

Resolution Capital Global Property Securities Fund (Managed Fund)

TICKER: RCAP

CERTIFIED BY RIAA

Monthly Report - 29 February 2024

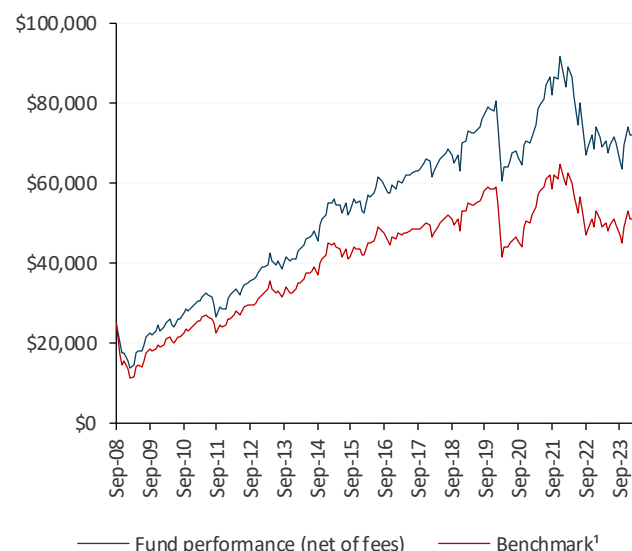
Performance Summary

	1 Month %	3 Months %	1 Year %	3 Years p.a. %	5 Years p.a. %	10 Years p.a. %	Since Inception* p.a. %
Fund Return (Net Performance)	0.50	4.21	1.36	0.36	0.52	5.29	7.13
Benchmark ¹ return	-0.19	4.34	-0.11	-0.58	-0.80	3.85	4.74
Value Added (Net Performance)	0.69	-0.13	1.47	0.94	1.32	1.44	2.39

Performance numbers less than one year are cumulative while numbers greater than one year are annualised.

Past performance is no guarantee of future results.

Growth of \$25,000 invested Since Inception*



1 Benchmark is FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI. Prior to 1 April 2015 the benchmark was UBS Global Real Estate Investors Index (AUD Hedged) Net TRI. Past performance is no guarantee of future results. Source: Resolution Capital.

Investors who apply for units directly with the Responsible Entity may pay a different price per unit to an investor who purchases those units on the ASX at the same time, and such differences may have a material impact on the performance of that investment. The above performance reflects the performance of the Fund where units are purchased and redeemed directly with the Responsible Entity only.

Investors can buy or sell units on the ASX

Ticker	RCAP
Exchange	ASX
Trading Currency	Australian Dollar
iNAV Provider	Solactive
Market Maker	Citigroup Global Markets Australia
Pricing	Intra-day

Fund Details

APIR	WHT0015AU
ARSN Code	128 122 118
Benchmark	FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI
*Inception Date	30 September 2008
RCAP Listing Date	22 February 2022
Fund Size	\$2,473.8 Million
NAV per Unit	\$1.54
Management Fee	0.80% p.a.
Performance Fee	20% of outperformance above the benchmark net of the management fee and expenses
Buy/Sell Spread ²	+0.20%/-0.20%
Distribution Frequency	Quarterly
No. of Stocks	Generally 30 to 60
Risk/Return Profile	The Fund's risk band is 6-7 (High - Very high)
Platform Availability	https://rescap.com/globalfund
Minimum Investment	\$25,000

²only applicable for investors who apply for units directly with the Responsible Entity

Marketing pricing information on RCAP

	Ticker	iNAV Ticker
Bloomberg	RCAP AU Equity	RCAPAUIV
Reuters/Refinitiv	RCAP.AX	RCAPAUDINAV=SOLA
IRESS	RCAP.AXW	RCAPAUDINAV

The name of the Fund was changed from Resolution Capital Global Property Securities Fund to Resolution Capital Global Property Securities Fund (Managed Fund) on 22 February 2022 to facilitate quotation of the Fund on the ASX

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Market Commentary

The FTSE EPRA/NAREIT Developed Index (AUD Hedged) produced a total return of -0.2% for the month ended February 2024. All regions posted negative returns in the month except for the U.S. and Hong Kong as multiple markets digested a mixture of concerning economic data points. UK, Europe, and Japan reported economic data signalling slower economic growth, and the term “technical recession” picked up steam. In addition, rhetoric from central banks remains hawkish, providing little encouragement for growth prospects in the near-term.

Hong Kong was the top performing market in the global index, returning 4.7% in local currency terms, and the Portfolio's underweight position detracted slightly from relative returns. The region has been a weak relative performer in recent quarters but benefited in February from the Hong Kong government lifting certain stamp duty measures in an attempt to increase real estate transaction volumes.

The U.S. returned 1.7% in local currency terms, outperforming the global index. Year-end earnings results in the U.S. pointed to solid operations even as rent growth continues to slow from elevated levels in most sectors. U.S. office remains pressured by weak demand. Meanwhile, economic data suggests the U.S. economy remains resilient, which is supportive of the growth prospects for property sectors correlated with productivity and job growth. Portfolio exposure to the U.S. contributed positively to relative returns due to stock selection.

Continental Europe was the weakest region, returning -7.4% in local currency terms, and the Portfolio's underweight position contributed modestly to relative returns.

Several property sectors posted negative returns in February, but data centres stood out and exhibited strength.

Data Centres, the strongest performing sector, returned 6.5% in local currency terms. Robust data centre demand is poised to be amplified by growth in artificial intelligence (AI) over the coming quarters. The portfolio's overweight position to data centres benefitted relative returns.

Office was a weak performing sector, returning -1.5% in local currency terms, with the sector underperforming in multiple regions. In the U.S., earnings results featured FY24 guidance that contemplates declining occupancy levels and deteriorating leasing economics. Meanwhile, in UK/Europe, a deteriorating economic backdrop drove a recalibration of prospective job growth and office demand. The portfolio's underweight exposure to office contributed positively to relative returns.

There were several notable REIT announcements during the month impacting a number of portfolio holdings.

February featured the first U.S. REIT IPO since 2021. American Healthcare REIT (AHR), a US\$4.5B diversified healthcare REIT raised \$770m in an IPO in early-February. While it was somewhat encouraging to see a new REIT IPO in the region, pricing on the offering was materially below consensus NAV per share estimates.

Welltower (WELL), a U.S. diversified healthcare REIT with primarily seniors housing exposure, announced a US\$1B acquisition and strategic partnership with Affinity Living Communities in which WELL would acquire 25 wellness housing properties (amenity rich age-restricted residential) in the Pacific Northwest for \$970m, or about \$250k per unit.

Belgian listed storage REIT Shurgard (SHUR) announced a €130m acquisition of Pickens Self-storage in Germany. The portfolio consists of six properties that amount to ~30k sqm, suggesting pricing of ~€4k per sqm. SHUR expects to stabilize the portfolio at a 7% yield.

U.S. net lease REIT, Realty Income (O), announced a €527m sale-leaseback transaction for 82 properties in Europe. These properties are leased to affiliates of Decathlon SE, one of the world's leading sporting goods retailers with an investment-grade rated balance sheet. The portfolio includes properties located in Germany, France, Spain, Italy, and Portugal.

Unibail-Rodamco-Westfield (URW) announced it would reinstate a cash dividend for the first time since 2019. The €3.5/share dividend represents a 26% FFO payout ratio and a 3.7% dividend yield. While URW still has work to do in reducing leverage, in part, the cash dividend signals management's optimism regarding asset sale progress and moderating pressure on asset values.

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Top 5 Weights

Security Name	%
Equinix	7.93
Welltower	7.00
Prologis	6.87
Equity Residential	4.98
Realty Income	4.43

Top 5 Contributors

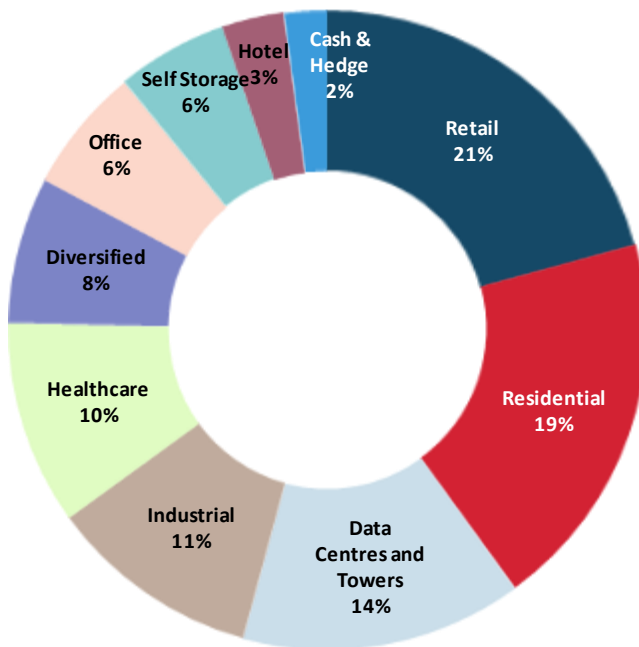
Security Name	%
Equinix	0.67
Welltower	0.58
Prologis	0.41
Mitsui Fudosan	0.29
Host Hotels & Resorts	0.23

Bottom 5 Contributors

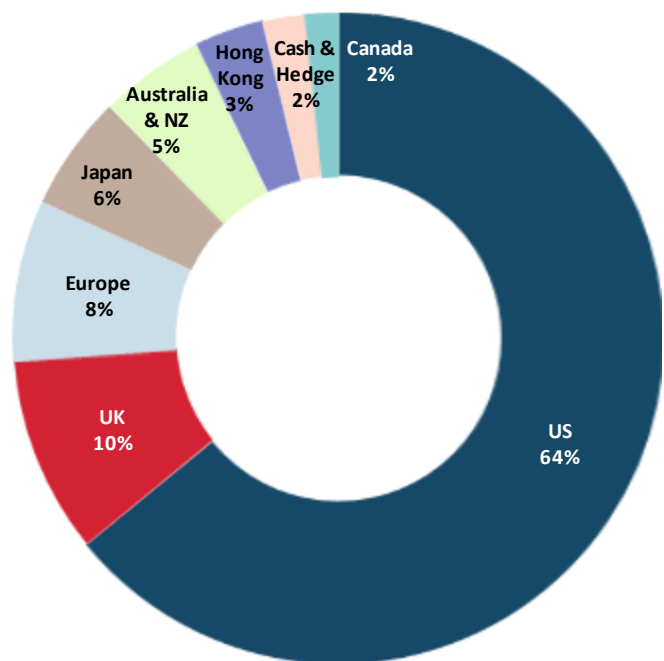
Security Name	%
Big Yellow Group	-0.26
Ventas	-0.21
TAG Immobilien	-0.19
British Land Company	-0.19
Derwent London	-0.17

These are illustrative only and not a recommendation to buy, sell or hold any security.

Sector Allocation



Regional Allocation



Signatory of:



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The Product Disclosure Statement ('PDS') and Target Market Determination ('TMD') of the Fund are available via the links below. Any potential investor should consider the PDS and TMD before deciding whether to acquire, or continue to hold units in, the Fund.

Links to the Product Disclosure Statement: [WHT0015AU](#)

Links to the Target Market Determination: [WHT0015AU](#)

For historic TMD's please contact Pinnacle client service Phone 1300 010 311 or Email service@pinnacleinvestment.com

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