

# Performance report | 31 March 2025

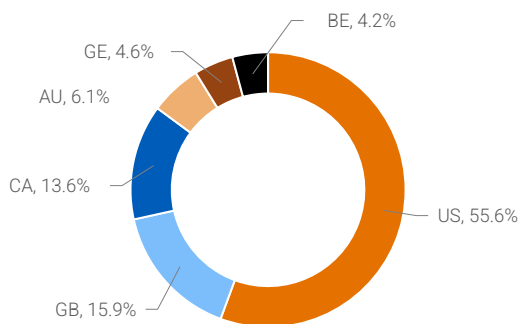
## Quay Global Real Estate Fund (AUD Hedged)

### Net returns

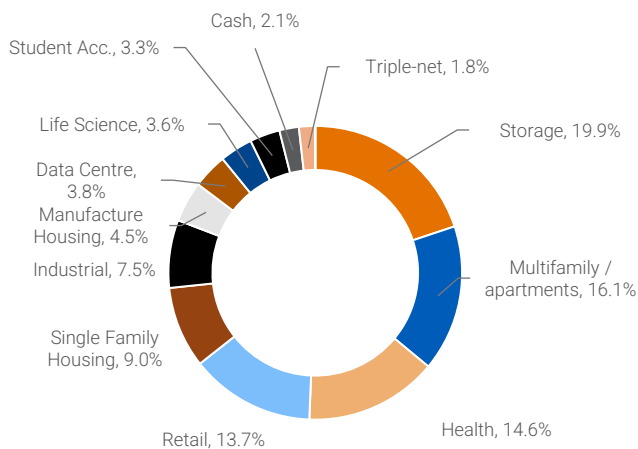
	1 mth	3 mths	6 mths	1 year	2 years p.a.	3 years p.a.	Since inception <sup>2</sup> p.a.
Fund	-1.37%	+1.03%	-8.83%	+1.26%	+6.83%	-3.93%	-3.46%
Benchmark <sup>1</sup>	-2.79%	+0.66%	-6.89%	+3.56%	+5.59%	-4.26%	-3.27%
Value added	+1.41%	+0.37%	-1.94%	-2.29%	+1.24%	+0.33%	-0.19%

Performance figures include dividends and are after all fees and costs and gross of any earnings tax, but after withholding tax.  
<sup>1</sup>Value added' calculation does not use rounded performance figures. Past performance is not indicative of future performance.

### Geographic weighting



### Sector weighting



### Commentary

The AUD hedged index returned -2.79% in March. The Fund returned -1.37% for the month, outperforming the index by 141bps.

Recession fears dominated market movements this month after the US announced new tariffs on automobiles and the previously announced tariffs (on steel, aluminium and on Canadian and Mexican goods) came into effect. Retaliatory measures were enacted by Canada, China and the EU on US goods. Further sweeping tariffs on 'all countries' will be unveiled by the Trump administration on April 2, adding to fears about the economic impact of the ensuing global trade war.

Within US listed real estate, the most recession sensitive sub-sectors– office, industrial, hotel and retail were hardest hit this month. Whilst more defensive sectors such as residential and healthcare outperformed. However overall, relative to US equities (S&P500 -5.8%), REITs fared better. This is likely due to combination of factors including:

- the disparity in relative valuations and how oversold real estate has been in recent years;
- the defensive nature of many sub-sectors of real estate;
- and the fall in US government bond yields due to a pessimistic economic outlook.

Despite growing fears of an imminent tariff-induced US economic recession, we discuss in this month's [investment perspectives](#), why we think this fear seems somewhat premature. However, as we highlight in the paper, the impact of political uncertainty on private investment decisions (a key GDP driver) is a bigger threat worth monitoring.

Elsewhere, the rotation out of the US AI-trade continued this month, with Nvidia down over -13% and the

'Magnificent 7' down almost -10%. News about Microsoft cancelling a further 3GW of prospective leases in Europe and the US likely impacted returns. Within real estate, data centre operators fell in unison.

Meanwhile, in Germany, the coalition government agreed to relax the country's debt rules to allow increased defence and security spending as well as EUR500billion of infrastructure investment in the next 12 years. Industrial REITs had an exceptional month on the back of this. However other REITs, such as German apartments, fell as bond yields rose on the back of increased spending plans.

Top contributors to returns for the month came from positions in Canadian Apartments and German Industrial. The top detractors for the month were our positions in German Residential and US Retail.

## Fund details

Feature	Information
APIR Code	BFL3333AU
Investment objective	To generate a real total return of at least 5% above CPI per annum over a 5+ year investment horizon
Portfolio managers	Chris Bedingfield/Justin Blaess
Stock number	25
Inception date	2 February 2022 <sup>2</sup>
Recommended investment period	Long term (5+ years)
Minimum investment (AUD)	\$20,000
Additional investment (AUD)	\$5,000
NAV <sup>3</sup>	0.8559
Buy/Sell spread	+/-0.20%
Entry/Exit fees	Nil
Distributions	Bi-annual
Management fees and costs <sup>4</sup>	0.92%

## How to invest

The Fund is open to investors directly via the PDS (available on our [website](#)) or the following platforms. Visit [How to invest](#) to find out more.

### Platforms

AMP North	Mason Stevens
BT (Asgard, Panorama)	Netwealth (Super Service, Wrap Service)
CFS (Edge, FirstWrap)	Praemium
Dash	
Hub24 (Super, IDPS)	
Macquarie Wrap	

## Get in touch



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<sup>2</sup> Inception date is 2 February 2022.

<sup>3</sup> Adjusted for expected withholding taxes.

<sup>4</sup> Management fees and costs consist of annual management fee rate and capped recoverable expenses. For a detailed split of the fees and costs, please refer to the fund(s) PDS.

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