



**One Managed Investment Funds Limited**  
**as responsible entity for Fat Prophets Global Property Fund**  
**ARSN 619 970 786 ASX Code: FPP**

## **ASX ANNOUNCEMENT**

11 August 2021

### **FPP NTA July 2021**

Please find attached the FPP NTA for July 2021

Authorised for release by One Managed Investment Funds Limited ACN 117 400 987 AFSL 297042 (**Responsible Entity**), the responsibility entity of the Fat Prophets Global Property Fund and Fat Prophets Funds Management Pty Limited ACN 615 545 536 AFSL 229183, the investment manager of FPP.

For additional information on FPP, please refer to:  
[www.fpproperty.com.au](http://www.fpproperty.com.au)

For any enquiries please contact the Responsible Entity on 02 8277 0000.

## ASX ANNOUNCEMENT

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

### July 2021 Monthly NTA Announcement

Key Points:

- Fund NTA increased in July for the sixth consecutive month in 2021, rising 2.7%
- European holdings were a source of strength for the month
- Value holdings including retail particularly in Australia underperformed industrial in July
- FPP NTA return for the past 12 months is 38.7% vs benchmark return of 33.6% over the same period

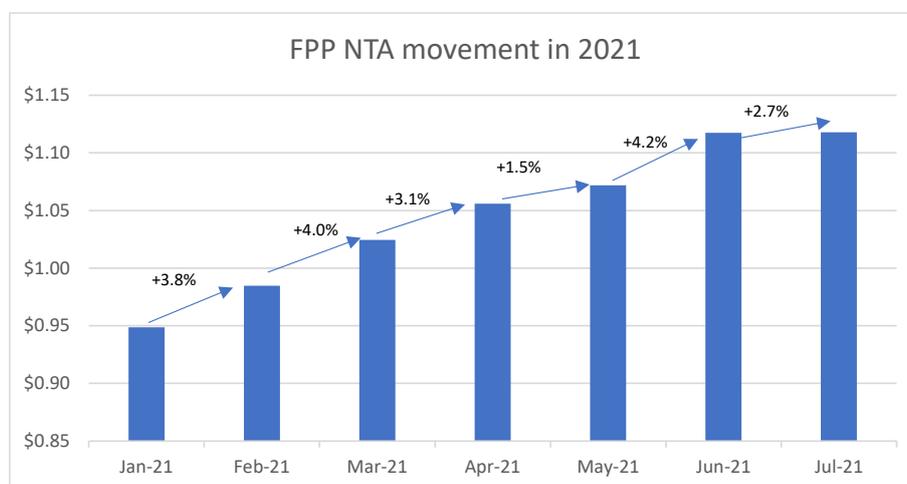
Dear Unitholders,

July 2021 was once again a strong month for REITs globally. European REITs in particular stood out, although US REITs were also relatively strong performers. There was some currency benefit to NTA during the month from a weaker A\$. The 2.9c June distribution impact to FPP investors was fully recovered in July in NTA terms.

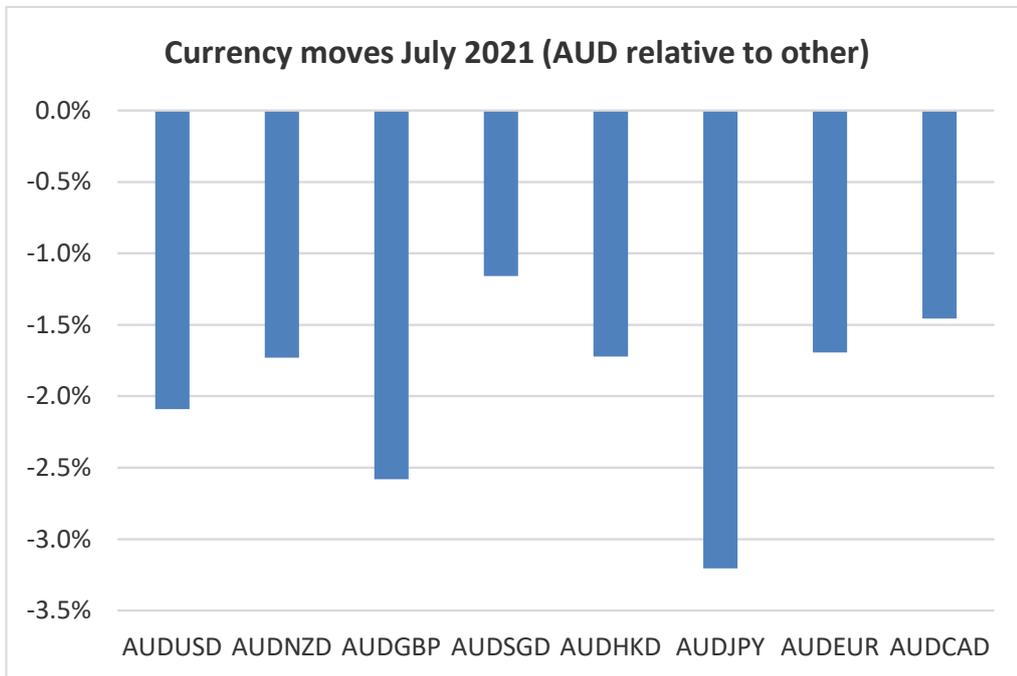
A summary of the change in NTA for the month of July for the Fund is as follows:

	30-Jun-21	31-July-21	Change
<b>Value per unit (cum distribution)</b>	\$1.1174		
<b>Value per unit (ex distribution)</b>	\$1.0884	\$1.1178	2.7%

NTA has now risen for six consecutive months in 2021 for FPP.

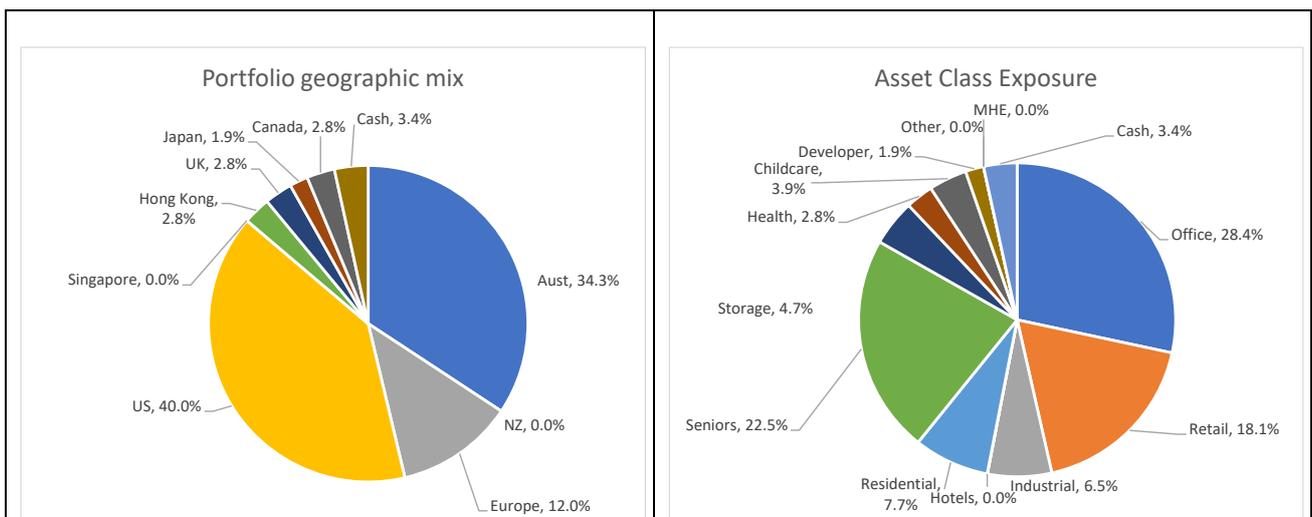


The Australian dollar has fallen vs the USD in the past two months and during July 2021 it was evident as per the following chart that all currencies strengthened against the A\$. This had a positive impact on A\$ returns for the Fund.

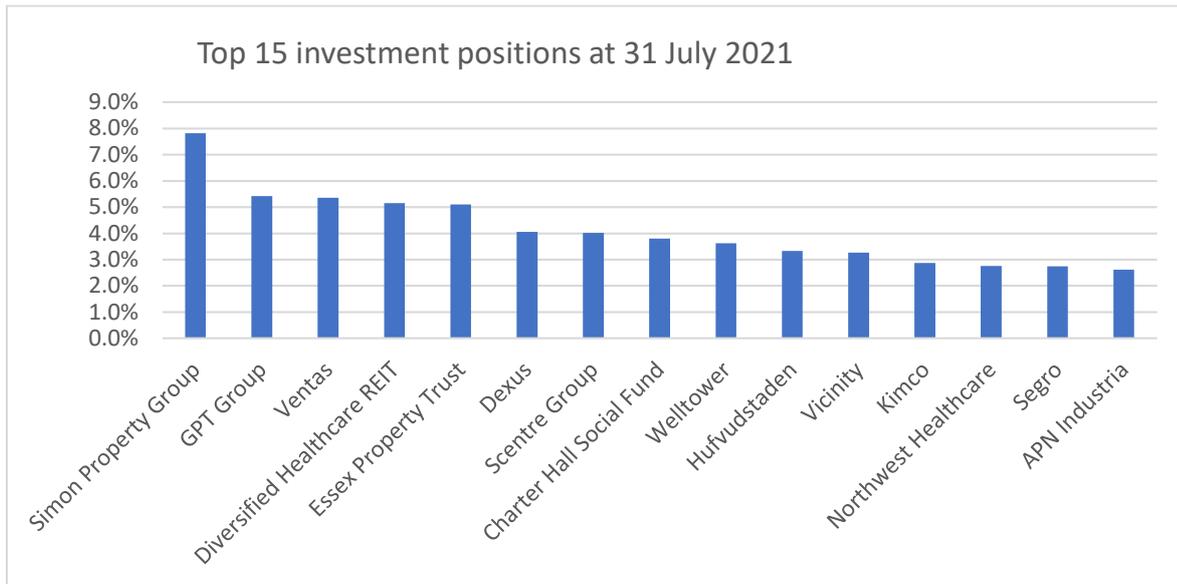


The Fund cash balance stands at 3.4% at the end of July. We have been mildly increasing cash in the Fund in anticipation of a potential market correction, however this has not occurred.

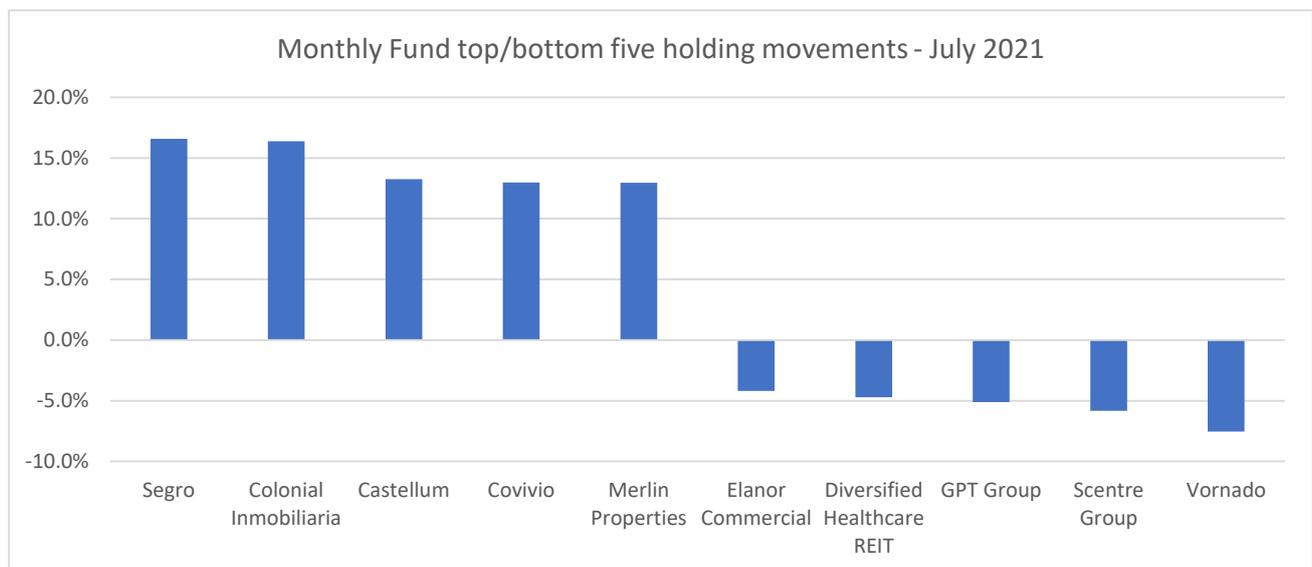
The current Fund portfolio geographic allocation at the end of July is shown in the following chart on the left. The chart below right shows the exposure by asset class. The Fund remains overweight Australia. We expect this to be reduced in August as we seek to reallocate some capital to international opportunities during the prolonged latest lockdown in NSW and in other states.



The number of investment positions held by the Fund at the end of July was stable at 38. Top holdings in the Fund as at the end of the month are summarised in the following chart. The major holding remains Simon Property Group, the largest US shopping mall REIT in the US. A number of US shopping centre REITs announced quarterly results during July and early August, strongly exceeding consensus expectations in most cases for NOI growth, occupancy, and funds from operations per share (FFO). This was also the case for Simon Property Group. Consensus expectations were that SPG would raise FFO guidance to \$9.90 per share however, they in fact raised much more substantially to \$10.43, and announced strong operating metrics including 16% net operating income (NOI) growth from its global portfolio and 32% NOI growth from its US portfolio. SPG is trading at 12.1x earnings vs open air shopping centre REITs on 17.7x and has multiple drivers of growth. We continue to have strong conviction in this holding.



The best and worst five performing Fund holdings for the month of July are highlighted in the following chart. Industrial REITs performed well in Australia and the US, and this was mirrored through our holding in Segro in the UK. The balance of top 5 performers for the month were all European holdings. By contrast, the majority of weakest performers during July were Australian REITs, driven in part by lockdowns once again impacting rent outlooks.



## Outlook

We have been consistent in our commentary every month this year stating that despite the price strength of prior months, there is still meaningful upside opportunity for global REITs. We continue to maintain this view and believe that the medium term outlook into 2022 remains compelling for the real estate sector. There remain significant further price recovery opportunity and this should benefit further medium term NTA growth. Over the past twelve months to 31 July 2021, FPP has delivered a return of 38.7% through NTA growth and distribution payments, exceeding the Fund benchmark total return of 33.6% over the same period.

### **Fat Prophets Global Property Fund**

Fund Manager

Simon Wheatley

11 August 2021

### About Fat Prophets 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.

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<sup>i</sup> 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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