Listed Property
TAMIM Property Fund

At 30 April 2023

The Tamim Listed Property unit class delivered a 3.27% return for the month of April 2023. For comparison the A-REIT sector was up 5.30% while the G-REIT sector was up 3.01%.

Australian Listed REIT Portfolio (AUD)

The portfolio delivered 4.50% during April, slightly underperforming A-REITs. NSR was the worst performing stock, with a negative return of -0.64%. It's the third largest A-REIT portfolio holding and its contribution for the month negatively affected the portfolio performance for April. It has however been the best and second-best performing holding in the portfolio for the last 2 months. There was investor action in the stock during the month which amongst a few things pushed down its share price (ABP selling 30m of its securities held in NSR after buying 13m in late March taking its stake in NSR to 7.2%).

Diversified REITs in the Australian market was the best performing sector, coming in with a positive 8.6%. We have roughly a third of the portfolio exposed to this sector. The second-best performing sector was Retail REITs with 5.1% to which we have just shy of a third of the portfolio exposed to. The office sector has been an underperformer with headwinds such as work from home, economic slowdown and the impact of the pandemic still weighing on our decision to keep the portfolio's exposure to this sector muted. There is a view that office is providing an excellent entry point which we are looking at, but we are favouring quality in A grade Office plays in the best locations with the best balance sheets and lower debt.

The RBA's Phillip Lowe maintained the cash rate during its April meeting at 3.60% as per consensus. It is expected to keep the rate at this level, but it will be data dependent. Before the April meeting there have been 9 consecutive rate hikes to try and curb inflation and this has pushed borrowing costs to almost decade highs. Inflation is seemingly sticky as can be seen in other developed markets around the world and is currently sitting around the 7% mark in Australia. There are projections made in the market for inflation to hit 4.5% by the end of this year and fall to 3% in the middle of 2025. The labour market is extremely tight with a multi decade low unemployment rate of 3.5%.

Key Facts

Investment Structure:	Unlisted unit trust
Minimum investment:	A$100,000
Applications:	Monthly
Redemptions:	Monthly, with 30 days notice
Unit pricing frequency:	Monthly
Distribution frequency:	Quarterly
Management fee:	0.98% p.a.
Lock up period:	Nil
Buy/Sell Spread:	+0.25%/-0.25%
Exit fee:	Nil
Administration & expense recovery fee:	Up to 0.25%

NAV

	Buy Price	Mid Price	Redemption Price
AU$	$0.8803	$0.8781	$0.8759

December Quarter 2022 Distribution: 0.61 cents

Portfolio Performance

Inception: 12/7/2021	1 m	6 m	12 m	Since inception (p.a.)
Listed Property	3.27%	1.62%	-8.55%	-3.69%
A-REIT	5.30%	3.39%	-15.22%	-6.36%
G-REIT	3.01%	1.79%	-8.63%	0.17%
Cash	0.30%	1.62%	2.40%	1.40%

year and fall to 3% in the middle of 2025. The labour market is extremely tight with a multi decade low unemployment rate of 3.5%.

The current Australian portfolio component consists of 22 stocks. Below are the top 5 holdings:

Symbol	Company	Sector	Current Weight
GMG	Goodman Group	Industrial	8.34%
VCX	Vicinity Centres	Retail	8.28%
NSR	National Storage REIT	Storage	7.72%
SCG	Scentre Group	Retail	6.78%
CIP	Centuria Industrial	Industrial	6.73%

Listed Property
TAMIM Property Fund

At 30 April 2023

Reitway Global Property Portfolio (USD)

April proved to be a cautious month in the financial markets as investors remained wary in the aftermath of the March banking crisis. The shockwaves of the debacle, although seemingly contained for the moment, continued to cast a shadow of uncertainty over the global economy. As a result, markets remained subdued, with many investors adopting a wait-and-see approach to avoid potential risks. The S&P 500 delivered a monthly total return of 1.52% with a late rise following strong quarterly results from the mega caps such as Microsoft, Alphabet and Meta.

Global real estate, as measured by the GPR 250 REIT World Index, delivered 1.67% in USD terms, outperforming both global equities and global bonds. Digging into global real estate returns, healthcare was the sector leader as it returned +5.9%% for April and was predominantly guided by good performance in the US counters. The sector laggard of the month was self-storage which gave back some of its 1Q23 outperformance, producing a negative return of -2.4%.

Western Europe gave listed real estate investors something to smile about as it delivered +6.6% total return with the UK receiving the gold-medal for its stellar returns of +8.2%. UK growth was primarily underpinned by UK logistics as healthy fundamentals drove positive sentiment. The US market lagged, delivering a total return of +0.95%. The month was slightly weaker for Canada and Singapore that produced among the lowest returns ranging between +0.51% and +0.63% but was fortunately in the green.

The second half of April saw REITs begin the release of their first quarter results. Industrial continued to impress shareholders as companies saw mark-to-market rental growth on new leases reach their highest levels ever. Occupancies saw a mild decline as leasing activity slowed due to the uncertainty surrounding a potential recession later this year. Nonetheless, this was in line with management's expectations at the end of 2022 and the decline in occupancies were offset by strong rental growth across the portfolios.

During the month, S&P Global revised their outlook on the UK's sovereign credit rating, raising it from a negative outlook to stable. The negative label was slapped on by the ratings agency last year when Liz Truss announced the implementation of a "mini budget" that was perceived as highly inflationary during a period that was already experiencing price instability. This led to a negative response from the bond market and forced the British central bank to purchase billions of pounds worth of bonds to contain the fallout. In addition to the ratings change, the IMF adjusted their GDP forecasts up during the month off the back of lower energy prices but still believes the economy will experience a contraction in 2023 of ~0.3%.

Time is ticking for the US Government to raise the $31.4 trillion debt ceiling as the dreaded "x-date" approaches. The US government and House of Representatives have reached a deadlock on how to move forward. US House speaker, Kevin McCarthy, proposed a plan to allow the debt ceiling to be raised $1.5 trillion, but requires government spending to be cut by approximately three times the amount. Joe Biden believes the proposal to be unfounded and should be able to raise the debt ceiling unconditionally just like his predecessor, Donald Trump had done three times before. Meanwhile, as negotiations continue, the markets have not responded kindly. 3-Month T-bill yields reached levels of 5.35% during the month achieving a new 22-year peak. One Year Credit Default Swaps on US debt reached levels higher than those in 2011 during a very similar stand-off leading to the US sovereign credit rating being downgraded for the first time ever. "X-date" is forecasted for some time in August, however disappointing tax collections for April could bring the date to as early as June.

The BoJ maintained its "ultra-low" interest rates as Governor Ueda still awaits strong evidence that inflation can sustainably achieve the 2% target. However, the yield curve control (YCC) policy will be placed under review aiming to give the central bank more flexibility when the time arises for a policy tweak. Ueda emphasised that prematurely raising interest rates before reaching the desired inflation level could be far more detrimental to the economy than inflation exceeding 2% because of a lagged response.

US core CPI y/y moved to 5.6% in line with expectations and higher than the prior month at 5.5% however core CPI m/m declined from 0.5% in February to 0.4% in March following the desired direction. US unemployment rate ticked downward by 10bps to 3.5% reflecting the ongoing resilience of the current labour market despite the pace at which interest rates have risen.

UK core CPI y/y disappointed analysts as it came in above expectations at 6.2% (20bps surprise) but held steady on the prior year. Tokyo CPI y/y moved up 20bps to 3.5% maintaining levels above the BoJ's 2% target rate.

Towards the end of April, the FDIC placed First Republic bank under receiverships sending its shares into a freefall and extending the concerns around the banking sector. Despite the turmoil our portfolio remains robust and sheltered from a major fallout with low exposure to bank debt, favourable levels of leverage with an extended term to maturity that grant our companies the flexibility to capitalise on opportunities that may arise from distress.

Listed Property
TAMIM Property Fund

At 30 April 2023

The Tamim global property portion invested in the Reitway Global Property Portfolio currently consists of 46 stocks. Below are the top 5 holdings:

Symbol	Company	Sector	Current Weight
PLD	Prologis	Industrial	9.05%
WELL	Welltower Inc	Healthcare	4.17%
PSA	Public Storage	Storage	3.58%
VICI	Vici Properties	Gaming	3.53%
1476.T	iShares Japan REIT	Diversified	2.85%

We believe real estate fundamentals remain sound and remain steadfast in our belief that the asset class can post meaningful returns relative to stocks and bonds, even against a slower-growth, higherinflation backdrop, particularly as valuations remain attractive.