

Quarterly Fund Report TPT Diversified Property Fund

As at 31 December 2023



TPT Wealth 

TPT Diversified Property Fund

Net Asset Value

SIZE
\$24,616,720

Performance to Benchmark

Past performance is not a reliable indicator of future performance.

RETURN FOR THE PERIOD	NET RETURN	GROSS RETURN	BENCHMARK	GROSS MARGIN TO BENCHMARK
3 Months	12.87%	13.33%	12.60%	0.73%
6 Months	6.05%	6.97%	6.88%	0.08%
1 Year	7.55%	9.38%	8.49%	0.89%
2 Years pa	(-4.45%)	(-0.80%)	(-2.47%)	1.68%
3 Years pa	2.23%	7.72%	4.90%	2.81%
5 Years pa	3.07%	12.22%	5.04%	7.18%

Benchmark is a composite of the S&P/ASX200 Listed Property Trust and the FTSE Global Core Infrastructure 50/50 index.

Prior to October 2020 the benchmark was a composite of the S&P/ASX300 A-REIT Accumulation Index, the FTSE EPRA/NAREIT Developed ex Australia Rental Index, the FTSE EPRA/NAREIT Developed Index (AUD Unhedged) Net TRI, the S&P Global Infrastructure Index A\$ Hedged Net Total Return Index and the Bloomberg AusBond Bank Bill Index.

Performance Components

RETURN FOR THE PERIOD	DISTRIBUTION	GROWTH	NET RETURN
3 Months	0.00%	12.87%	12.87%
6 Months	0.00%	6.05%	6.05%
1 Year	0.25%	7.30%	7.55%
2 Years pa	0.11%	(-4.56%)	(-4.45%)
3 Years pa	0.39%	1.84%	2.23%
5 Years pa	0.58%	2.49%	3.07%

Note: Reported Growth and Returns assume reinvestment of income and realised capital gains. Returns of less than 12 months are not annualised. Net Return is after fees and charges. Gross Return is before fees and charges. Past performance is not a reliable indicator of future performance.

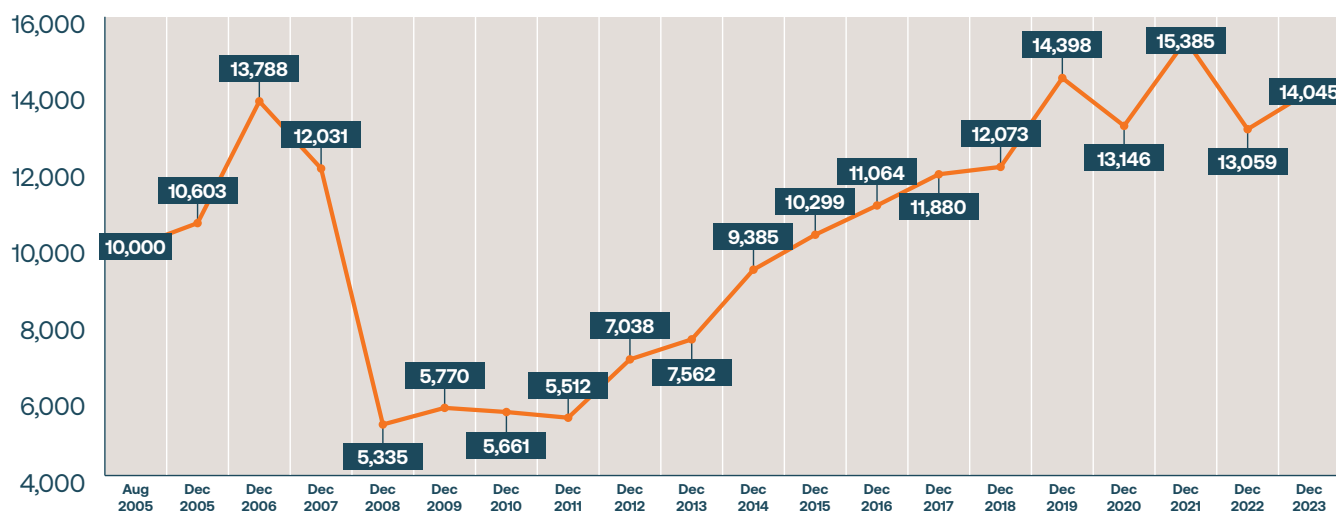
Asset Allocation

ASSET CLASS	RANGE	BENCHMARK WEIGHT (BW)	CURRENT WEIGHT (CW)	(CW) TO (BW)
Cash and Fixed Interest	0 - 15%	5%	3.60%	(-1.40%)
Listed Property & Infrastructure	85 - 100%	95%	96.40%	1.40%

ALLOCATION TO MANAGERS	RANGE	BENCHMARK %	\$FUM	CURRENT %
At Call Cash	0 - 15%	10%	\$886,268	3.60%
Mercer Passive Australian Listed Property Fund	0 - 70%	45%	\$12,530,069	50.90%
Mercer Global Listed Infrastructure Fund	0 - 70%	45%	\$11,200,382	45.50%
TOTAL		100%	\$24,616,720	100.00%

LINK Compliance Report dated 31.12.2023

The value of \$10,000 invested from inception to end of this quarter:



Assumes reinvestment of income and capital gains – net after fees.

Commentary and outlook by Mercer Australia

Market Commentary

Domestic listed property (S&P/ASX 300 A-REIT Accumulation Index) experienced a significant increase of 16.5% over the December quarter, while Global REITs (FTSE EPRA/NAREIT Developed, in AUD hedged terms) rose by 13.0%. The positive returns for both indices were primarily driven by growing expectations of softer monetary policy settings and interest rate cuts in 2024. These factors are seen as beneficial for real estate earnings and property valuations. The FTSE Global Core Infrastructure 50/50 Index returned 8.8% for the quarter (in hedged AUD terms).

Global Listed Infrastructure Fund Commentary

The Mercer Global Listed Infrastructure Fund outperformed the FTSE Global Core Infrastructure 50/50 Index (Hedged to AUD) over the quarter and 1 year, and has delivered benchmark-like performance over 3 and 5 years. Over the quarter, stock selection in the US was the top contributor to relative performance, whereas the underweight to Spain was the top detractor. From a sector perspective, the underweight to Energy Midstream was the top contributor to relative performance. On the other hand, the overweight to Cable & Satellite was the top detractor. At a stock level, the overweight to Pennon Group was the top contributor, whereas the overweight to SES was the top detractor. In regards to underlying managers, Atlas underperformed over the quarter, but this was more than offset by the large outperformance of First Sentier driven primarily by its nil exposure to the Energy Midstream sector.

Market Outlook (Global Listed Infrastructure)

Given the backdrop of resilient economic data and market uncertainty surrounding the peak of interest rates, 2023 marked a challenging period for listed infrastructure given the asset class's defensiveness and interest rate sensitivity. Going into 2024, historically cheap valuations relative to both equities and unlisted infrastructure present a solid entry point. In addition, the expected deceleration in both growth and inflation, should prove supportive to the relative performance of the asset class given its defensive characteristics.

Market Outlook (Australian Listed Property)

The domestic listed property sector experienced a significant rebound over the December quarter, capitalising on the broader equity market rally which was fuelled by a softening in monetary policy and interest rate expectations. However, current valuations do present risks given the absence of positive earnings revisions, with the upcoming reporting season set to be a valuable indicator of the validity of current pricing. The lower bond yield environment should offer some near term support to valuations.

IMPORTANT INFORMATION:

The information contained in this material is of a general nature only and is not personal advice. It does not take into account the investment objectives, financial situation or particular needs of any individual. Investors should read the Fund's PDS, Target Market Determination (TMD) and other disclosure documents which are available at <https://tptwealth.com.au> and consider seeking independent professional advice before deciding whether to acquire or continue to hold the investment.

An investment in the Fund is an investment in a managed investment scheme. It is not a bank deposit and there is a higher risk of losing some or all of your money than is the case with a bank deposit. TPT Wealth, MyState Limited and MyState Bank do not guarantee the repayment of capital or the performance of the Fund or any particular rates of return from the Fund.

Please read the Fund's PDS for information about funds and their risks, withdrawal periods, withdrawal rights and investment periods and terms and conditions that apply. Please note, that while we expect to meet redemption requests within the periods stated in the Fund's PDS, these periods may be longer subject to the nature of the assets of the Fund and the Fund's liquidity.



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