and industrial, continued to display stellar fundamentals, and the retail segment rallied as investors sought cheap cyclical risk as real interest rates rose.

## Outlook

Global listed real estate markets are likely to be buoyed as the execution and distribution of vaccines progresses, and as extensive government stimulus continues to be rolled out. However, like most other risk assets, they are also likely to be punished on news of any setbacks in containing the pandemic, and concerns about rising inflation and interest rates. Earnings growth remains robust across the majority of real estate segments and geographies, fundamentals are solid and the outlook strong.

## Availability

Product Name	APIR
AMP Flexible Super - Retirement	AMP1620AU
AMP Flexible Super - Super	AMP1611AU
CustomSuper	AMP1596AU
Flexible Lifetime - Allocated Pension	AMP1632AU
Flexible Lifetime - Investments (Series 2)	AMP2043AU**
Flexible Lifetime - Super	AMP1596AU
SignatureSuper	AMP1602AU
SignatureSuper - Allocated Pension	AMP1626AU

\*\*Closed to new and existing investors

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