

ASX ANNOUNCEMENT

Fat Prophets Global Property Fund (FPP) announces its NTA pursuant to ASX Listing Rule 4.12i

June 2019 Monthly NTA Announcement

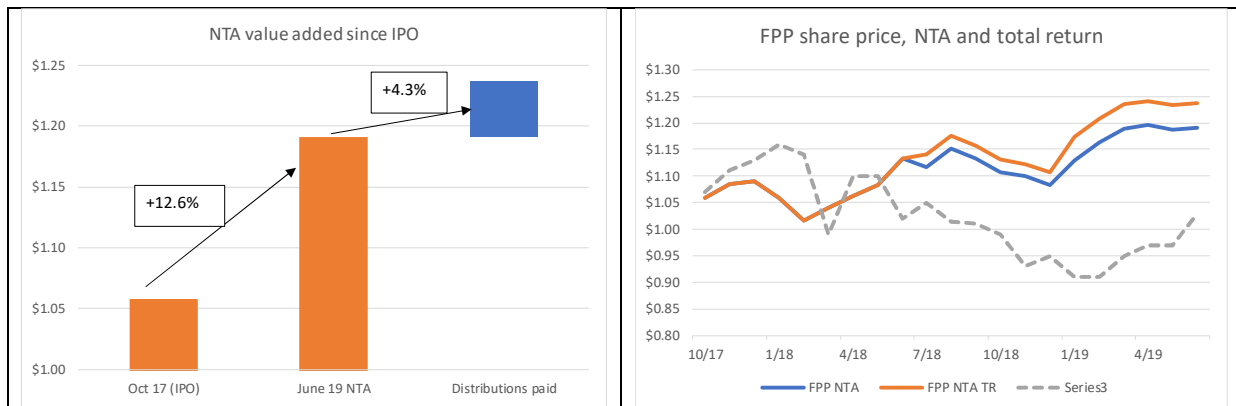
Dear Unitholders,

The Fund performance was mildly positive in June 2019, with the NTA increasing by 0.28% and close to the all time high.

A summary of the change in NTA for the month of June is as follows;

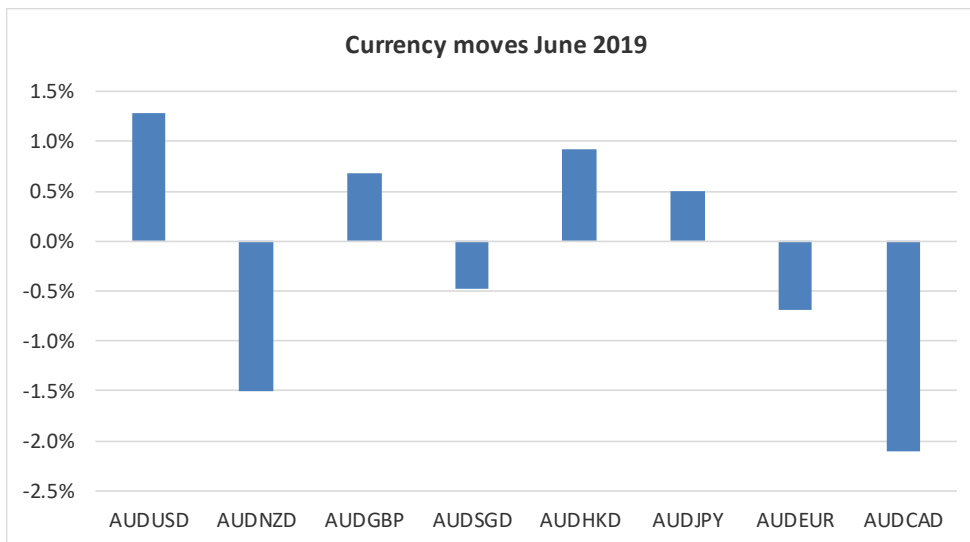
	31-May-19	30-June-19	Change
NTA per unit	\$1.1878	\$1.1911	0.28%

While the NTA remains at a premium level relative to NTA and IPO, the Fund unit price has been gradually increasing and ended the month of June at \$1.03, even after trading ex distribution late in the month.



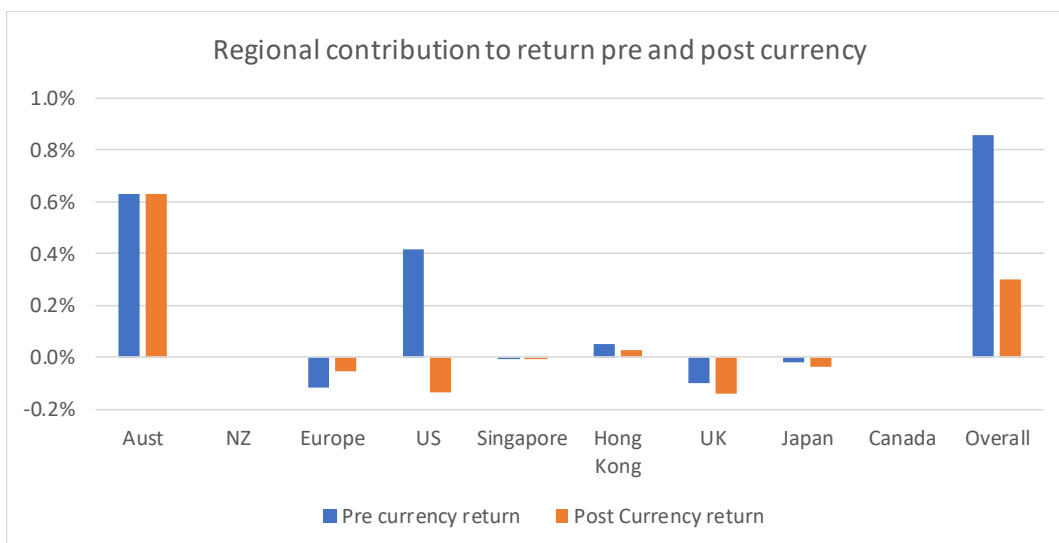
Currency had a negative impact on global returns during June, with the AUDUSD retracing by close to 1%. By contrast the Australian dollar weakened slightly against the Euro.

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The Fund entered June with a cash holding of 7.75%. This was increased to 8.8% at the end of June. The main investment changes during the month were an increased exposure to National Storage REIT (NSR.AX), and a meaningful reduction to the Funds prior investment in Vail Resorts (MTN) in mid June, taking advantage of a share price rally. This move was fortuitous with the share price since declining relative the Fund’s exit price. A trading position was once again also taken in HuaZhu Group (HTHT.O) in mid June which again added value, with the stock rising 15% from our entry price by the end of the month.

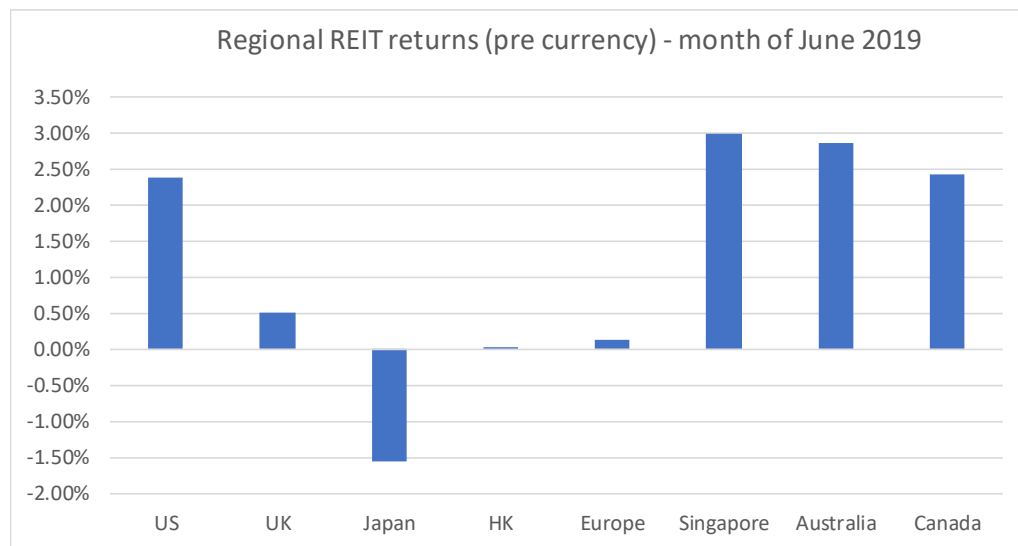
As demonstrated in the following chart, the performance for contribution to return for the Fund in various regions pre and post the impact of currency movements was dominated by Australia with most investments trading ex distribution during the month. In the US a positive pre currency impact move ended up mildly negative after taking into account the weaker USD.



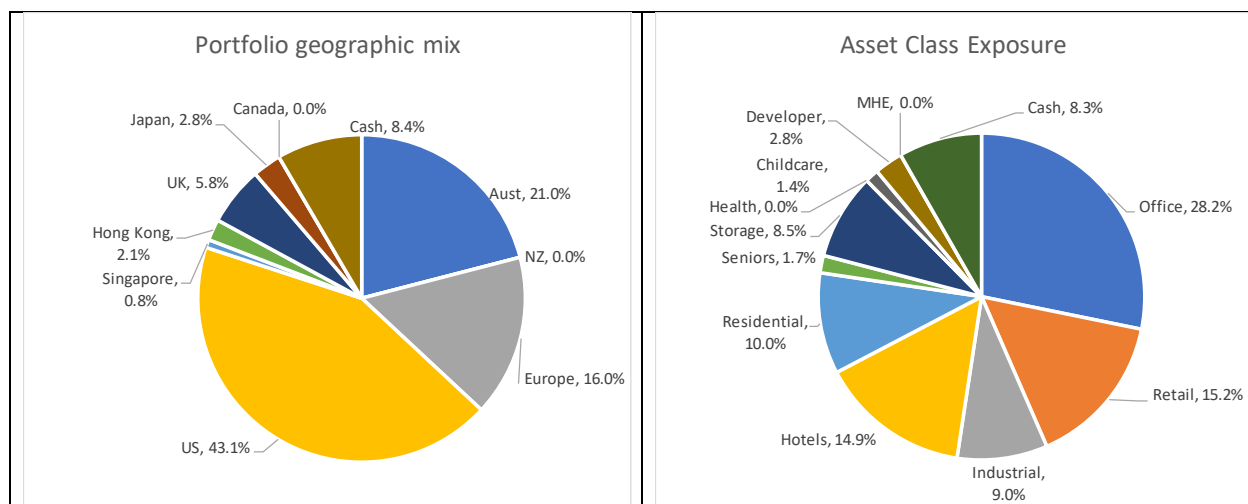
A meaningful number of investment holdings in the Fund went ex-distribution during the month with many of these dominated by the Australian portion of the portfolio. This contributing gross pre-tax estimated income to the Fund of just over A\$140,000.

The Fund traded ex distribution June 2019, recording an estimated distribution of 3.64c; a record high half yearly distribution. This means that unitholders will have received a total distribution over the year of FY2019 of 5.8cents per unit. This reflects a yield in the 5-6% gross range which was targeted at IPO.

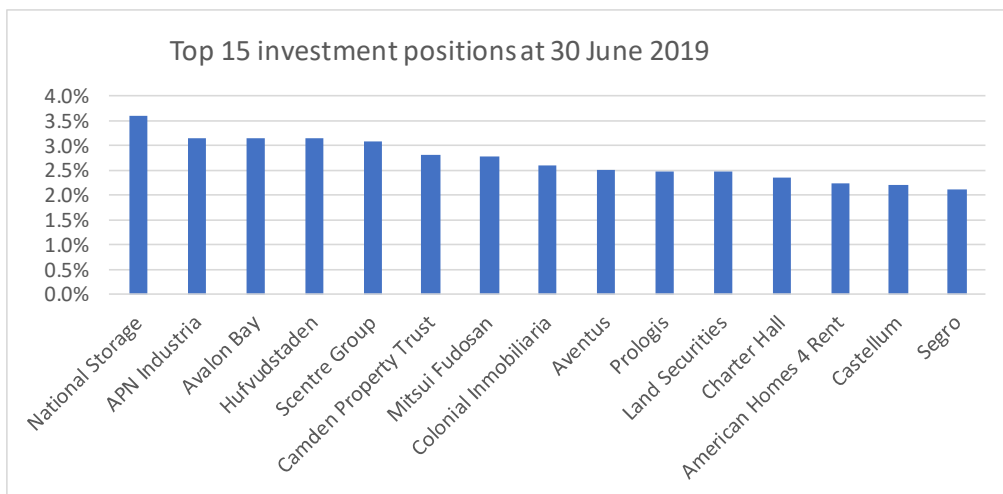
Local currency index movements for Real Estate equities in various Global markets in June 2019 are highlighted in the following chart. While Europe and UK were essentially flat, solid returns were seen in the US and Australia.



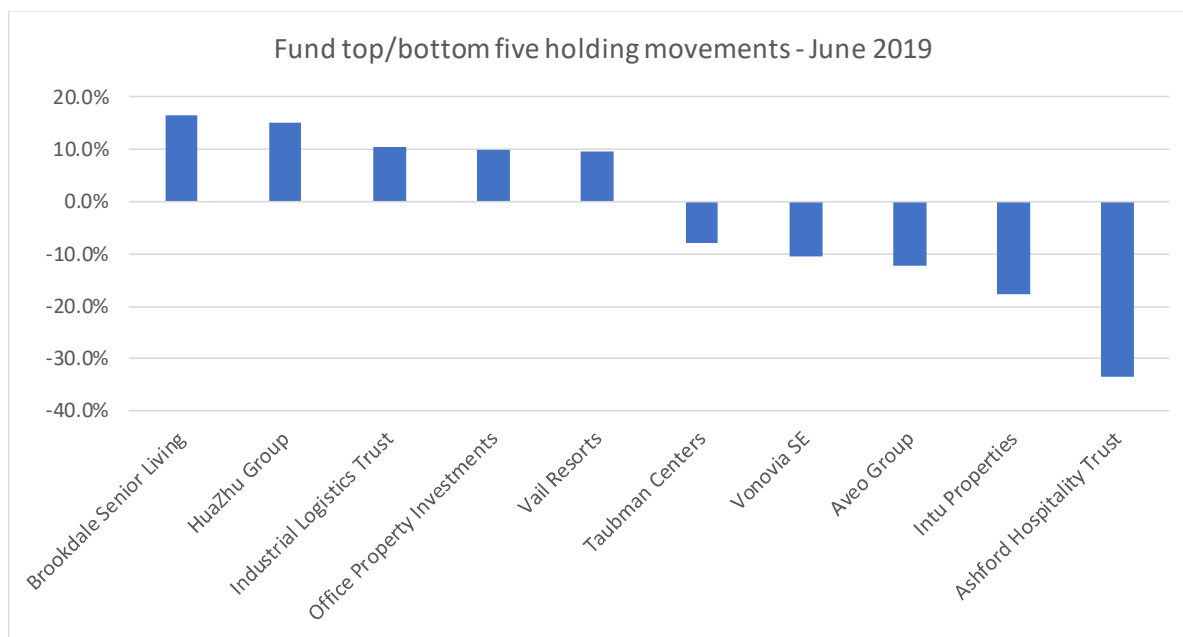
The Fund ended June with an increased exposure to Australia after the increased stake in National Storage REIT. The Fund retains an overweight exposure to US by investment although this was reduced slightly in June with the half weighting of Vail resorts. The Fund continued to be substantially underweight to Japan and Hong Kong. The Fund continues to have no weighting to Canada or New Zealand, both of which are very small markets by investment weighting.



The number of investment positions held by the Fund was unchanged at 51 holdings at the end of June. Top holdings in the Fund as at the end of the month are summarised in the following chart. US listed Vail Resorts was previously the top holding, however, we meaningfully reduced this exposure during June. The holdings in National Storage were increased slightly through a stock placement during the month of June and it is now the largest holding in the Fund. Higher yielding APN Industria REIT in Australia is now the second largest holding followed by US multifamily (residential apartment) REIT Avalon Bay.



The best and worst five performers for the past month are highlighted in the following chart.



The investment in Huazhu Group during June has performed strongly since acquisition, being one of the primary performance contributors despite being owned for only two weeks. Brookdale Senior Living is a long term holding and it has performed strongly through June and into early July, however we have been trimming holdings in this stock and it comprises less than 1% of portfolio value. The major detractor to performance was Ashford Hospitality Trust which declined meaningfully to multi year lows after the Hotel

REIT cut its quarterly dividend by half. UK shopping REIT, Intu Properties, continues to disappoint and is now trading at less than a third of the price where it was targeted on multiple occasions for takeover in 2018.

Outlook

With official interest rates again being cut in Australia in July, the thematic of interest rates driving REITs and commercial real estate remains real. Investors are seeking yield and total return opportunity in an environment where both are becoming harder to find. As such the outlook for sector pricing remains positive in our view. It is likely that higher yielding REITs will come under increasing focus over the next six months.

While we have held a relatively high cash balance in recent months in anticipation of protection in a market decline, we expect to put more of the Fund capital to work in the near term at any pull back opportunity.

Fat Prophets Global Property Fund

Chief Investment Advisor

Simon Wheatley

9 July 2019

About Fat Prophet Global Property Fund (FPP.AX)

The Fat Prophets Global Property Fund is an investment trust listed on the Australian stock exchange and managed by Fat Prophets. It invests its capital into Real Estate Investment Trusts (REITs) listed on stock exchanges in developed markets around the world. REITs own real estate assets and generate the majority of their income from rents on their properties, and capital growth from the real estate investments results in increased NTA. FPP's investment weighting benchmark allocation to Australia REITs is around 30%, with the balance in international markets. FPP aims to generate capital growth and distribution income from its investments and has a value bias to its investment strategy.

ⁱ Fat Prophets Funds Management Pty Limited (FPPM) (ACN 615 545 536) has prepared the information in this announcement. One Managed Investment Funds Limited (ACN 117 400 987) (AFSL 297042) (OMIFL) is the Responsible Entity of the Fund. While OMIFL has no reason to believe that the information is inaccurate, the truth or accuracy of the information in this document cannot be warranted or guaranteed by OMIFL. This announcement has been prepared for the purposes of providing general information only and does not constitute an offer, solicitation or recommendation with respect to the purchase or sale of any units in the Fund nor does it constitute financial product advice and does not take into account your investment objectives, tax or financial situation or needs.

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