

BlackRock Property Securities Index Model (BR0007)

JUN 2024

Market Overview

The S&P/ASX300 Australian Real Estate Investment Trust (A-REIT) sector index returned -5.7% for the quarter, underperforming the S&P/ASX300 Total Return index which returned -1.2%. Even with the relatively poor quarter, over the last 12 months the Australian property index (+23.8%) outperformed the broader Australian equities index (+11.9%). Goodman was the only significant contributor, whilst Mirvac, Scentre, Dexus and Stockland led the detractors over the last three months.

The quarter to June saw increasing concern around rising inflation, with the most recent monthly indicator registering +4.0% y/y (vs +3.6% the month before). Elsewhere, GDP growth slowed with the latest reading at the start of June showing growth of +0.1% (SA q/q), slowing from the previous reading of +0.3% (SA q/q). Unemployment remains relatively low, currently at 4% (as of May 24), and recent retail sales have seen a slight bounce (+0.6% for May 24). In June, the RBA decided to hold the Official Cash Rate at 4.35%, however, with concerns around inflation rising, some commentators are suggesting an increasing probability of another rate hike at the next meeting in August.

Goodman (+3.2%) was the best performing constituent in the A-REIT Index over the quarter, while the worst performer was Mirvac (-18.1%).

Performance as at 30 June 2024

	Gross %	Out-performance % [^]	Benchmark % [*]
1 Month	-1.23%	0.12%	-1.35%
3 Months	-5.63%	0.03%	-5.66%
6 Months	9.19%	-0.11%	9.3%
1 Year	23.87%	-0.24%	24.1%
3 Years (pa)	5.89%	0.04%	5.85%
5 Years (pa)	4.75%	0.12%	4.63%
10 Years (pa)	9.45%	0.48%	8.98%
Since inception (pa) [*]	6.46%	0.59%	5.88%

^{*}Please also note that the Blackrock property securities model is closed.

[#] Model performance inception date: 16/8/2006.

Past performance is no indicator of future performance. Long term performance returns show the potential volatility of returns over time. The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested. Fluctuation may be particularly marked in the case of a higher volatility Model and the value of an investment may fall suddenly and substantially. Model portfolio composition and performance have been based on theoretical tracking of the model portfolio and are gross of fees and do not take tax positions into account. Please note, actual portfolios may not perform in the same manner as the model depicted in this document, depending on the nature of your personal portfolio and any customisations. Rounding used in the presentation of data may result in minor variations.

Summary

Model Portfolio Name	BlackRock Property Securities Index
Model Code	BR0007
Model inception date	24/07/2006
Principal investment objective	Match total return (income and growth) of the S&P/ASX 300 A-REIT Accumulation Index
Can derivatives be used?	No
Indicative number of stocks	Up to 30
Minimum Model investment	No fixed minimum*
Model Provider's Fees*	
Investment Fee	0.10% p.a.
Performance Fee applicable?	No
Benchmark Index	S&P/ASX 300 Property GIC Accumulation Index

* Please refer to the Product Disclosure Statement for further details.

About the Model Portfolios

Investment objective

The BlackRock Property Securities Index Model Portfolio (the "Model") seeks to match the total return of the S&P/ASX 300 A-REIT Accumulation Index, before taking into account Model fees and expenses.

Investment strategy

The investment objective of this Model is pursued by investing in a representative sample of securities held in the S&P/ASX 300 A-REIT Accumulation Index. The index is comprised of listed vehicles classified as Property Trusts, in the Australian stock market. The Model may invest in securities that have been or are expected to be included in the index.

Designed for investors who...

- Seek exposure to listed property trusts
- Are satisfied with index returns without any active investment management
- Accept risks consistent with listed property trusts