



Charter Hall Maxim Property Securities Fund Report June 2019

PERFORMANCE

	June %	3 Months %	1 Year % p.a.	3 Years % p.a.	5 Years % p.a.	10 Years % p.a.	Since Inception % p.a.*
Growth Return	+4.63	+3.14	+14.34	+6.14	+11.08	+9.44	+2.24
Income Return	+0.73	+1.82	+4.58	+4.22	+4.21	+6.07	+3.82
Total Return (after fees but before tax) **	+5.36	+4.96	+18.92	+10.36	+15.29	+15.51	+6.06
S&P/ASX 300 A-REIT Accumulation Index	+4.16	+4.12	+19.39	+8.44	+13.81	+14.03	+4.92
Value Add	+1.20	+0.84	-0.47	+1.92	+1.47	+1.48	+1.14

*Fund inception date October 2005. **Please note the Fund's management fee was reduced from 1.45% p.a. to 0.95% p.a. of the Fund's gross asset value up to \$50 million on the 16 May 2014. The Fund's gross asset value exceeded \$50 million on 2 May 2018 therefore the tiered rate of fees has been applied since that date. The Fund's after fees but before tax performance only reflects the new management fees from these dates. Past performance is not an indicator of future performance.

FUND OVERVIEW

Fund Objective	Outperform the S&P/ASX 300 A-REIT Accumulation Index by 1.5% p.a. over rolling 3-year periods
Fund Size	\$134.0 million (ex distribution)
Status	Open
Fund Maturity	Open Ended
Fund Inception Date	October 2005
Investment Horizon	3-5 Years
Distribution Frequency	Quarterly
Minimum Investment	\$5,000
Pricing	Daily
Buy/Sell Spread	+0.25%/-0.25%
Total MER	0.95% p.a. of the gross asset value of the Fund up to and including \$50 million; plus 0.85% p.a. of the gross asset value of the Fund in excess of \$50 million.
SIV Compliant	Yes
ARSN	116 193 563
APIR Code	COL0001AU

PLATFORMS

Asgard, Colonial First State FirstWrap, BT Panorama, BT Wrap HUB24, Macquarie Wrap Solutions, Netwealth, IOOF Pursuit Powerwrap, Symetry, uXchange

MARKET OVERVIEW

The S&P/ASX 300 A-REIT Accumulation Index returned 4.2% for the month of June, outperforming the Australian equities market (S&P/ASX 300 Accumulation Index) by 0.6%.

The best A-REIT performers over the month were Goodman Group (GMG) which delivered a 13.3% return and Abacus Property Group (ABP) which delivered a return of 9.4%. The worst A-REIT performers over the month were Unibail Rodamco Westfield (URW) which delivered a -5.3% return and Stockland (SGP) which delivered a return of -2.7%.

A-REITs were very active in the equity capital markets during June, with \$1.76bn raised from six separate capital raisings. The recent falls in bond rates and strong share price performance in the sector have improved the cost of capital for many A-REITs, thereby enhancing opportunities for accretive acquisitions.

We maintain our view that current market fundamentals point to a strong environment for office and logistics. In contrast, the growth in online retail is proving challenging for discretionary retail store owners.

In addition, we believe there are real opportunities for above average returns in select alternative property sectors such as childcare centres, rural property and seniors living. Typically, these sectors are supported by a strong thematic which is having a positive effect on supply and demand and hence occupancy levels and asset valuations.



FUND MONTHLY PERFORMANCE

In June the Fund returned +5.36% (after fee but before tax basis), outperforming the Fund's Benchmark (S&P/ASX 300 A-REIT Accumulation Index) return of +4.16% by 1.20%. A June quarter distribution of 0.7262 cents per unit has been declared for payment early in July. Total distributions for the 2018/19 year came to 3.06 cents per unit.

Positive contributions to returns during the month came from the Fund's overweight holdings in Lifestyle Communities (LIC +8.7%), Centuria Metropolitan REIT (CMA, +8.1%), and zero exposure in Stockland (SGP, -2.7%). Negative contributions to returns during the month came from zero exposures in Charter Hall (CHC +6.4%) and Abacus Property Group (ABP +9.4%) and an overweight exposure to Eureka Group (EGH -3.7%).

TOP 5 ACTIVE OVERWEIGHTS

Lifestyle Communities (LIC)
Centuria Metropolitan REIT (CMA)
Rural Funds (RFF)
APN Industria REIT (ADI)
Charter Hall Education Trust (CQE)

SECTOR ALLOCATION

Sector Allocation	Fund	Index ¹	Difference
Retail A-REITs	15.7%	30.0%	-14.3%
Office A-REITs	14.2%	13.7%	+0.5%
Industrial A-REITs	19.9%	19.4%	+0.5%
Diversified A-REITs	23.7%	33.0%	-9.3%
Specialised A-REITs	8.1%	3.9%	+4.2%
Developers & Managers	7.2%	0.0%	+7.2%
Property Related Entities	5.8%	0.0%	+5.8%
Cash	5.4%		

¹S&P/ASX 300 A-REIT INDEX

RESEARCH RATINGS



Overall rating out of 120
Equity Australia Real
Estate funds as of 30
June 2019.

Disclaimer: Investors should consider the product disclosure statement (PDS) issued by the Responsible Entity, One Managed Investment Funds Limited (ABN 47 117 400 987) (AFSL 297042) (OMIFL) is the responsible entity of the Charter Hall Maxim Property Securities Fund ARSN 116 193 563 (Fund). The information contained in this document was not prepared by OMIFL but was prepared by other parties. While OMIFL has no reason to believe that the information is inaccurate, the truth or accuracy of the information contained therein cannot be warranted or guaranteed. Anyone reading this report must obtain and rely upon their own independent advice and inquiries. Investors should consider the Product Disclosure Statement dated 8 November 2018 and Additional Information Booklet dated 8 November 2018 (together the PDS) issued by OMIFL before making any decision regarding the Fund. The PDS contains important information about investing in the Fund and it is important investors obtain and read a copy of the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. You should also consult a licensed financial adviser before making an investment decision in relation to the Fund. A copy of the PDS may be obtained from <http://oneinvestment.com.au> or <http://charterhall.com.au/>. Charter Hall Property Securities Management Limited (ABN 25 104 512 978) (AFSL 238349) is the investment manager of the Fund (Charter Hall Maxim). Neither OMIFL nor Charter Hall Maxim guarantees the repayment of capital or the performance of any product or any particular rate of return referred to in this document. **Past performance is not a reliable indicator of future performance.** While every care has been taken in the preparation of this document, Charter Hall Maxim makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This fact sheet has been prepared for the purpose of providing general information only, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of the information in this fact sheet, and seek professional advice, having regard to their objectives, financial situation and needs. Information in this fact sheet is current as at 30 June 2019.

The **SQM** rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the PDS and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from Charter Hall Maxim for the research and rating of the Fund.

The **Morningstar Rating** is an assessment of a fund's past performance – based on both return and risk – which shows how similar investments compare with their competitors. A high rating alone is insufficient basis for an investment decision. Charter Hall Maxim Property Securities Fund received a 5-Star Overall Morningstar Rating™ as at 30-09-2018. © 2018 Morningstar, Inc. All rights reserved. Neither Morningstar, its affiliates, nor the content providers guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution. Any general advice or 'class service' have been prepared by Morningstar Australasia Pty Ltd (ABN: 95 090 665 544, AFSL: 240892) and/or Morningstar Research Ltd, subsidiaries of Morningstar, Inc, without reference to your objectives, financial situation or needs. Refer to our Financial Services Guide (FSG) for more information at www.morningstar.com.au/sfsg.pdf. You should consider the advice in light of these matters and if applicable, the relevant Product Disclosure Statement before making any decision to invest. Our publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Past performance does not necessarily indicate a financial product's future performance. To obtain advice tailored to your situation, contact a professional financial adviser.

Atchison Consultants recommend that investors read the detailed information contained in the Product Disclosure Document. Investors should read the Analyst Interest and Certification, Warning (General Advice Only) and Disclosure (Commissioned Research) in the Recommended Ratings Report.

The **Lonsec** Rating assigned in November 2018 presented in this document is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445. The Rating is limited to "General Advice" (as defined in the Corporations Act 2001 (Cth)) and based solely on consideration of the investment merits of the financial product(s). Past performance information is for illustrative purposes only and is not indicative of future performance. It is not a recommendation to purchase, sell or hold Charter Hall Maxim Property Securities Management products, and you should seek independent financial advice before investing in this product. The Rating is subject to change without notice and Lonsec assumes no obligation to update the relevant document following publication. Lonsec receives a fee from the Fund Manager for researching the product using comprehensive and objective criteria. For further information regarding Lonsec's Ratings methodology, please refer to our website at: <http://www.beyond.lonsec.com.au/intelligence/lonsec-ratings> The Lonsec Fund Reviews, Ratings, Rating Logos and other Research Reports are for financial services professionals only and are not suitable for retail investors or the general public. If you are a financial planner and would like a copy of the report, please email us: office@charterhall.com.au.

The **FE Crown Fund** rating contained in this document is issued by FE © 2018 FE. All Rights Reserved. The information, data, analyses, and opinions contained herein (1) include the proprietary information of FE, (2) may not be copied or redistributed, (3) do not constitute investment advice offered by FE, (4) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (5) are not warranted to be correct, complete, or accurate. FE shall not be responsible for any trading decisions, damages, or other losses resulting from, or related to, this information, data, analyses, or opinions or their use. FE does not guarantee that a fund will perform in line with its FE Crown Fund Rating as it is a reflection of past performance only. Likewise, the FE Crown Fund Rating should not be seen as any sort of guarantee or assessment of the creditworthiness of a fund or of its underlying securities and should not be used as the sole basis for making any investment decision.

Contact Us

Charter Hall Property Securities Management Limited
www.charterhall.com.au/maxim

Lula Liossi
Investor Relations Manager
Lula.liossi@charterhall.com.au
T: 0408 958 755

Harry Horwitz-Rourke
Business Development Manager
Harry.rourke@charterhall.com.au
T: 0409 488 655