



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

ASX ANNOUNCEMENT

8 March 2022

FPP NTA February 2022

Please find attached the FPP NTA for February 2022

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

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

February 2022 Monthly NTA Announcement

Key Points:

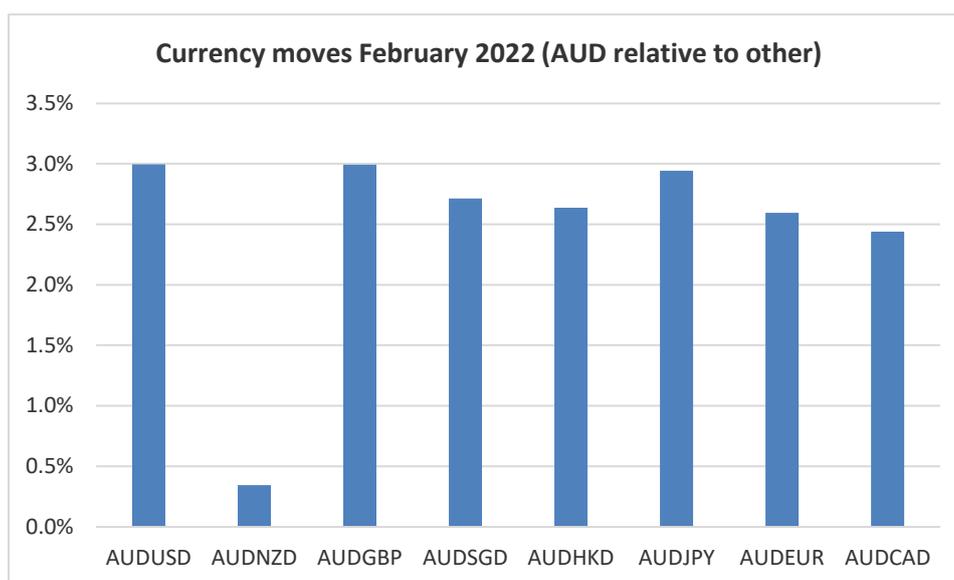
- **Fund NTA decreased 1.96% in February**
- **Global REITs declined 5.3% during February while Australian REITs rose 1.5%**
- **Key impacts were interest rates and the Ukraine conflict**

Dear Unitholders,

Market volatility continued during February driven by the outlook for interest rates as well as by the Russia Ukraine conflict. Currency movements were driven by the demand for resources as sanctions against Russia upend supply chains and the potential access to oil, gas, coal and other resources in the region. A summary of the change in NTA for the month of February for the Fund is as follows:

	31-Jan-22	28-Feb-22	Change
Value per unit	\$1.1040	\$1.0824	-1.96%

Currency in AUD gained ground against all major currencies during February.



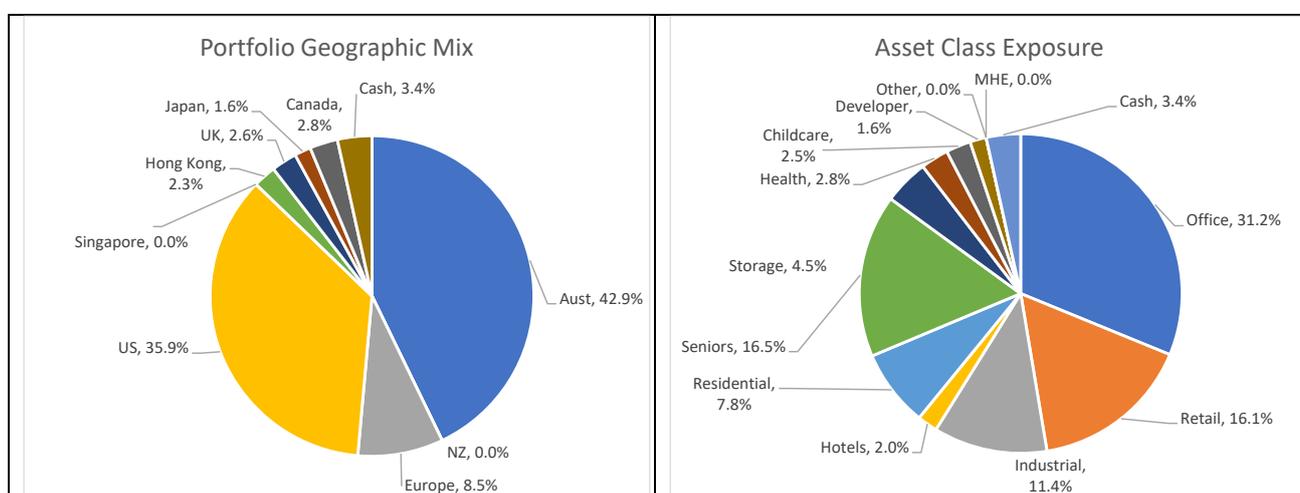
During the month of February, global REITs presented a combination of absolute weakness further overlaid with currency impacted weakness. The FTSE EPRA NAREIT Global REIT Total Return Index (AUD) declined 5.4% during February. European REITs in particular were meaningful lower, impacted in part by the disruptive nature of the armed conflict in eastern Europe.

Australian REITs rose mildly by 1.5%, assisted by strength from reporting season where a number of REITs either upgraded guidance outlook or provided commentary which was supportive.

On a global view, year to date in 2022, the US REIT index has declined 10% before currency impacts to the beginning of March.

The Fund cash balance reduced to 3.4% at the end of February. We continue to analyse for investment opportunities for related stocks.

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



The number of investment positions held by the Fund at the end of February remained unchanged at 40. Top holdings in the Fund as at the end of the month are summarised in the following chart.

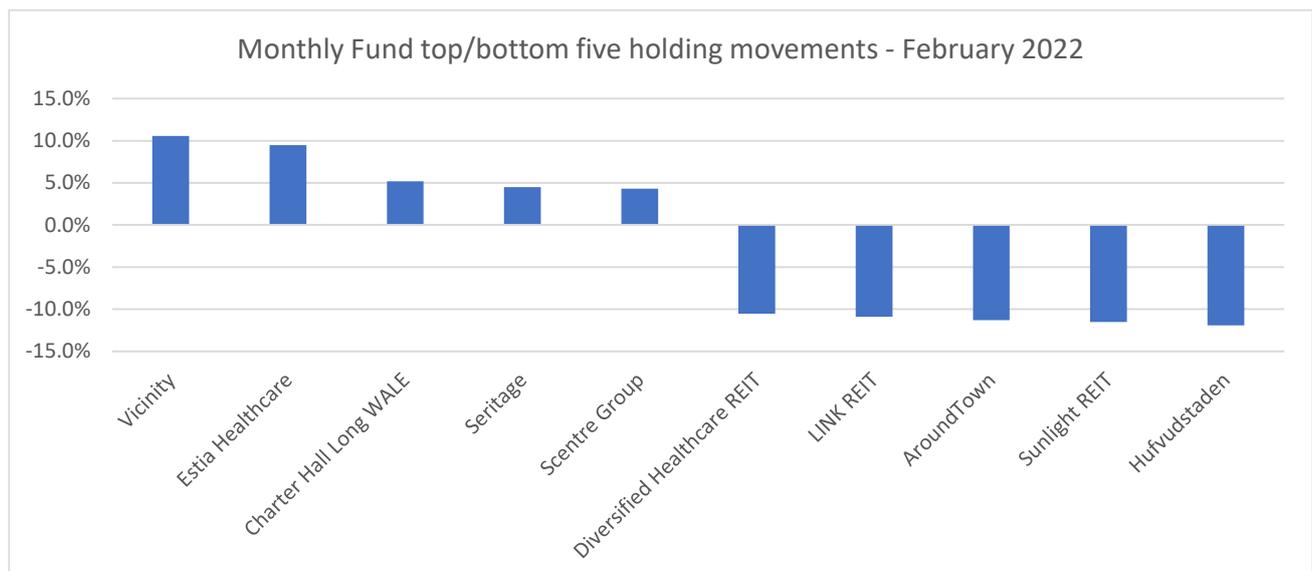
Australian Office REIT and fund manager Dexu remains the largest holding. US holding Essex Property Trust is the second largest holding in the Fund and has been performing well, increasing its position size. Shopping centre REITs in Australia had a short term rally after announcing occupancy and rent collection levels which exceeded expectations. In the US, major shopping centre REIT Simon Property Group has gradually declined off its highs of late last year and this may bode similarly for the Australian sector. Office REITs are seeing a gradual increase in tenant utilisation, however in Australia as well as the US it remains to be seen as to the long term impact of the lasting impact of work from home activity and associated reduced CBD office requirements. We continue to be cautious about the office sector, although it has been a source of outperformance in the US REIT sector so far in 2022.



The five best and worst performing Fund holdings for the month of February are highlighted in the following chart. Larger decliners were mixed across geographies and asset classes. Three of the top five performing holdings were in the retail/shopping centre space highlighting subdued expectations and buying demand on positive news.

While there was a positive bounce for major Australian retail REITs Scentre and Vicinity, both have quickly lost this premium to re trade around their pre reporting season levels. Australian shopping centre REITs have rental growth which is predominantly CPI + 1% or +2% which offers higher rental growth opportunity in the event of inflation increasing. That said, we remain more focussed on seeing shopping centres return to stabilisation rather than focussing on the growth outlook at this stage and expect this is a consensus view.

Shopping centre REITs continue to trade at substantial discounts to NTA of around 20%, suggesting risk is much more balanced to the upside than the downside.



Outlook

While REITs have shown some volatility in 2022 YTD, this is in line with the broader equity markets which have seen a strong investment shift from growth to value bias, as well as the external impacts of rising inflation, rising interest rates, and the Ukrainian conflict and its supply chain and resources impacts.

US REITs have had their third worst start to the calendar year since 1995, declining for each of the first six weeks of the year. This has levelled out with the 200 moving day average now positive in early March, driven by a recovery off lows driven by a more defensive investment bias given global economic uncertainty. US yield spreads between 2 and 10 years have compressed to 25 basis points, an indicator of increased concern around recessionary conditions.

We have increased our sector caution and are more closely monitoring individual investment positions with a view to seek opportunity. The Fund is fully invested as at the end of February.

Fat Prophets Global Property Fund

Fund Manager

Simon Wheatley

8 March 2022

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.

ⁱ Fat Prophets Funds Management Pty Limited (FPFM) (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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