

BlackRock Property Securities Index Model (BR0007)

DEC 2024

Market Overview

The S&P/ASX300 Australian Real Estate Investment Trust (A-REIT) sector index returned -6.1% for the quarter, underperforming the S&P/ASX300 Total Return index which returned -0.8%. However, the Australian property index over the last 12 months (+17.6%) still outperformed the broader Australian equities index (+11.4%). Goodman and Scentre were the largest detractors over the last three months as only two small names in the index managed to post a positive result.

Annual inflation, to the September quarter, fell to 2.8% after only rising 0.2% in the quarter – helped by lower petrol prices as the oil price weakened, and power prices which were muted by government rebates. However, the trimmed mean fell to 3.5% and remained above the RBA's target band. Wage growth slowed as the quarterly print was again 0.8%, taking annual growth to 3.5%. Unemployment fell to 3.9% with more full-time employment in October. Growth slowed as the economy grew 0.3% for the September quarter, taking annual growth to 0.8%, even as it was helped by increased government spending. The RBA once again held rates steady at 4.35% as they remained concerned about underlying inflation. The Australian dollar continued its fall against the USD, ending the year at 62.2c.

Qualitas Real Estate Income Fund (+5.3%) was the best performing constituent in the A-REIT Index over the quarter, while the worst performer was Cromwell Property Group (-13.9%).

Performance as at 31 December 2024

| | Gross % | Out-performance % [^] | Benchmark % [*] |
|-----------------------------------|---------|--------------------------------|--------------------------|
| 1 Month | -6.00% | -0.16% | -5.83% |
| 3 Months | -5.62% | 0.48% | -6.09% |
| 6 Months | 7.61% | 0.28% | 7.34% |
| 1 Year | 17.87% | 0.24% | 17.63% |
| 3 Years (pa) | 3.45% | 0.24% | 3.21% |
| 5 Years (pa) | 6.24% | 0.20% | 6.04% |
| 10 Years (pa) | 9.13% | 0.54% | 8.59% |
| Since inception (pa) [*] | 6.71% | 0.59% | 6.11% |

^{*}Please also note that the Blackrock property securities model is closed.

[#] Model performance inception date: 16/8/2006.

Past performance is no indicator of future performance. Long term performance returns show the potential volatility of returns over time. The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested. Fluctuation may be particularly marked in the case of a higher volatility Model and the value of an investment may fall suddenly and substantially. Model portfolio composition and performance have been based on theoretical tracking of the model portfolio and are gross of fees and do not take tax positions into account. Please note, actual portfolios may not perform in the same manner as the model depicted in this document, depending on the nature of your personal portfolio and any customisations. Rounding used in the presentation of data may result in minor variations.

Summary

| | |
|---------------------------------------|---|
| Model Portfolio Name | BlackRock Property Securities Index |
| Model Code | BR0007 |
| Model inception date | 24/07/2006 |
| Principal investment objective | Match total return (income and growth) of the S&P/ASX 300 A-REIT Accumulation Index |
| Can derivatives be used? | No |
| Indicative number of stocks | Up to 30 |
| Minimum Model investment | No fixed minimum* |
| Model Provider's Fees* | |
| Investment Fee | 0.10% p.a. |
| Performance Fee applicable? | No |
| Benchmark Index | S&P/ASX 300 Property GIC Accumulation Index |

* Please refer to the Product Disclosure Statement for further details.

About the Model Portfolios

Investment objective

The BlackRock Property Securities Index Model Portfolio (the "Model") seeks to match the total return of the S&P/ASX 300 A-REIT Accumulation Index, before taking into account Model fees and expenses.

Investment strategy

The investment objective of this Model is pursued by investing in a representative sample of securities held in the S&P/ASX 300 A-REIT Accumulation Index. The index is comprised of listed vehicles classified as Property Trusts, in the Australian stock market. The Model may invest in securities that have been or are expected to be included in the index.

Designed for investors who...

- Seek exposure to listed property trusts
- Are satisfied with index returns without any active investment management
- Accept risks consistent with listed property trusts