

**SHINING A LIGHT ON THE.....
TR Property Trust**

AT A GLANCE

Investment Objective
The Company seeks to achieve its objective by investing in shares and securities of property companies and property related businesses on an international basis, although, with a Pan-European benchmark, the majority of the investments will be located in that geographical area. The Company also invests in investment property located in the UK only.

Inception Date	5 th May 1905
Fund Factsheet Link	http://tools.morningstar.co.uk/uk/cefreport/default.aspx?SecurityToken=EOGBR00QXG12101FCGBR\$\$ALL

Management	
Manager Name	Start Date
Alban Lhonneur	1 st August 2008
George Gay	1 st August 2008
Marcus Phayre-Mudge	31 st March 2011
Jo Elliott	31 st March 2018

FUND PERFORMANCE

Performance from 1st January 2016 to 31st May 2022:

	2016	2017	2018	2019	2020	2021	2022
TR Property IT	0.82%	37.25%	-7.81%	41.42%	-11.97%	23.48%	-17.29%
FTSE EPRA Nareit Developed Europe TR EUR	10.60%	17.94%	-6.67%	22.43%	-4.90%	10.97%	-12.80%

Performance over 12 months, 3 years, 5 years and 10 years:

	1 year	3 years	5 years	10 years
TR Property IT	-2.14%	10.38%	37.65%	287.63%
FTSE EPRA Nareit Developed Europe TR EUR	-7.61%	1.60%	12.89%	146.89%

You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

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Tracking Error	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
3.56	-	119.40	98.78	66.67	1.05	4.54	Mid/Blend

Volatility Measurements	
3-Yr Std Dev (volatility)	23.58%
3-Yr Mean Return (average)	3.35%

Investment Style Details	
Giant	0.00%
Large	20.97%
Medium	63.18%
Small	12.23%
Micro	3.62%

Top 5 Holdings – 63 Equity Holdings		
Vonovia SE	-	9.58%
Direct Property	-	6.22%
Argan	-	5.06%
Segro PLC	-	4.94%
Klepierre	-	3.93%

Top 5 Countries	
United Kingdom	26.4%
Germany	17.1%
France	16.2%
Sweden	8.4%
Belgium	6.9%

UPDATE....

We have noticed a few changes over the last 12 months. The weighting to Germany has come down, the UK up, the weighting to small cap has reduced and mid-cap increased. This reflects a more defensive positioning and a reduction in gearing. This year has been difficult for the strategy with both what is happening in the Ukraine and inflation impacting performance. It has paid out a dividend but had to use reserves to top-up the last payment.

Only two companies have not returned to paying dividends and one of those they have sold. They remain positive in terms of rental income and valuations. Tenant demand is stable, there is a lack of new space, and many rental contracts contain indexation. In terms of valuations, these remain muted despite earnings growth and reduction in debt.

The market is seeing consolidation and moves from public to private companies. This has reduced the available investments for them. Areas of defensive they have moved into include Swiss Prime Site, Industrials REIT, PHP and Supermarket Income REIT. They have also moved more towards value rather than growth, adding Ediston, Klepierre, Vonovia, Phoenix Spree and Landsec, and reducing exposure to VGP, CLS Holdings, Unibail-Rodamco-Westfield.

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In terms of physical property, they have sold their building in Bristol and also currently marketing the property in Bayswater. They have property in Wandsworth and Gloucester.

Areas they see positively are retail channels, flexible office accommodation and residential. There is also a greater focus on quality properties and ESG. They don't like over leveraged businesses.

In summary, the strategy has moved to a more defensive positioning but remains volatile and may not match all investors needs. It does have the potential to outperform and has done so in the past. They have made changes to the portfolio to adopt a more defensive stance and this can be seen in the increased weighting to mid-cap away from small-cap. They remain a well-respected property team and therefore, for investors, this may be a strategy they wish to consider, but research against other options must be taken. We have this on our watch-list which means it maybe in our portfolios or we may consider in the future.

The source of information in this note has been provided by TR and is correct as of June 2022. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this, and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.