



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

ASX ANNOUNCEMENT

9 May 2022

FPP NTA April 2022

Please find attached the FPP NTA for April 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

April 2022 Monthly NTA Announcement

Key Points:

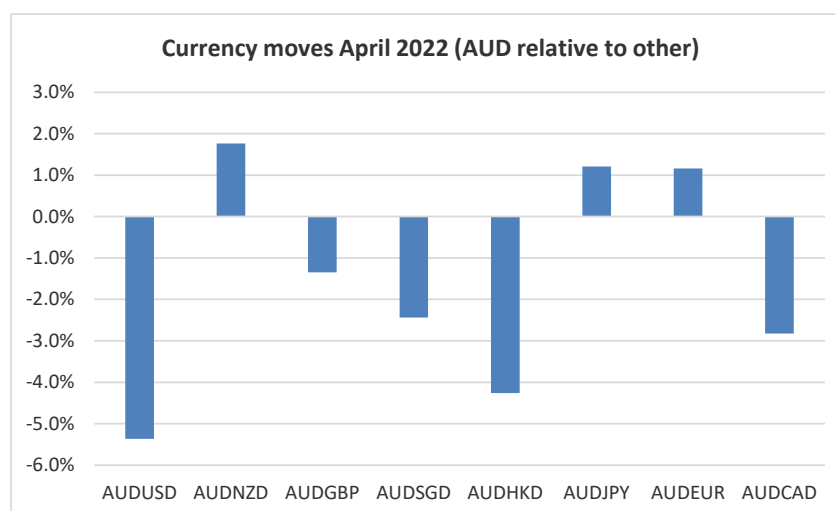
- **Fund NTA declined 1.79% during April, after the strong 6% rise in March**
- **Global REITs declined substantially in April while Australian REITs were flat over the month**
- **Currency impacts largely offset the US decline driven by a stronger US dollar**

Dear Unitholders,

Markets became increasingly volatile throughout April as the US Federal Reserve became more hawkish in the face of a breakout of inflation, leading to uncertainty around how market forces may impact growth. FPP NTA declined by 1.79% after fees over the month of April. **In the 2022 calendar year to date, FPP NTA has declined 1.98%. Over the same time, the ASX300 REIT Index has declined by 7.8%, and the Global REIT Index has declined by 6.9% in AUD terms.**

	31-Mar-22	30-Apr-22	Change
Value per unit	\$1.1480	\$1.1275	-1.79%

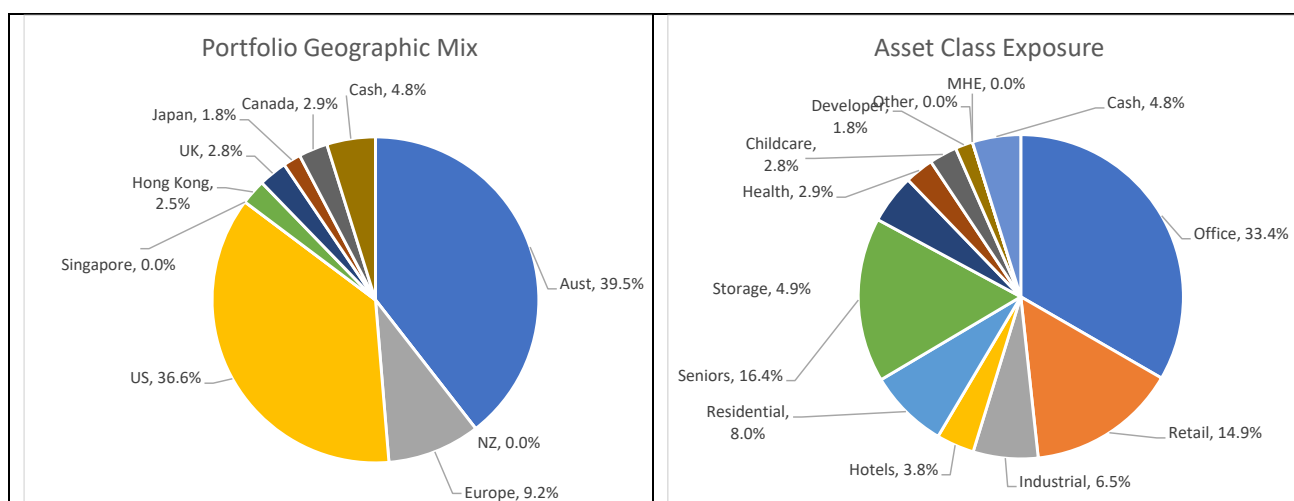
Currency in AUD terms relative to USD was much weaker in April, presenting a tailwind to offshore returns which offset to a degree the weakness in US REITs.



During the month of April equity markets became increasingly volatile, and this has continued to a more substantial degree into early May. The change so far in outlook for US bond yields due to surprisingly high US inflation is clearly impacting the way investors are looking at and pricing different segments of the REIT market. Favoured industrial exposure has taken a recent performance hit, and funds management related businesses have also pulled back, in some cases meaningfully. It would appear macro factors and overlays are driving near term pricing movements more than property specific fundamentals.

The Fund cash balance was 4.8% at the end of April.

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



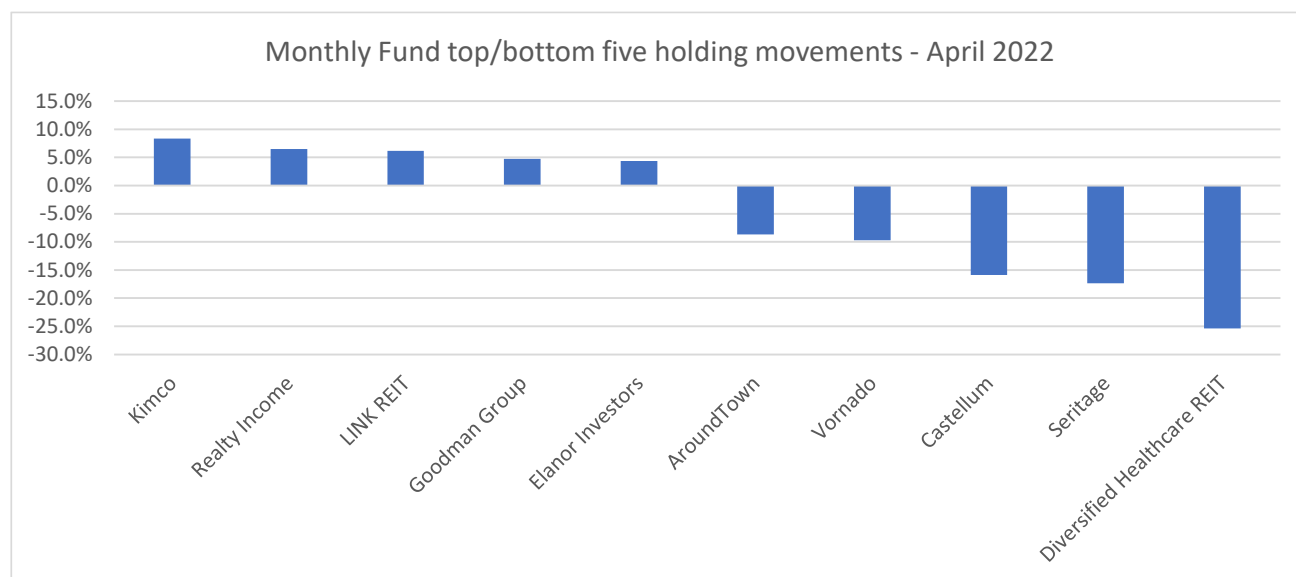
The number of investment positions held by the Fund at the end of April remained unchanged at 40. Top holdings in the Fund as at the end of the month are summarised in the following chart.

Australian Office REIT and fund manager Dexus remains the largest holding and has been an outperformer during current weakness.



The five best and worst performing Fund holdings for the month of April are highlighted in the following chart. The largest decliner was Diversified Healthcare REIT in the US, followed by US retail REIT Seritage which was one of the strongest holdings during March. European holdings continued to be weak.

The Fund has been overweight Dexus Property Group, believing that its meaningful funds management business was being undervalued. During April, DXS announced an agreed deal to acquire the \$27BN property funds management business from AMP, doubling the Dexus assets under management to \$54bn. This news helped DXS outperform peers in the Australian REIT sector during a broader sell off. It has not been impacted like other fund managers such as Charter Hall Group and Goodman Group which had much higher fund management multiple values priced into their shares.



Outlook

We noted in our update at the end of the March quarter that REIT PE multiples were elevated vs historic levels, and that the increasing likelihood of interest rate rises being priced in by bond markets is likely to cause some near term dislocation and may lead to sustained wide NAV discounts in some markets rather than our earlier expectation that NAV discounts would gradually continue to narrow.

We also noted that during periods of rising official rates, Australian REITs have a tendency of underperforming and experiencing a reduction in PE multiple. This commentary has become relevant more rapidly than anticipated and is still playing out in May. Meaningful movements in share prices over a short time frame often lead to relative mis-pricing opportunities and we will be closely assessing for opportunities during May. The Fund is essentially fully invested, and as such any investment opportunities will reflect switching strategies rather than putting excess cash to work.

Fat Prophets Global Property Fund

Fund Manager
Simon Wheatley
9 May 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 (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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