



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

## **ASX ANNOUNCEMENT**

14 October 2021

### **FPP NTA September 2021**

Please find attached the FPP NTA for September 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

### September 2021 Monthly NTA Announcement

Key Points:

- **Fund NTA declined in September after seven consecutive months of increases in 2021**
- **Australian holdings were again a source of relative strength for the month. The US index declined by 6% and European stocks fell further.**
- **Fund NTA declined 3.0% over the month.**

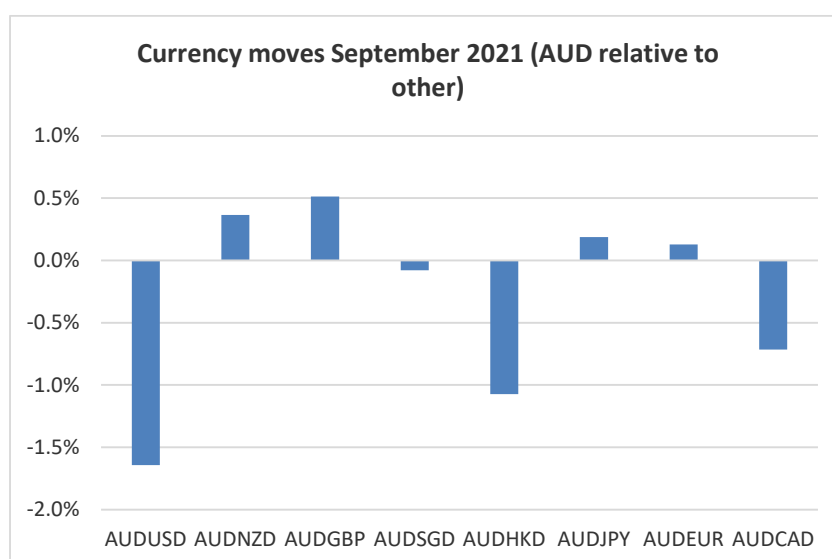
Dear Unitholders,

September 2021 was a weak month for both equities and REITs. Australian REITs declined 1.9% for the month and US REITs declined by 6.0%. A number of holdings traded ex distribution during September. Many European real estate holdings declined by more than 10% during September. FPP remains overweight to Australia, and the Australian sector outperformed for another month.

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

	31-Jul-21	31-Aug-21	Change
<b>Value per unit</b>	\$1.1450	\$1.1105	-3.01%

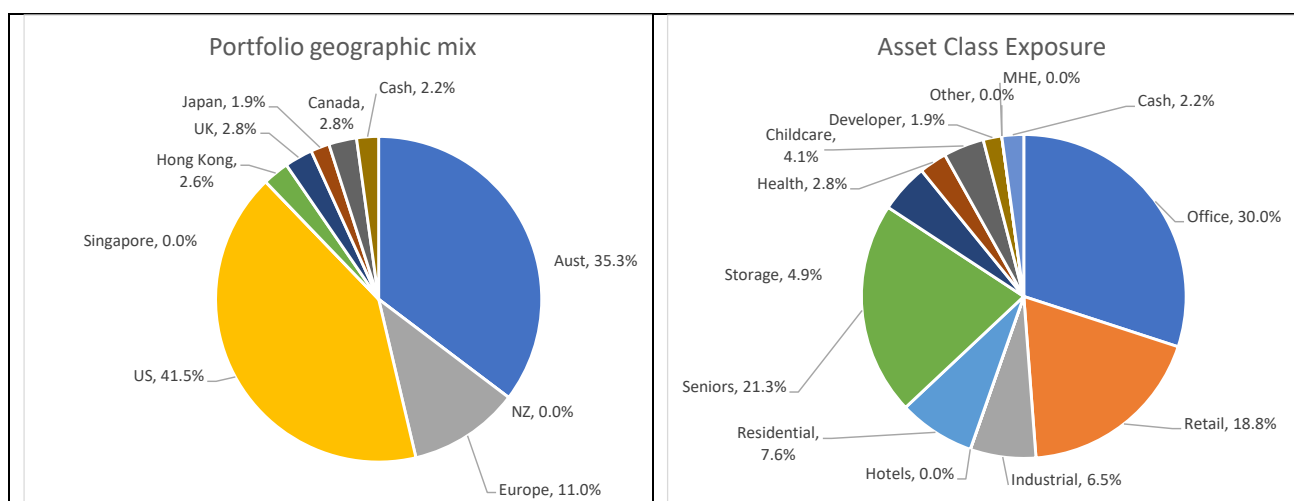
Currency in AUD terms weakened vs the US during the month providing some currency portfolio benefit.



The Fund cash balance remained unchanged at 2.2% at the end of September, with the Fund remaining essentially fully invested. A number of holdings in the portfolio went ex-distribution during the month, adding an additional \$111,000 to the distributable income balance for investors.

FPP increased weighting to the US during August, investing into the retail sector which continues to rebound as the economy reopens. This remained unchanged in September, and we expect rotation into the US to continue through the balance of 2021.

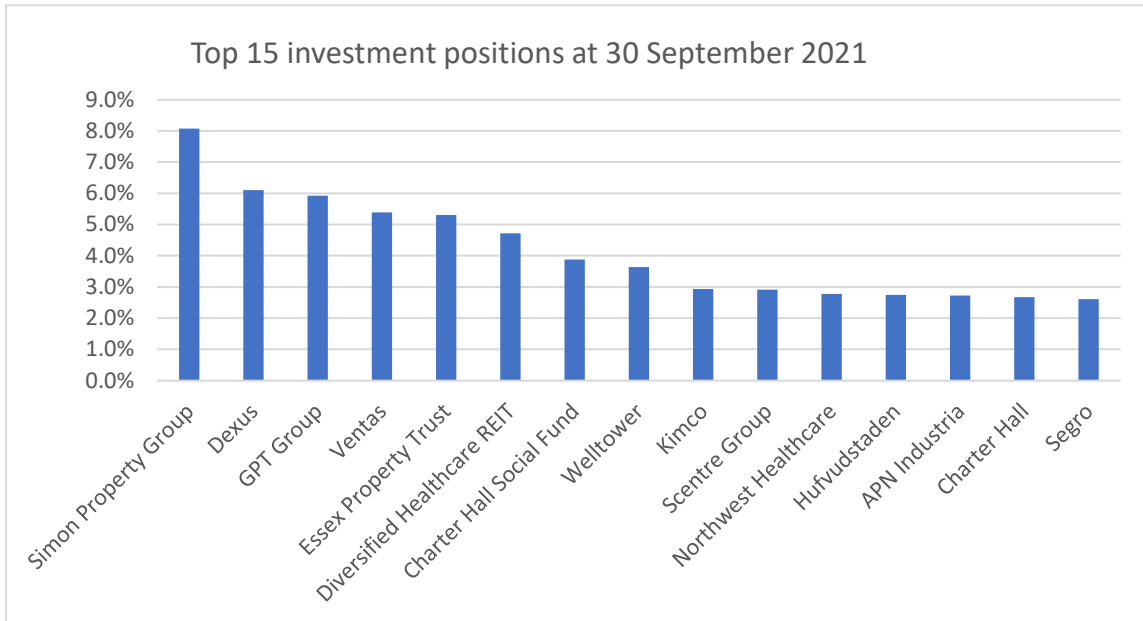
The current Fund portfolio geographic allocation at the end of September is shown in the following chart on the left. The chart below right shows the exposure by asset class. The Fund remains overweight Australia at the end of the quarter.



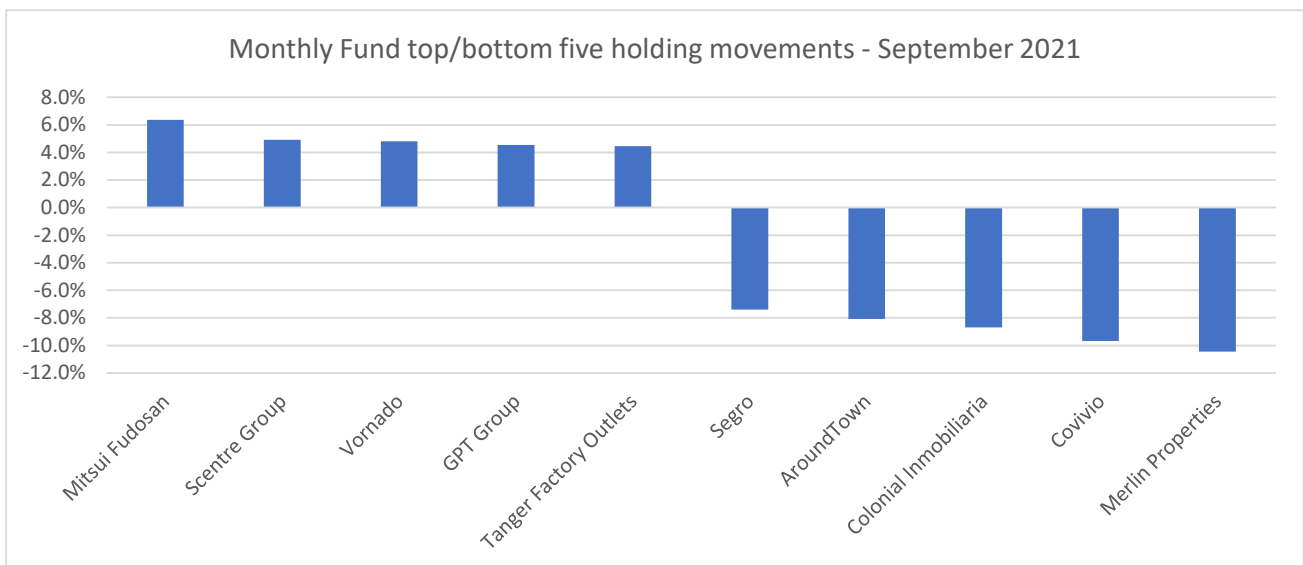
The number of investment positions held by the Fund at the end of September was unchanged at 40. Top holdings in the Fund as at the end of the month are summarised in the following chart. The major holding continues to be Simon Property Group, the largest US shopping mall REIT in the US. We continue to have high conviction on this investment position.

Large cap Australian REITs Dexu and GPT Group make up a meaningful portfolio weighting at the end of September. In early October we reduced the weighting to GPT after strong recent performance, and increased weighting to Charter Hall Group with its mix of direct property holdings and substantial funds management platform.

The large funds management platform and assets under management held by Dexu is a key reason we continue to hold it; we believe the market is ascribing negligible value to its \$20bn third party funds business.



The best and worst five performing Fund holdings for the month of September are highlighted in the following chart. Despite negative returns from various global indices during the month of September, a number of individual holdings within FPP delivered positive performance. UK and European REITs and real estate companies accounted for all of the five worst performing holdings, highlighting the regional weakness during the month.



## Outlook

The landscape for real estate continues to change and evolve as Australia follows other parts of the world out of lockdowns and back into more normalised work and living. Retail sales in the US and parts of European have been beating expectations in terms of recovery, and a number of REITs are now back at all time highs; well above pre COVID levels.

Similarly in Australia in particular, we continue to see very high dollar value of real estate transactions at pricing metrics in many cases which are at record low capitalisation rates. This is highly supportive for net asset backing of the REITs as well as very supportive for the base and performance fees for real estate funds managers. Consequently, FPP rotated its portfolio into a higher exposure to funds management in recent weeks.

We continue to see value in the US and in various Australian holdings and expect the global REIT index to continue to rise into 2022.

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

Fund Manager

Simon Wheatley

14 October 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.

---

<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.

Anyone receiving this information must obtain and rely upon their own independent advice and enquiries. Investors should consider the Product Disclosure Statement (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. Past performance is not indicative of future performance.