

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

ASX ANNOUNCEMENT

12 February 2024

FPP NTA January 2024

Please find attached the FPP NTA for January 2024

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) January 2024 NTA update

January 2024 Monthly NTA Announcement

Key Points:

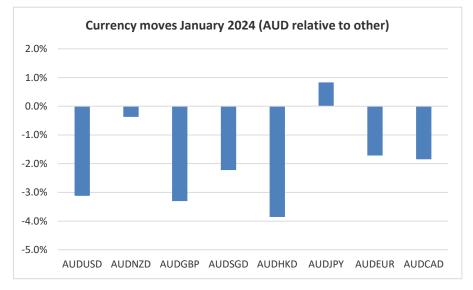
- Fund NTA declined by 0.5% during January post fees and expenses, ending at \$0.8604 per unit ex the 2.5c half year distribution.
- The global index declined by 0.9% during January.

Dear Unitholders,

January was a period of meaningful volatility for bond yields and this was a key driver for equity markets an real estate performance. The US equity market continued to strengthen end touch record highs. Global real estate was broadly flat in Australian dollar terms during the month.

	31 Dec-23	31 Jan-24	Change
Value per unit (ex distribution)	\$0.8647	\$0.8604	-0.5%
Value per unit (cum distribution)	\$0.8922		

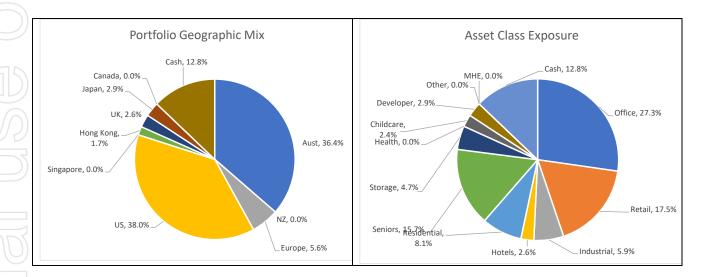
Volatility in the outlook for interest rates was meaningful as market expectations for interest rate cuts in 2024 were challenged by hawkish comments from central banks. This drove weakness for the AUD during the month.



Source: Eikon

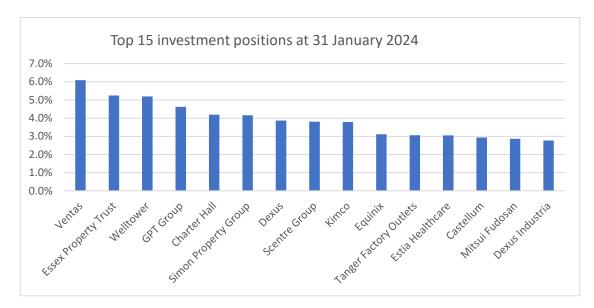
The Fund cash balance remains high although reduced to 12.8%. The Fund increased its exposure to Dexus Property Group over the past month.

The current Fund portfolio geographic allocation at the end of January is shown in the following chart on the left. The chart below right shows the exposure by asset class. The number of Fund core investment holdings remained at 33.



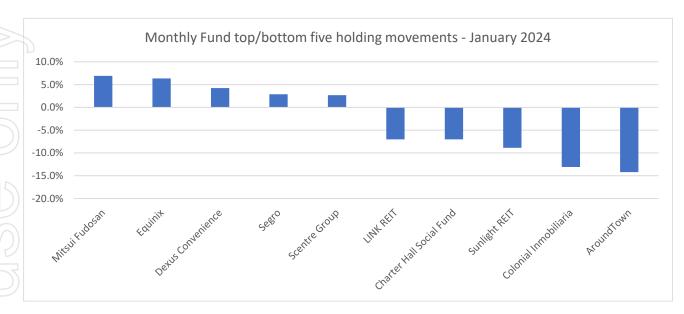
Top holdings in the Fund as at the end of January are summarised in the following chart.

Top exposures in the portfolios remain US REITs. The top 3 holdings in January in the US were laggard performers, holding back overall performance.



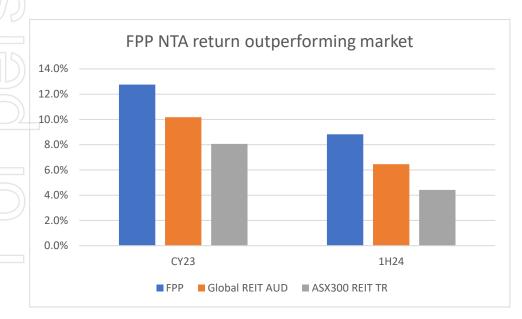
The best and worst contributors to return for the month of January are summarised in the following chart.

Mitsui Fudosan in Japan was the best performing. Its share price has risen by 60% over the past year.



Despite the recent substantial rally in the Australian REIT sector off its lows, the total return over the half year FY24 to 31 December 2023 has been more moderate, at 4.4%. Over the same time frame the total NTA return for FPP including distribution was twice as much after fees and expenses at 8.8%. We continue to see meaningful value in the REIT sector both domestically and globally. A significant number of REITs are trading at deep discounts to their asset values – levels which have historically proven attractive entry points.

Over the full calendar year 2023, as well as the first half year of FY2024 the total NTA return for FPP including distributions paid has clearly exceeded the Australian REIT sector total return (TR) as well as the global REIT sector total return in AUD terms.



Outlook

Reporting season commenced in late January and continues into February. Results for REITs have tended to exceed analyst projections, with very limited evidence of earnings impacts from higher cost of debt or from weak occupancy demand for office properties. We expect this will continue to drive revitalised confidence in REITs. Underpinning this remains the fact that REITs are trading historically deep discounts to their net asset backing.

During January there was further evidence of M&A activity targeting undervalued portfolios. IN the US Blackstone tabled a privatisation dela for Tricon Residential at a 30% premium. In Australia Bunnings Warehouse Trust made and merger offer for Newmark REIT at a 46% premium. We believe the large discounts to fundamental values, combined with limited further negative asset revaluations for most REIT portfolios will retain interest in M&A in 2024.

Fat Prophets Global Property Fund

Fund Manager Simon Wheatley 12 February 2024

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.