

# Performance report | 31 October 2025

## Quay Global Real Estate Strategy (Unhedged)

For Institutional Investors Only

### 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 (\$AUD)

	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>1</sup> p.a.
Strategy	-1.56%	-1.44%	-1.63%	-2.50%	+11.63%	+7.67%	+9.04%	+7.47%	+10.36%
Benchmark <sup>2</sup>	-0.31%	+1.97%	+3.58%	+3.47%	+13.33%	+6.83%	+7.39%	+3.91%	+6.18%
Value added	-1.24%	-3.41%	-5.21%	-5.97%	-1.70%	+0.84%	+1.65%	+3.56%	+4.18%

Performance figures include dividends and are gross of any earnings tax, but after withholding tax.

<sup>1</sup>Value added' calculation does not use rounded performance figures. Past performance is not indicative of future performance.

### 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

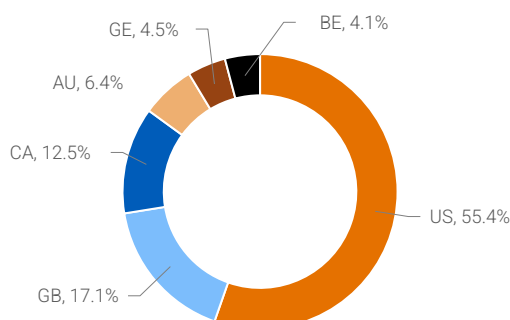
Co-founder, Principal & Portfolio Manager

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.

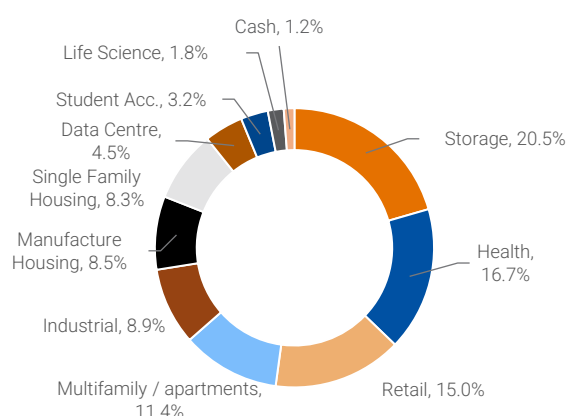
## Strategy details

Feature	Information
Strategy	Global listed real estate
Index	FTSE/NAREIT Developed TR AUD Index
Investment vehicles	Separately Managed Accounts; AUD Unit Trust

## Geographic weighting



## Sector weighting



## Commentary

The global listed real estate index (AUD) declined -0.31% in October, with currency movements adding +0.49% to returns on an AUD basis. The Strategy returned -1.56% for the month, underperforming the index by -124 basis points.

Global equities—particularly US technology and AI-related sectors—extended their outperformance, while defensive sectors lagged. Notably, there has been an increase in market commentary questioning the sustainability of the tech-led rally, with some drawing comparisons to the late-1990s/early-2000s boom and bust that caused a recession. In this month's [investment perspectives](#), we explore the parallels and distinctions between those periods.

In the US, the Federal Reserve delivered a second consecutive 25 basis point rate cut at the end of the month.

However, Chair Jerome Powell tempered market expectations of further easing, noting that an additional December cut "is not a foregone conclusion." Interest rate sensitive sectors such as Real Estate weakened on the back of this caution. Macroeconomic data releases were limited due to the government shutdown that began on October 1, with only September CPI reported—both headline and core readings came in below expectations. The absence of key indicators, including labour market data, is complicating the Fed's ability to adjust its rate policy path as it balances inflation and employment objectives.

In the UK, September CPI were below forecasts, and expectations of a dovish tilt from the Bank of England drove bond yields lower, providing support for UK REIT prices. M&A activity in the UK this month gained attention after Blackstone confirmed it is assessing a potential takeover offer for UK Storage REIT, Big Yellow Group (BYG). With a bid price not set, BYG's share price rose more than 15% on the day.

Earnings season also drove markets this month, as North American REITs reported third quarter results. Of the US REITs that had reported as of 5 November, 68% beat consensus forecasts, 20% were in line, and 12% missed expectations. Senior Housing and Data Centre REITs extended their strong earnings momentum, while the Industrial sector surprised to the upside. In contrast, the Sunbelt multifamily sector reported weaker leasing and revenue growth as record new supply continues to weigh on occupancy and rents.

Overall, the sector continues to demonstrate resilient operating fundamentals, with only isolated areas of softness where excess supply persists. Looking forward, earnings growth is poised to accelerate as future supply is constrained, and as interest rate pressures shift from a headwind to a tailwind. Share price performance is expected to follow.

Top contributors to returns for the month came from positions in UK Storage and US Healthcare. The top detractors for the month were our positions in UK Student Accommodation and US Life Science.

## Get in touch



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<sup>1</sup> The above data for the Strategy relates to the performance data for the Quay Global Real Estate Fund (Unhedged) ("the Fund"). The Fund was launched on 30 July 2014 by another trustee. Bennelong assumed responsibility as replacement trustee on 31 January 2016. Please contact the Bennelong Institutional team for performance history relating to this date.

<sup>2</sup> Benchmark is the FTSE/ EPRA NAREIT Developed Index Net TR AUD. Source: FTSE International Limited ("FTSE") © FTSE 2017. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. "NAREIT®" is a trade mark of the National Association of Real Estate Investment Trusts and "EPRA®" is a trade mark of European Public Real Estate Association and all are used by FTSE under licence. All rights in the FTSE indices and / or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent. The index is designed to track the performance of listed real estate companies and REITS worldwide.

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