

31 July 2020



New Zealand Fund Manager of the Year
For more information, see anz.co.nz/OA-investmentsawards



Property Securities Fund

Fund description

Invests mainly in New Zealand and Australian listed property assets. Investments may include listed companies, funds or trusts that invest in property, and cash and cash equivalents.

Market and fund review

The fund gained 6.99% in July. In New Zealand, the listed property sector bounced back after a challenging start to the year, rising 7.1% in July, comfortably outperforming the broader NZX 50. In addition, all 11 of the companies that make up the sector ended the month higher.

A broad theme in July was the standout performance of the retirement sector with three of the top five best-performing stocks in the NZX 50 in this sector. Following on from this theme, the fund benefited from its overweight positions in Metlifecare Limited, Summerset Group Holdings Limited and Oceania Healthcare Limited.

Shares in Metlifecare rose nearly 15% after news that the takeover bid from Asia Pacific Village Group was back on the table at a reduced price of \$6 per share, down from the \$7 per share offer announced before the COVID-19 outbreak.

Meanwhile, Oceania Healthcare finished the quarter up more than 13% despite reporting an annual net loss of \$13.6 million. And Summerset was the best-performing stock in the NZX 50, finishing July up more than 20% after the company said it expects first-half underlying profit to be between \$40 million and NZ\$45 million. Holding back performance was the fund's underweight position in Goodman Property Trust, which finished July up nearly 10%. This position has been a strong contributor for the fund for a number of months now, but July saw the shares bounce back after a period of weakness.

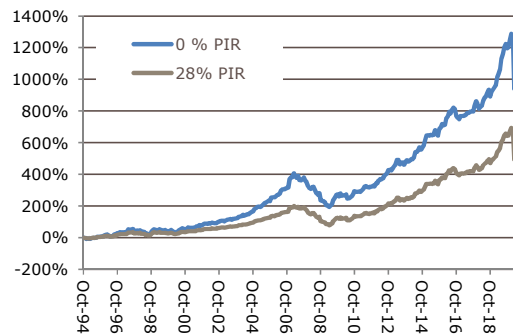
Finally, the fund's holding of cash also hindered performance. As market sentiment improved mildly in July and share markets moved higher, defensive assets such as cash underperformed.

Fund performance

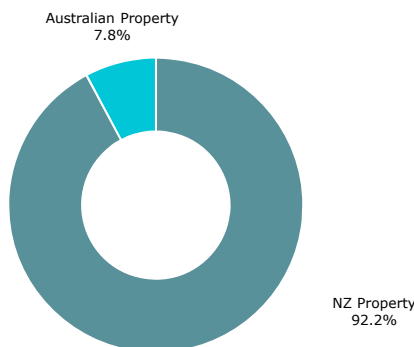
	1mth	3mth	6mth	1yr	3yrs (ann)	5yrs (ann)	Since Launch (ann)
At 0% PIR Tax	7.0%	13.6%	-11.8%	-3.2%	11.3%	9.4%	10.2%
At 28% PIR Tax	7.0%	13.5%	-12.0%	-3.5%	10.7%	8.7%	7.9%

Performance is after fund fees and stated PIR. The 28% PIR return series shows returns at the highest PIR at the time of the performance. The fund became a PIE fund on 1 October 2007. Performance of the 0% PIR prior to this date has been recalculated on a before tax basis. Performance of the 28% PIR prior to this date are reflective of the tax regime for that period. Performance for periods longer than one year are annualised.

Fund performance since launch



Sector Allocation

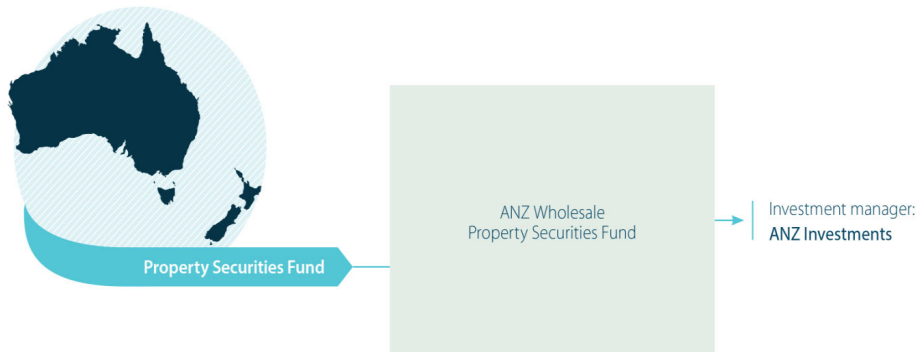


Top 5 Holdings

1	Precinct Properties NZ Ltd.	19.0%
2	Kiwi Property Group Ltd.	15.4%
3	Goodman Property Trust	14.8%
4	Property For Industry Ltd.	11.9%
5	Stride Property and Investment Mgmt.	10.1%
Total Top 5 Holdings		71.2%
# of Property Holdings		26

Property Securities Fund

Current fund structure



Additional fund details

Minimum transaction size

Lump sum withdrawals	\$500
Regular withdrawals	\$100

Fees

Annual fund charge	1.16%
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Launch date

25 October 1994

Detailed fund information

[Guide and product disclosure statement](#)

Forms to alter your investment

[See form section of product disclosure statement](#)

Contact information

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Information is current as at the date of this document and may change on a daily basis.

Past performance does not indicate future performance. The actual performance any given investor realises will depend on many things, is not guaranteed and may be negative as well as positive.

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The Morningstar Analyst Rating for OneAnswer Property Securities Fund assigned on 4 August 2020 is Bronze. See anz.co.nz/OA-investmentawards (Morningstar) for full disclaimer. For more awards information, including the full Morningstar awards disclaimer, visit anz.co.nz/OA-investmentawards.

All market returns quoted in commentary are in local currency terms.