

MSMM Global Real Estate Securities Fund



Portfolio Manager
Bruce Eidelson

Russell Investments' Real Asset Team comprises over 23 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe.

The team manages a wide range of mandates, including listed real estate, private real estate, listed infrastructure, and commodities.

Fund facts

Share class; Dealing ccy

Class NZDH Acc; NZD

Dealing frequency; Cut off

Daily; 2.00pm GMT

Domicile; Category

Ireland; UCITS

Fund size

USD 245.47m

ISIN; Bloomberg

IE00BP8Y4068; MSMGRNH ID

Fund launch date

14 December 2005

Share class launch date

20 November 2014

Management fee

0.90%

Share class NAV

NZD 1,348.75

Fund objective

The Fund aims to achieve long term growth and income by investing worldwide in the shares of property-related companies, using a multi-manager investment approach. Each underlying investment strategy has a complementary investment style, with a focus on property-related companies and trusts.

Fund update

The global listed property market advanced over the month, but modestly underperformed the broader equity market. North America led the index with positive returns, while Asia and Europe posted negative performance. The Fund underperformed the benchmark for the month. Overweights to Hong Kong and UK negatively impacted performance. An underweight to the US industrial sector and negative stock selection within the US lodging sector also served as a headwind to performance. This was moderated however, by overweights to and positive stock selection within the US self-storage and residential sectors.

Performance review (%)

Performance to period end Returns shown in NZD	1 month	3 months	Year to date	12 months	3 years	5 years	Since inception*
Return gross of management fee Class NZDH Acc	0.8	0.9	14.9	7.5	5.2	-	7.5
Return net of management fee Class NZDH Acc	0.7	0.7	14.3	6.6	4.3	-	6.5
FTSE EPRA/NAREIT Dev Real Estate NZDH (Net)	1.0	1.7	15.2	7.9	4.4	-	7.3

*Inception: 20 November 2014

All returns greater than 1 year are annualised

Discrete rolling 12 month performance (%)

Returns shown in NZD	30/06/14 30/06/15	30/06/15 30/06/16	30/06/16 30/06/17	30/06/17 30/06/18	30/06/18 30/06/19
Return gross of management fee Class NZDH Acc	-	9.8	4.8	8.0	7.7
Return net of management fee Class NZDH Acc	-	8.8	3.9	7.0	6.7
FTSE EPRA/NAREIT Dev Real Estate NZDH (Net)	-	12.4	2.7	6.9	7.8

Past performance is not a guide to future performance.

The current benchmark is FTSE EPRA/NAREIT Dev Real Estate NZDH Net. The benchmark prior to October 2010 was FTSE EPRA/NAREIT Real Estate Index (Dublin Tax).

Portfolio statistics

	Fund	Benchmark	3 years	Fund	Benchmark
Number of Securities	178	334	Volatility	9.9	10.0
Investor (%)	87.1%	88.5%	Tracking error	1.0%	-
Developer (%)	12.9%	11.5%	Sharpe ratio	0.2	0.2
			Information ratio	-0.2	-
			3 year return (net)	4.3%	4.4%
			3 year excess return (net)	-0.1%	-

Data as at 30 June 2019
Source: BNY Mellon

MSMM Global Real Estate Securities Fund (continued)

Ten largest holdings by weight

Security	Fund	Benchmark
Simon Property Group, Inc.	3.5%	4.0%
Sun Hung Kai Properties Ltd.	3.4%	2.2%
Welltower, Inc.	3.3%	2.3%
Prologis Inc.	3.1%	3.4%
UDR Inc.	3.0%	1.0%
Public Storage, Inc.	2.5%	2.8%
SL Green Realty Corp.	2.4%	0.6%
Mitsubishi Estate Co., Ltd.	1.9%	1.9%
Klepierre SA	1.9%	0.4%
Extra Space Storage Inc.	1.9%	1.0%

Source: Factset

Property sector weights

	Fund	Benchmark
Diversified	34.2%	27.9%
Residential	16.8%	15.8%
Retail	15.9%	17.7%
Office	12.2%	12.2%
Health Care	5.6%	7.6%
Industrial	5.3%	8.3%
Self Storage	5.1%	4.8%
Lodging/Resorts	3.6%	3.5%
Office Mixed	1.3%	2.2%

Source: Factset

Country weights

	Fund	Benchmark
United States	54.3%	54.1%
Hong Kong	10.5%	8.1%
Japan	10.2%	11.5%
United Kingdom	5.7%	4.2%
France	3.8%	1.4%
Germany	3.7%	4.2%
Australia	3.5%	5.9%
Sweden	1.4%	1.7%
Singapore	1.4%	2.8%
Others	5.4%	6.0%

Source: Factset

Fund structure

Manager/Strategy	Role in fund	Target	Actual
Cohen & Steers	NAV, Global Multiple/Growth Models	30.0%	33.1%
RREEF America LLC	Concentrated, Bottom-up Global	30.0%	36.5%
Morgan Stanley	NAV, Global	30.0%	19.0%
Russell Investments	Regional Positioning Strategy	10.0%	9.9%
Russell Investments (cash & other)		-	1.5%

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