

InvestSMART Property Portfolio 31 March 2017

Portfolio commentary

The InvestSMART Property Portfolio fell 1.2% (after fees) during the quarter.

The main positive contributor was Goodman Group, which gained 8.4% after reporting a \$557m profit for the first half of 2017 and raising its guidance for the full year. Goodman is one of Amazon's main landlords globally and believes it will benefit from the company's expansion. It is also expecting to benefit from urban renewal over the coming years.

Other positive contributions came from Mirvac Group and GTP Group, which gained 2.8% and 2.4% respectively.

The main detractor was the portfolio's biggest holding, Scentre Group, which lost 5.3% during the quarter despite reporting a 10% rise in full-year profits. Scentre Group comprises around 21.5% of the InvestSMART Property Portfolio, but we're comfortable with that as it is a well-managed Australian property trust with high-quality retail assets.

Other detractors included Westfield Corporation, which lost 4.0% and Vicinity Centres, which was down 5.3%.

Vicinity Centres is one of Australia's biggest retail property groups and is a 50% owner of the Chadstone Shopping Centre (the biggest shopping centre in the southern hemisphere). Vicinity Centres recently reported a flat underlying profit result, but is aiming to see significant improvements in its assets, with \$3.0bn of development pipeline projects in place (with Vicinity's share \$1.4bn), which includes the Chadstone redevelopment.

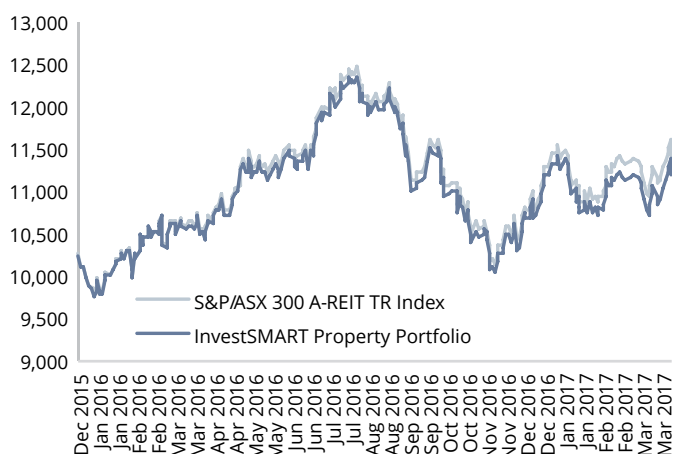
Since inception, the InvestSMART Property Portfolio has returned 9.3% per annum (after fees).

We're delighted to note that, as of 1 April 2017, fees on the InvestSMART Property Portfolio have been reduced by 0.20%. That takes them down to just 0.77% a year for balances below \$250,000 (and less for higher balances).

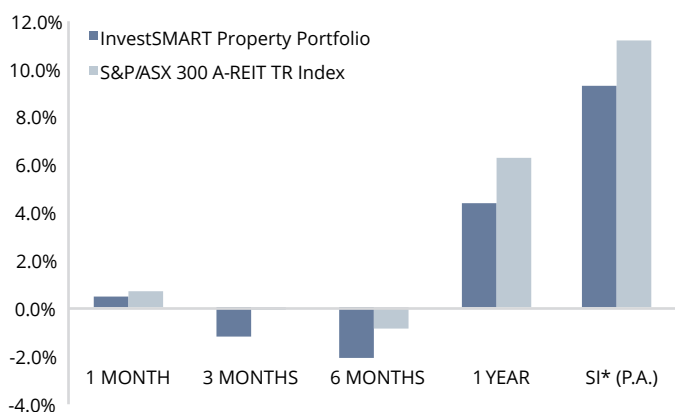
TOP FIVE HOLDINGS AS AT 31 MARCH 2017

CODE	NAME	WEIGHT
SCG	SCENTRE GROUP	21.56%
WFD	WESTFIELD CORPORATION	16.94%
GMG	GOODMAN GROUP	10.52%
SGP	STOCKLAND	9.85%
DXS	DEXUS PROPERTY GROUP	9.05%

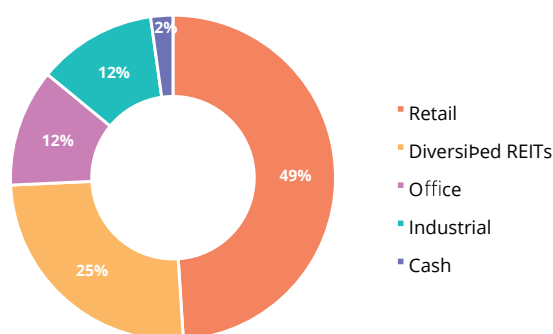
GROWTH OF \$10,000 – INCOME REINVESTED



PERFORMANCE SUMMARY TO 31 MARCH 2017



SECTOR EXPOSURES AS AT 31 MARCH 2017



PERFORMANCE TO 31 MARCH 2017

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	SI* (P.A.)
INVESTSMART PROPERTY PORTFOLIO	0.47%	-1.18%	-2.10%	4.42%	9.27%
S&P/ASX 300 A-REIT TR INDEX	0.71%	-0.08%	-0.81%	6.31%	11.22%
EXCESS TO BENCHMARK	-0.24%	-1.10%	-1.29%	-1.90%	-1.95%

Source: Praemium. Returns are after investment and admin fees. Returns are shown as annualised if the period is over 1 year. * Since Inception (SI) date is 23 December 2015.



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