

# Performance report | 30 June 2025

## Quay Global Real Estate Strategy (Unhedged)

### Overview\*

The Quay Global Real Estate Strategy ('the Strategy') invests in global listed real estate with a focus on rent-based total return opportunities, avoiding developers and emerging markets and seeking robust balance sheets and reliable long-term cash flows. Utilizing fundamental analysis in stock selection and concentrated, low-turnover portfolio construction, the management team aims to generate annualized real total returns in excess of CPI +5% over the long term.

The Strategy is managed by Quay Global Investors, a Bennelong boutique. Bennelong is part of the BFM Group, an investment company that partners with boutiques across the globe to deliver actively managed equity funds.

### Gross returns (\$USD)<sup>1</sup>

|                        | 1 mth  | 3 mths | 6 mths | 1 year  | 2 years p.a. | 3 years p.a. | 5 years p.a. | 10 years p.a. | Since inception <sup>3</sup> p.a. |
|------------------------|--------|--------|--------|---------|--------------|--------------|--------------|---------------|-----------------------------------|
| Strategy <sup>1</sup>  | +1.64% | +7.38% | +9.73% | +10.32% | +11.09%      | +6.61%       | +8.83%       | +7.70%        | +7.56%                            |
| Benchmark <sup>2</sup> | +0.88% | +4.41% | +6.07% | +11.18% | +7.80%       | +3.52%       | +5.10%       | +3.17%        | +2.76%                            |
| Value added            | +0.76% | +2.97% | +3.66% | -0.86%  | +3.29%       | +3.09%       | +3.73%       | +4.54%        | +4.80%                            |

Past performance does not guarantee future results - investing involves risks, including the possible loss of principal. Performance represents the gross performance of the Strategy, which is currently only offered to non-US persons, and the performance of the index. Gross performance excludes fees and expenses. Performance has been converted from Australian dollars (the base currency of the Strategy) to US dollars. Investment returns may vary depending on currency exchange rates, expenses and other fees. See "Important Legal Information" at the end of this document.

### Strategy managers



#### Justin Blaess

Co-founder, Principal & Portfolio Manager

Before establishing and co-managing the Quay Global Real Estate Strategy, Justin spent five years at ING Investment Management in Sydney, where he was portfolio manager for all the listed real estate investment strategies with over \$2bn under management. He has also worked in corporate finance at major investment banks, where as part of their real estate investment banking teams he had experience on local and cross border M&A, debt and equity transactions. Justin started his finance career as a research analyst, first at HSBC and then Deutsche Bank, where with Chris he established and managed a REIT research team.



#### Chris Bedingfield

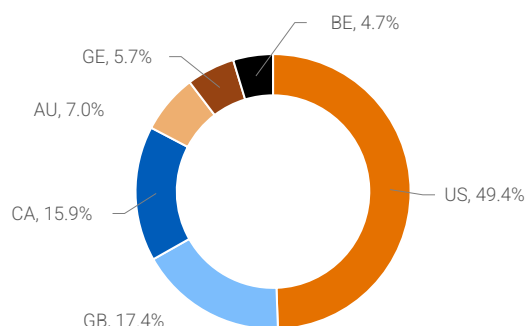
Co-founder, Principal & Portfolio Manager

Chris has nearly 30 years of experience working as a real estate specialist with a background in investment banking, real estate equities research and investment management. Prior to co-founding Quay, Chris was a senior member in the Real Estate Investment Banking group at Credit Suisse in Sydney and previously the Head of Real Estate Investment Banking Asia at Deutsche Bank. Chris started his career in real estate equity research, eventually becoming the head of research.

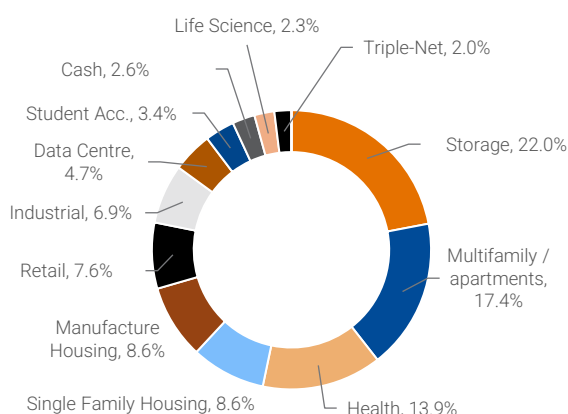
## Strategy details

| Feature             | Information                                    |
|---------------------|--|
| Strategy            | Global listed real estate                      |
| Index               | FTSE/NAREIT Developed TR USD Index             |
| Investment vehicles | Separately Managed Accounts;<br>AUD Unit Trust |

## Geographic weighting



## Sector weighting



## Commentary

In June, the global real estate index (USD) returned +0.88% and the Strategy returned +1.64%, outperforming the index by 75bps.

Stock markets across the globe rose this month despite volatility caused by the Israel-Iran conflict. This is likely due to increased optimism for a dovish Federal Reserve, on the back of the softer than expected impacts of tariffs on US May inflation numbers. Markets began to price in three further cuts in the US this year, up from two.

Central banks in the US, UK and Europe had their monetary policy meetings this month, with the European Central Bank the only one to cut their policy rate. The US Fed decided to keep its rate unchanged for the fourth consecutive meeting and noted 'uncertainty around economic outlook has diminished but remains elevated.'

The US 1Q annualised GDP figure was revised downwards in June to -0.5% (from -0.3%), largely driven by negative revisions to consumer spending and exports.

In real estate sector news, the surprise victory of candidate Zohran Mamdani in New York City's Democratic mayoral primary drove sell-offs in NYC-centric REITs, particularly the office REITs as Mamdani has campaigned on increasing taxes on high income earners in the city. Elsewhere, Equinix, the world's largest data centre REIT by market cap, disappointed in its analyst day event, by unexpectedly downgrading near-medium term earnings growth guidance citing interest costs and a ramp up of capex plans. The stock fell ~18% in the next two trading sessions before recovering slightly to close the month.

As part of our ongoing research activities, the team travelled to the US and Europe at the beginning of June to meet with management teams from across the real estate sector. Key insights from this trip are discussed in this month's [investment perspectives](#).

Top contributors to returns for the month came from positions in UK Storage and German Industrial. The top detractors for the month were our positions in Australian Retail and US Single Family Housing.

## Get in touch



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Geographic and sector weightings are subject to change. There is no assurance that the geographic and sector weightings presented above will be maintained, and actual geographic and sector weightings experienced by a client may be different than those shown here.

<sup>1</sup> Returns have been converted to USD for the purpose of this report. Returns are calculated daily by Citigroup Pty Limited using the exchange rate available at the time of the calculation or end of day.

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<sup>3</sup> The securities listed do not represent all of the securities purchased, sold, or recommended. A complete description of the performance calculation methodology, including further details of securities that contributed to performance, is available upon request. Please contact us for additional information.



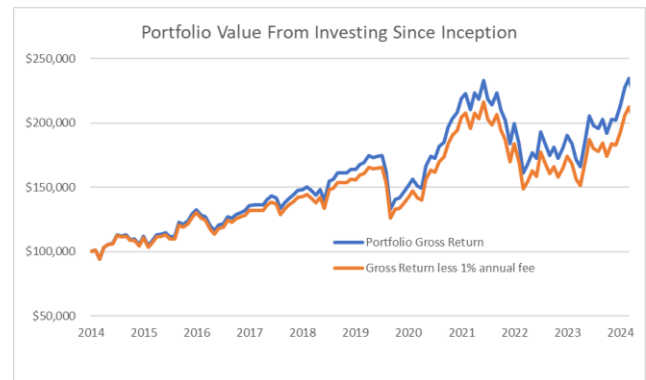
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## Risk factors:

The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the fund, potentially creating a partial or total loss for the fund. The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses. A derivative may not perform as expected, and may create losses greater than the cost of the derivative. If a fund uses derivatives for leverage, it makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss. Equity prices fluctuate daily, based on many factors including general, economic, industry or company news. In difficult market conditions, the fund may not be able to sell a security for full value or at all. This could affect performance and could cause the fund to defer or suspend redemptions of its shares. The fund may take positions that seek to profit if the price of a security falls. A large rise in price of the security may cause large losses. Failures at service providers could lead to disruptions of fund operations or losses.