

IFSL Blackfinch NextGen Property Securities Fund Factsheet

May 2024



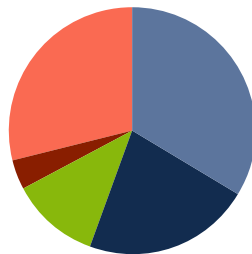
The aim of the Fund is to increase the value of an investment over a minimum of 5 years. The Fund will do this through a combination of capital growth, which is profit on investments held, and income received by the Fund, which is money paid out of investments, such as dividends and interest.

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.

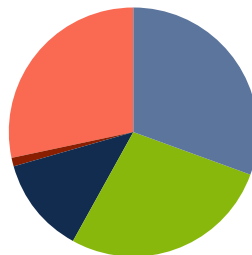
Thematic Allocation (as at 31/05/2024)

Digitalisation	34.07%
Sustainable Urbanisation	22.20%
Ageing Demographics	11.62%
Emerging Middle Classes	4.04%
Cash & Equivalent	28.08%



Regional Allocation¹ (as at 31/05/2024)

North America	30.66%
Europe	27.66%
Asia Pacific	12.43%
Latin America	1.17%
Cash & Equivalent	28.08%



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.

Investment Commentary

In May, the IFSL Blackfinch NextGen Property Securities Fund (B Accumulation share class) returned +2.38% after all fees and expenses. This compares to the IA Property Other Sector average return of +1.67%. Since inception, the Fund has returned +7.40% compared to the IA Property Other Sector average return of +5.30% 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.

While central banks largely retained the same narrative in May, overall, sovereign bond yields declined and inflation rates across many regions showed signs of moderating. The beginning of June also saw the start of a broadly anticipated global easing cycle with rate cuts in both Canada and the Eurozone. Against this backdrop, Global Real Estate Investment Trusts (REITs) advanced, driven mainly by a solid performance from property stocks in Europe and the US.

During the month, the Fund outperformed peer group averages as most underlying themes performed reasonably well. The Fund's net asset value (NAV) per unit reached its highest level since inception, before it gave back part of those gains towards the end of the month, due primarily to currency losses. As a reminder, the Fund's NAV is denominated in sterling, and we do not employ a currency hedging strategy, whilst UK-listed REITs do not dominate the portfolio. Sterling edged significantly higher during May against other major currencies after Prime Minister Rishi Sunak called a General Election. Policymakers at the Bank of England (BoE) also announced they would not make any public comments until after the election results, which further fuelled uncertainty over the BoE's monetary path, leading to further sterling strength. We estimate that foreign currency losses detracted approximately 0.65% from absolute underlying portfolio performance in May.

As at 31 May, the Fund held 41 individual holdings and was well diversified across its underlying themes, sectors and geography. All underlying themes contributed positively to performance (estimated gross total returns: Digitalisation +5.1%, Sustainable Urbanisation +2.6%, Ageing Demographics +5.3% and Emerging Middle Classes +4.0%). The top three contributors were Americold Realty, Carmila and Ventas. The top three detractors were CRE, StorageVault Canada, and AreaLink.

After a torrid nearly three years, there are signs that appetite for Global REITs is picking up. Property prices in many sectors are stabilising, although parts of the office and retail sectors (in which we don't invest) remain challenged, and many REITs across the spectrum are enjoying robust rental growth. We remain focused on real estate sectors which will thrive over the medium- to long-term due to the growth in e-Commerce and Artificial Intelligence (AI), as well as sectors that can capitalise on the changing needs of key demographic cohorts.

Top 10 Portfolio Holdings (as at 31/05/2024)

 Americold Realty Trust Inc	2.57%
 Ventas Inc	2.50%
 Equinix Inc	2.46%
 Healthpeak Properties Inc	2.39%
 StorageVault Canada Inc	2.30%
 Rexford Industrial Realty Inc	2.29%
 Carmila SA	2.28%
 Dream Industrial Real Estate	2.27%
 Xior Student Housing NV	2.17%
 Prologis Inc	2.09%

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

Extensive due diligence across multiple factors to identify sound business fundamentals, accounting for the 10 UNGC principles, where possible

We take a forward-looking approach to investment selection using positive screening

We encourage 'engagement' with both 'leaders' and 'improvers' for positive outcomes

We're committed to transparency on our multi-factor screening process and reflect this in our investment approach

All data as at 31/05/2024, 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

Americold Realty Trust (c. 2.6% portfolio weight), the world's largest specialist REIT focusing on technologically advanced cold storage properties, reported results that beat estimates and revised up its 2024 guidance. Americold now expects its core net operating income growth to increase by more than 700 basis points compared to its associated revenue growth. This outsized improvement in margins in a single year is the highest margin expansion currently projected across all US-listed REITs. In response, this led to a share price increase of approximately +21.4% in local currency terms

Dream Industrial Real Estate (c. 2.3% portfolio weight), Canada's leading industrial and logistics property developer and operator, reported another quarter of strong growth driven by continued healthy leasing momentum. The REIT gave an upbeat outlook, stating that the pace of organic growth in the portfolio continues to exceed any pressure from higher interest rates, translating into improving underlying cash flow performance. Management noted the organic growth outlook embedded within the portfolio remained intact, and expects the development programme to continue contributing to earnings as these projects stabilise.

The Fund ended May with an elevated cash balance after receiving significant inflows in the closing business days. Subsequent to month-end, cash inflows were fully allocated across existing portfolio holdings, and the cash balance reverted to more normalised levels (between 3% and 5%).

Portfolio Information

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

Estimated Annual Income Yield (Class B)
4.01%

Number of holdings
41

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.

