

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 304.47m

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 1,513.47

Fund objective

The Fund aims to achieve long term growth and income by investing worldwide in the equities of property-related companies. Each underlying investment strategy has a complementary investment style, with a focus on property-related companies and trusts. The Fund is actively managed with reference to the FTSE EPRA/NAREIT Developed Real Estate Index (USD) - Net Returns (the "Index") which it seeks to outperform by 1.75% over the medium to long term. Russell Investments has full discretion to select investments for the Fund.

Fund update

The Fund outperformed the benchmark during the month. The global listed property market outperformed the broader equity market. The Fund's underweight to office coupled with favourable security selection within the shopping centre and health care sectors drove excess returns. Positive stock selection within Singapore further contributed to performance. The underweight to lodging negatively impacted performance.

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 | -3.5 | -1.8 | -7.4 | 6.9 | 5.1 | 6.5 | 6.7 |
| Return net of management fee Class NZDH Acc | -3.6 | -2.0 | -7.7 | 6.0 | 4.2 | 5.5 | 5.7 |
| FTSE EPRA/NAREIT Developed Real Estate Index (NZD Hdg) - Net Returns | -4.0 | -1.8 | -7.2 | 5.5 | 3.7 | 5.2 | 5.8 |

*Inception: 20 November 2014

All returns greater than 1 year are annualised

Discrete rolling 12 month performance (%)

| Returns shown in NZD | 31/03/17 31/03/18 | 31/03/18 31/03/19 | 31/03/19 31/03/20 | 31/03/20 31/03/21 | 31/03/21 31/03/22 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Return gross of management fee Class NZDH Acc | 4.3 | 15.6 | -21.8 | 30.0 | 17.4 |
| Return net of management fee Class NZDH Acc | 3.3 | 14.5 | -22.5 | 28.8 | 16.3 |
| FTSE EPRA/NAREIT Developed Real Estate Index (NZD Hdg) - Net Returns | 1.5 | 16.4 | -24.1 | 30.3 | 16.1 |

Past performance is not a guide to future performance.

Portfolio statistics

| | Fund | Benchmark | 3 years | Fund Benchmark |
|----------------------------|-------|-----------|---------|----------------|
| Number of Securities | 205 | 362 | | |
| Investor (%) | 90.9% | 91.4% | | |
| Developer (%) | 9.1% | 8.6% | | |
| Volatility | | | 17.9 | 19.0 |
| Tracking error | | | 2.2% | - |
| Sharpe ratio | | | 0.2 | 0.1 |
| Information ratio | | | 0.1 | - |
| 3 year return (net) | | | 4.2% | 3.7% |
| 3 year excess return (net) | | | 0.5% | - |

Data as at 31 March 2022
Source: BNY Mellon

MSMM Global Real Estate Securities Fund (continued)

Ten largest holdings by weight

| Security | Fund | Benchmark |
|-----------------------------|------|-----------|
| Prologis, Inc. | 6.1% | 6.0% |
| Public Storage, Inc. | 4.4% | 3.0% |
| Welltower, Inc. | 3.4% | 2.1% |
| Vonovia SE | 3.0% | 1.8% |
| Digital Realty Trust, Inc. | 2.7% | 2.0% |
| AvalonBay Communities, Inc. | 2.4% | 1.7% |
| Simon Property Group, Inc. | 2.3% | 2.2% |
| Healthpeak Properties, Inc. | 2.0% | 0.9% |
| Kimco Realty Corp. | 1.9% | 0.7% |
| Boston Properties, Inc. | 1.8% | 1.0% |

Data as at 31 March 2022

Property sector weights

| | Fund | Benchmark |
|-----------------|-------|-----------|
| Diversified | 24.7% | 27.4% |
| Residential | 19.0% | 17.4% |
| Industrial | 13.9% | 13.0% |
| Retail | 13.4% | 13.7% |
| Health Care | 9.0% | 7.2% |
| Self Storage | 7.9% | 6.4% |
| Office | 7.1% | 9.6% |
| Lodging/Resorts | 3.6% | 3.7% |
| Office Mixed | 1.4% | 1.6% |

Data as at 31 March 2022

Country weights

| | Fund | Benchmark |
|----------------|-------|-----------|
| United States | 59.4% | 61.0% |
| Japan | 9.2% | 9.1% |
| United Kingdom | 6.1% | 4.7% |
| Australia | 4.3% | 3.7% |
| Hong Kong | 4.2% | 4.5% |
| Germany | 3.3% | 3.1% |
| Singapore | 3.2% | 3.2% |
| Canada | 2.6% | 3.0% |
| Sweden | 2.3% | 2.4% |
| Others | 5.3% | 5.3% |

Data as at 31 March 2022

Fund structure

| Manager/Strategy | Role in fund | Target | Actual |
|------------------------------------|------------------------------------|--------|--------|
| Cohen & Steers | NAV, Global Multiple/Growth Models | 40.0% | 39.4% |
| RREEF America LLC | Concentrated, Bottom-up Global | 50.0% | 49.8% |
| Russell Investments | Regional Positioning Strategy | 10.0% | 9.0% |
| Russell Investments (cash & other) | | - | 1.9% |

Russell Investments may trade a portion of the Fund's assets based on a model portfolio provided by the investment advisor. By employing this emulated portfolio approach, the Fund leverages off the implementation capabilities of Russell Investments in order to manage the funds in an efficient manner.

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