



## Investment Objective

The aim of the **VIP Property Securities Portfolio** is to provide investors with tax advantaged income and long-term capital growth from investment in an actively managed, concentrated portfolio of property and property related companies and trusts listed on the ASX. The portfolio invests in 4 to 10 Australian Real Estate Investment trusts (A-REITs) listed on the S&P/ASX 200 A-REIT Accumulation index that have been selected via a quantitative and qualitative screening process.

## Investment Strategy

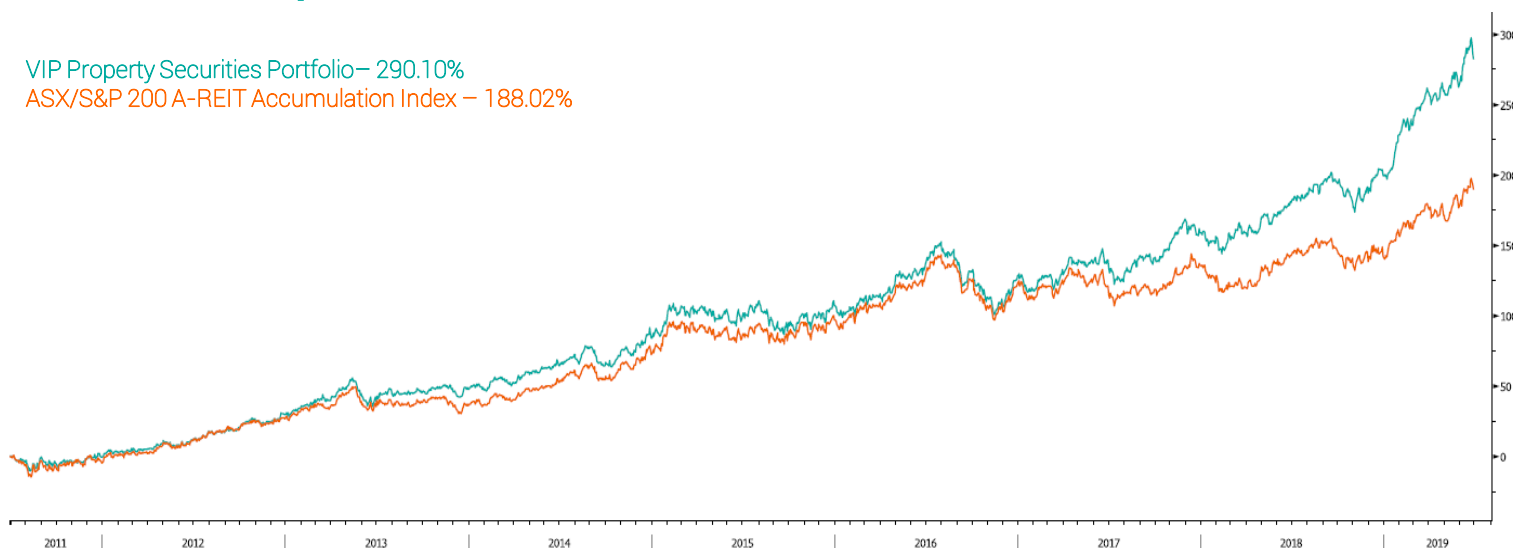
Using our tailored quantitative models our analysts identify assets that meet 36 specific financial and market measures testing over 720 points of data to identify undervalued securities. Our team analyses company reports, external consultant material, and research papers to identify strong company management, lasting competitive advantageous and innovations, and assessments of potential benefits from macroeconomic trends, forecasts, and developments. Finally, using risk models we test the diversification of potential portfolio constructions to ensure that client risk parameters are met and that an acceptable risk/reward trade off is achieved. The resultant portfolio is formed to provide excess return and controlled risk exposure for investors of Value Investment Partners.

## Fund Performance

	1 Month	3 Months	6 Months	Y.T.D.	1 Year	3 Years	5 Years	7 Years	Since Inception
Gross Returns	5.05%	6.38%	30.47%	30.47%	39.30%	27.75%	29.07%	30.18%	38.68%
Net Returns	4.98%	6.18%	30.07%	30.07%	38.50%	26.95%	28.27%	29.38%	37.88%
Benchmark Returns	4.22%	4.07%	19.42%	19.42%	19.31%	8.81%	18.01%	23.36%	25.07%

VIP Property Securities Portfolio – 290.10%

ASX/S&P 200 A-REIT Accumulation Index – 188.02%

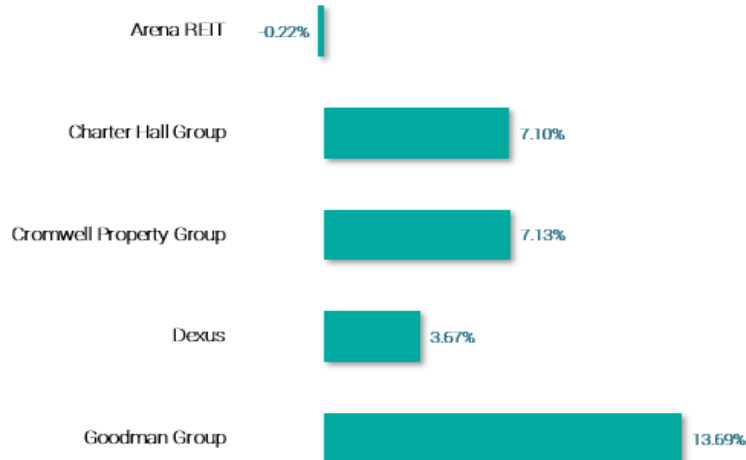


## Market Commentary

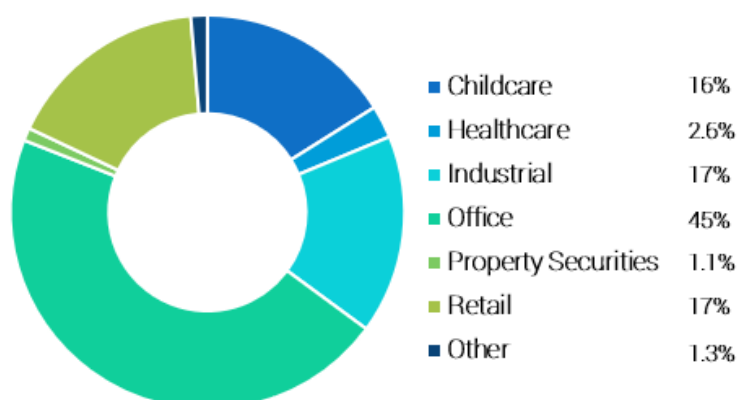
In Australia, the upset election victory from the Coalition boosted markets and investor confidence as the election result eliminated the possibility of major taxation reform that was going to be directly impacting investors in both equity, debt, and housing markets. On a less positive note the RBA during their meeting for June decided to cut the official cash rate but 25 basis points to a record low of 1.25% citing growing concerns for the length of trade negotiations globally, low consumer confidence and spending, and a tightening credit environment. Unfortunately, the Australian economy has been plagued with wages stagnation, low levels of inflation, and slowing economic growth that would make it difficult to continue to lower the unemployment rate without monetary easing when the federal government is reluctant to stimulate with big spending schemes in order to maintain election promises of balancing the budget.



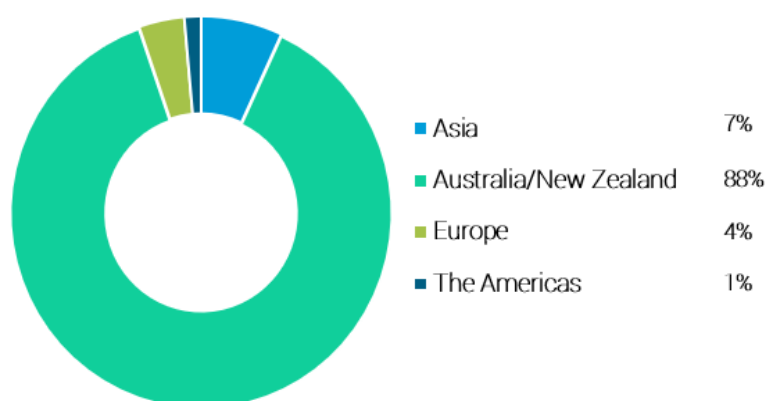
## 3 Month Holding Performance



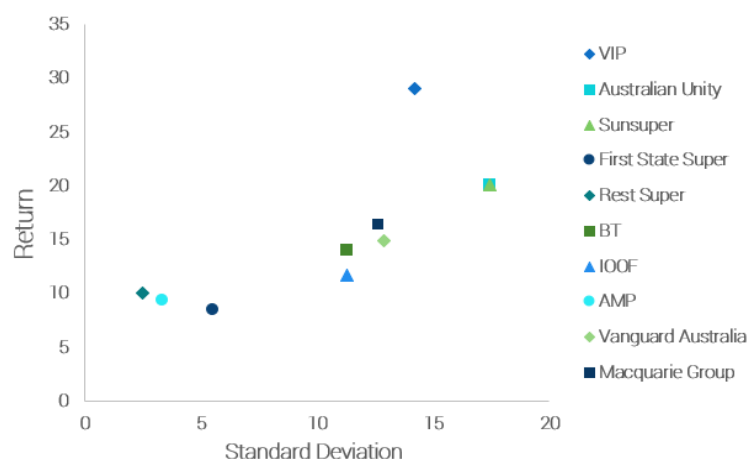
## Current Property Sector Allocation



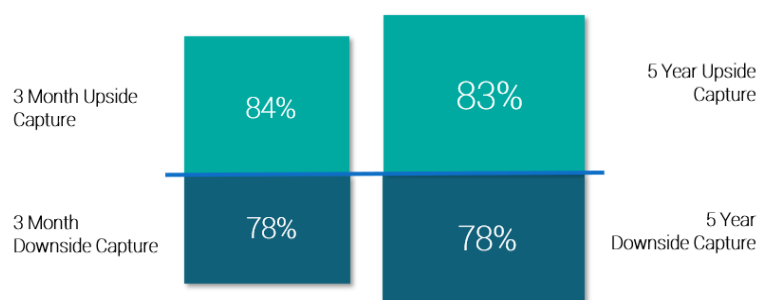
## Current Geographical Allocation



## 5 Year Risk/Return Profile



## Upside & Downside Capture Ratio



## Fund Characteristics

Inception Date	30 <sup>th</sup> June 2011
Investment Horizon	5 – 7 Years
Asset Class	A-REIT
Management Style	Active
Current Number of Holdings	5
Average Market Capitalisation	\$9.98 Billion
Index Benchmark	ASX/S&P 200 A-REIT
Index Average Market Capitalisation	\$7.59 Billion

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