

## Alpha Property Securities - Snapshot

Morningstar Category: Australia Fund Equity Australia Real Estate  
 Inception Date: 2/04/2007

### Fund and Market Commentary

The ASX200 Listed Property Index fell 0.07% during July while the Alpha Property Securities Fund underperformed the benchmark. Over longer periods, the Fund's performance remains competitive to the benchmark.

The CoreLogic RP Data Daily Home Value Index made a gain with the 5 capital city aggregate up by 1.45% by the end of the month. Among the capital cities, index values for Melbourne and Canberra rose the most by 3.12% and 2.36% respectively, while Darwin and Perth dropped by 1.2% and 1.32% respectively. The Property Council of Australia has revealed that the CBD office vacancy rate fell 0.4% to 10.5% over the past six months, with positive tenant demand for office and limited new office supply coming on to the market.

According to the Australian Bureau of Statistics (ABS), the Consumer Price Inflation, the headline measure, saw an increase of 0.2% in the June quarter and 1.9% through the year. The unemployment rate dropped 0.1% to 5.6%, while the participation rate rose 0.1% to 65%. Retail turnover rose 0.4% month on month, bringing the total annualised increase to 3.6%. ABS housing finance stayed flat while building approvals rose 0.1% after falling for three months. The RBA left the rate on hold at 1.5%. The AUD rose 3.85% and closed the month at 79.87 United States cents.

In the current environment, the Fund continues to be positioned towards stocks that offer stable and recurring high quality income streams, with a focus on high quality assets, robust underlying fundamentals and strong capital structures. In structuring the Fund, Alpha Fund Managers seek to select managers demonstrating a proven track record in managing risk and generating long-term outperformance.

### Top Ten Holdings - July 2017

Stock Name	Sector
Scentre Group	Real Estate
Westfield Group	Real Estate
Mirvac Group	Real Estate
Stockland Corporation Limited	Real Estate
Goodman Group	Real Estate
GPT Group	Real Estate
Vicinity Centres	Real Estate
Dexus Property Group	Real Estate
Investa Office Fund	Real Estate
Charter Hall Group	Real Estate

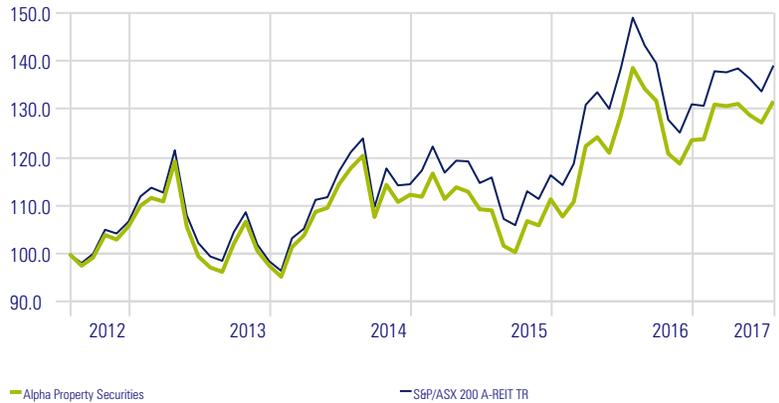
### Risk Matrix

Time Period: 1/08/2012 to 31/07/2017

	Alpha Property Securities	S&P/ASX 200 A-REIT
Alpha	-1.22	0.00
Std Dev	11.53	12.59
Sharpe Ratio	0.35	0.41
Sortino Ratio	0.51	0.60

### Investment Growth (net of fees) versus Benchmark\*

Time Period: 1/08/2012 to 31/07/2017

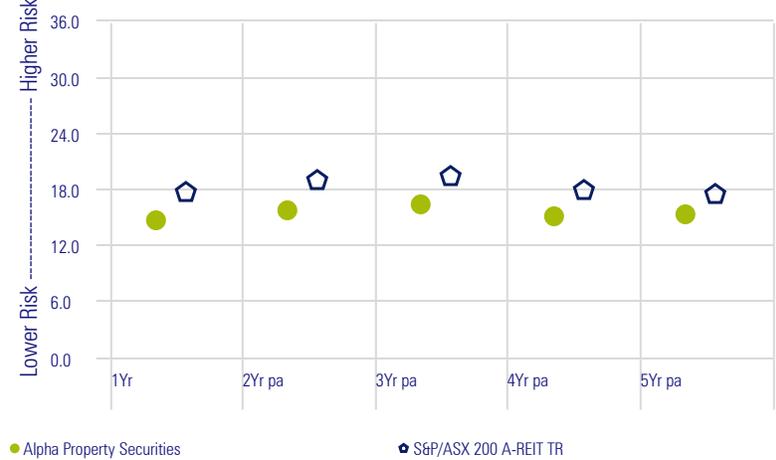


### Returns (net of fees) versus Benchmark\*

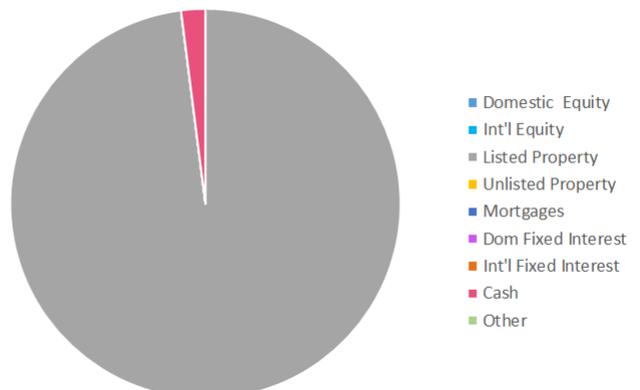
As of Date: 31/07/2017

	Month	Quarter	6 Mth	1Yr	2Yr pa	3Yr pa	4Yr pa	5Yr pa
Alpha Property Securities	-0.58	-5.93	1.14	-9.53	5.38	9.18	11.08	11.66
S&P/ASX 200 A-REIT TR	-0.07	-5.92	1.16	-11.14	5.06	10.15	11.96	12.88

### Risk (i.e. Volatility of Returns) versus Benchmark



### Asset Allocation



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## Investment Objective

The Alpha Property Securities Fund invests in listed property securities that derive the bulk of their income from property rental, with a focus on greater diversification and liquidity in comparison to direct property. The fund can invest in both global and Australian markets.

Alpha Fund Managers seek to outperform the benchmark by the blending of a small number of high-conviction investment managers, each with a different investment process, in a complementary manner so as to produce consistent outperformance with similar or less risk than the benchmark.

*Fund Style: Actively Managed Diversified Listed Property Securities Portfolio*

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## Current Manager Line-up

**SG Hiscock & Company** (SGH) is a boutique investment manager that specialises in listed property securities and Australian equities. The SGH Australian Real Estate Strategy seeks to invest in property securities that deliver a higher yield than the S&P/ASX 300 A-REIT Index.

*Manager Style: Active High Conviction with Focus on High Quality Income Properties*

**BT Investment Management** (BTIM) combines the benefits of a strong institutional foundation and a performance-focused culture with a 'multi-boutique' specialist investment approach. This approach firmly positions BTIM to achieve outstanding risk-adjusted returns for their investors. With \$46.6 billion (as at 30 September 2012) in Funds Under Management, BTIM is one of Australia's premier fund managers. BTIM offers institutional, adviser and retail clients access to a broad range of specialist investment strategies and customised products across the full range of asset classes including equities, property, fixed interest, income and cash.

*Manager Style: Active Core with Focus on High Quality Properties*

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## About Alpha Fund Managers

**Alpha Fund Managers'** investment philosophy is based on the premise that there are particular investment managers that have the ability to consistently generate "alpha" over the medium to long-term, and through all financial market cycles irrespective of any style bias (growth vs. value, large cap vs. small cap, etc.). "Alpha" in this context is defined as an investment manager's unique ability to select a portfolio of securities that differs from and outperforms its benchmark on a risk-adjusted basis. In other words, it is an investment manager's ability to beat the index. Alpha Fund Managers' investment process is based on a balanced approach to quantitative and qualitative research and analysis techniques to assess and select the underlying investment managers in each Alpha Fund Series fund. Alpha Fund Managers seek to add value by selecting investment managers who demonstrate a high-level of investment conviction, unique investment processes and a proven record in managing risk and generating long-term "alpha" over full market cycles. Alpha Fund Managers then blend these managers to create portfolios that can achieve consistent, absolute and relative performances, irrespective of where we are in the market cycle.

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## Investment Details

APIR Code	ETL0095AU
Ticker	15580
Net Assets (\$Mil)	27
Month End Price Date	31/07/2017
Month End Price	0.3572

## Purchase Information

Minimum initial Investment	\$25,000
Minimum Balance	\$25,000
Minimum Additional Investment/Withdrawal	\$10,000
Buy-sell Spread	0.33%
Income Distribution	Quarterly
Valuation/Unit Pricing	Daily
Management Fee	1.286%
Performance Fee	Applicable - refer to PDS on Website

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## Manager Info

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## General Advice Warning and Disclosure

This document was prepared by Alpha Fund Managers Pty Limited ("Alpha") (ABN 37 124 085 883) Corporate Authorised Representative of Infocus Securities Australia Pty Ltd ("Infocus") (ABN 47 097 797 049) AFSL No 236523 as Investment Manager of the Alpha Property Securities Fund ("Fund"). Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298) AFSL 240975 is the Responsible Entity of the Fund. This information is general advice only. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. You should consider the appropriateness of this information with regards to your objectives, financial situation and needs. We encourage you to read the Fund's product disclosure statement in full before making an investment decision.

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