

IFSL Blackfinch NextGen Property Securities Fund Factsheet

March 2024



Targeting
8-10%
per annum, over a rolling
5 year basis net of fees.

Investment Objective

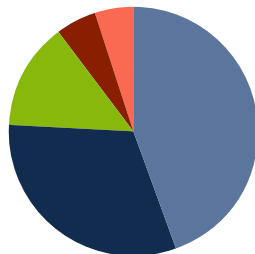
The Fund aims to achieve a target return of 8-10% per annum, net of fees. It invests in a globally-diversified portfolio of specialist real estate investment trusts (REITs) and listed property companies that are well positioned to benefit from four 'Next Generation' (NextGen) growth themes: Digitalisation, Ageing Populations, Sustainable Urbanisation and Emerging Middle Classes. There is no guarantee the objective will be met or that a positive return will be delivered over any time period. Capital at risk.

Performance

Due to the fund having an inception date less than 12 months ago, we are unable to provide an Investment Growth chart or table of the IFSL Blackfinch NextGen Property Securities Fund versus its peer group benchmark. - Past performance is no guarantee of future performance.

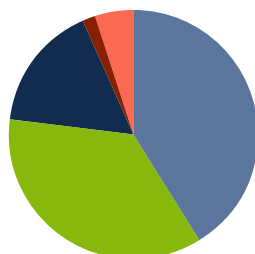
Thematic Allocation (as at 28/03/2024)

Digitalisation	44.62%
Ageing Demographics	13.84%
Sustainable Urbanisation	31.33%
Emerging Middle Classes	5.27%
Cash & Equivalent	4.94%



Regional Allocation¹ (as at 28/03/2024)

North America	41.30%
Europe	35.84%
Asia Pacific	16.28%
Latin America	1.64%
Cash & Equivalent	4.94%



Investment Commentary

In March, the IFSL Blackfinch NextGen Property Securities Fund (B Accumulation share class) returned +3.45% after all fees and expenses. This compares to the IA Property Other Sector average return of +3.98%. Since inception, the Fund has returned +7.80% compared to the IA Property Other Sector average return of +7.13% over the same period. Please note that comparisons to peers are only useful over extended periods and, as the Fund employs a thematic growth-orientated total return approach that is deliberately different to its peers, results are not expected to align with peer group sector averages.

March was a volatile month for global real estate investment trusts (REITs), with periods of severe share price drawdowns and subsequent rallies, and a wide divergence in performance by region and underlying sector. The US 10-year Treasury bond yield held steady at around 4.2% while at the same time, the US economy remained strong. This strength was reflected in the US Federal Reserve (Fed) raising its own US economic growth forecast for 2024 from gross domestic product (GDP) growth of 1.4% in December 2023 to 2.1% at the end of March 2024.

Divergence in performance was evidenced by the wide outperformance of European and Asia Pacific REITs against their North American peers. The Fund's balanced approach to geographic risk, and its relative overweight to Europe and Asia Pacific versus US-dominated global REIT indices and peers, helped it relatively outperform most globally-focused indices and peers, in some cases by a wide margin. Most underlying sub-sectors made gains with Healthcare REITs in particular delivering an impressive performance. By contrast, profit-taking was evident in the Data Centres sub-sector following a recent period of significant gains.

As at 28 March, the Fund held 42 individual holdings and was well diversified across its underlying themes, sectors and geography. During March, all underlying themes contributed positively to performance (estimated gross total returns: Digitalisation +4.3%, Sustainable Urbanisation +5.0%, Ageing Demographics +7.0% and Emerging Middle Classes +6.9%). At the individual security level, the top three contributors were Catena, HealthPeak and Goodman. The top three detractors were Equinix, StorageVault, and SUNeVision.

Global REITs delivered modestly negative returns in the first quarter, mainly due to continued rate volatility and uncertainty over the inflation trajectory. Despite that, there are many signs that property values are bottoming out and that the sharp slowdown in new supply is quite positive for long-term values. We continue to focus on resilient companies in long-term theme-driven sub-sectors that have solid balance sheets. The portfolio has an overweight in high growth real estate segments such as digital real estate and logistics, which we believe will be the main beneficiaries of these NextGen growth themes.

Date of inception: 24/11/2023.

¹Based on the country of domicile.

IFSL Blackfinch OEIC Sub-Funds performance figures are quoted net of AMC and fund OCFs.

Investment Fund Services Limited (IFSL) acts as the Fund's Authorised Corporate Director (ACD). The Key Investor Information Documents and the Prospectuses for all funds are available, in English, free of charge and can be obtained directly using the contact details in the Sales Contact section. They can also be downloaded from www.ifslfunds.com.

Top 10 Portfolio Holdings (as at 28/03/2024)

Rexford Industrial Realty Inc	3.38%
Prologis Inc	3.34%
StorageVault Canada Inc	3.32%
Americold Realty Trust Inc	3.24%
Dream Industrial Real Estate	3.24%
Equinix Inc	2.95%
Mainstreet Equity Corp	2.93%
Healthpeak Properties Inc	2.86%
Carmila SA	2.82%
LXP Industrial Trust	2.78%

We invest with a core focus on the UN Global Compact Principles

-  We invest with a central focus on ESG considerations
-  We take a forward-looking approach to investment selection using positive screening
-  We encourage 'engagement' with both sustainability 'leaders' and 'improvers'
-  We're committed to transparency on ESG and reflect this in our investment approach

All data as at 28/03/2024, unless specified otherwise.

Blackfinch Asset Management is an appointed representative of Blackfinch Investments Limited which is authorised and regulated by the Financial Conduct Authority. Registered address: 1350–1360 Montpellier Court, Gloucester Business Park, Gloucester, GL3 4AH. Registered Company in England & Wales under No. 11639647. The IFSL Blackfinch OEIC Sub-Funds are actively managed by Blackfinch Investments Limited. Blackfinch Asset Management Limited act as the sponsor of the IFSL Blackfinch OEIC Sub-Funds. Capital at risk. All figures are correct at the time of compilation. Any decision to invest in this service should not be based solely on this factsheet but rather made in conjunction with the information contained in the brochure, and the terms and conditions. Prospective investors must rely on their own examination of the legal, taxation, financial and other consequences of investing and the risk involved. Prospective investors should not treat the contents of this factsheet as advice relating to legal, taxation or other matters. If in any doubt about the proposal discussed in this factsheet, its suitability, or what action should be taken, the investor should consult their own professional advisers. Percentage figures may not add up to 100 due to rounding. The expected yield is based upon the underlying holdings. This figure is for information purposes and will not be distributed as cash income.

This Month's Activity

March was a relatively quiet month as companies are expected to announce their first quarter results during April and May. Despite that, takeover discussions were back on the table with several portfolio companies receiving relevant coverage throughout the month. Rai Way (Italian Broadcasting Towers) rallied c.8% following reports the Italian government was considering approving a decree that would pave the way for a possible merger of the company with its main privately-owned competitor. Shares in IHS Towers (Emerging Market-focused Communication Towers) advanced more than 25% following the company's announcement to initiate a strategic review which may include a sale of the company.

A short seller released a negative report on Equinix, the world's largest data centre company, disclosing its short position. While we won't expand on each of the negative points referenced in the report (including maintenance capital expenditure understated, valuation, and disintermediation from cloud/larger technology providers), many of the factors referenced are not new and have been a common source of pushback from investors bearish on the sector over much of the last 10-15 years, and particularly from short sellers coming from a generalist equity background. Equinix began an independent investigation to review the matters referenced in the short seller report.

During the month, positions in Cellnex (Communication Towers), Ventas (Healthcare), Elia (Grid Infrastructure) and NextEra Energy Partners (US Renewables) were modestly topped up on relative underperformance and stock conviction grounds.

Portfolio Information

Class A Accumulation Share ISIN	Class A Management Fee	Class A Underlying fund charges
GB00BQ2MY039	0.75%	0.89%
Class B Accumulation Share ISIN	Class B Management Fee	Class B Underlying fund charges
GB00BQ2MY252	0.65%	0.79%

Estimated Annual Income Yield (Class B)
3.99%

Number of holdings
42

Sales Contact



For further information about the Fund, please contact
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Fund Managers

George Nikolaou, Lead Fund Manager and Dr Dan Appleby, CIO and Support Fund Manager are responsible for managing the IFSL Blackfinch NextGen Property Securities Fund. They bring expertise in the research of listed property, infrastructure and equity investment products, managing client portfolios and working closely with financial advisers and other professional clients. Each is a CFA® charterholder.

