

November 2021

Factsheet

Manulife Investment Asia-Pacific REIT Fund

Fund category

Fund-of-Funds

Fund objective

To provide long-term capital appreciation and sustainable income through a combined investment in other collective investment schemes, namely REITs and infrastructure funds/trusts.

Investor profile

The Fund is suitable for investors who wish to have investment exposure through a diversified portfolio of REITs and infrastructure funds/trusts within the Asia-Pacific region. The Fund may also appeal to investors who are seeking a sustainable distribution of income and long-term capital growth with a long-term investment horizon of 5 years or more.

Fund manager

Manulife Investment Management (M) Berhad
200801033087 (834424-U)

Trustee

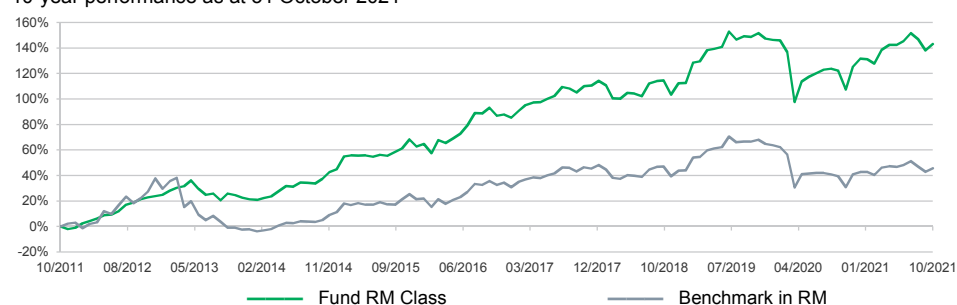
HSBC (Malaysia) Trustee Berhad
193701000084 (1281-T)

Fund information (as at 31 Oct 2021)

NAV/unit	RM 0.4283
Fund size	RM 629.84 mil
Units in circulation	1,470.65 mil
Fund launch date	07 Jun 2007
Fund inception date	28 Jun 2007
Financial year	31 Aug
Currency	RM
Management fee	Up to 1.75% of NAV p.a.
Trustee fee	0.06% of NAV p.a. excluding foreign custodian fees and charges
Sales charge	Up to 5.00% of NAV per unit
Redemption charge	Nil
Distribution frequency	Semi-annually, if any.
Benchmark [^]	Manulife Investment Asia REIT Ex Japan Index

Fund performance

10-year performance as at 31 October 2021*



Total return over the following periods ended 31 October 2021*

	1 month	6 month	YTD	1 year	3 year	5 year	10 year
Fund RM Class (%)	2.02	0.29	4.95	17.16	19.48	30.02	143.12
Benchmark in RM (%)	1.97	-0.97	2.13	11.31	4.53	9.96	45.83

Calendar year returns*

	2016	2017	2018	2019	2020
Fund RM Class (%)	12.48	15.60	-0.89	15.99	-5.99
Benchmark in RM (%)	7.41	13.25	-2.75	13.75	-12.91

*Source: Lipper; Past performance is not necessarily indicative of future performance. The performance is calculated on NAV-to-NAV basis.

Top 5 holdings

No.	Security name	% NAV
1	Link Real Estate Investment Trust	12.7
2	CapitaLand Integrated Commercial Trust	8.4
3	Ascendas Real Estate Investment Trust	8.2
4	Mapletree Logistics Trust	6.0
5	Mapletree Commercial Trust	5.3

Asset/sector allocation

No.	Asset/sector name	% NAV
1	Retail Reits	35.3
2	Industrial Reits	28.5
3	Diversified Reits	15.2
4	Office REITs	9.5
5	Hotel & Resort Reits	3.6
6	Specialized Reits	3.5
7	Real Estate Operating Companies	1.6
8	Cash & Cash Equivalents	2.7

Highest & lowest NAV

	2018	2019	2020
High	0.4927	0.5422	0.5050
Low	0.4375	0.4570	0.3402

Geographical allocation

No.	Geographical name	% NAV
1	Singapore	60.3
2	Hong Kong	20.6
3	Australia	12.4
4	Others	4.0
5	Cash & Cash Equivalents	2.7

Distribution by financial year

	2019	2020	2021
Distribution (Sen)	3.60	2.58	3.13
Distribution Yield (%)	7.5	5.6	7.2

[^] Manulife Investment Asia REIT Ex Japan Index is a customised index consists of REIT funds universe within Asia ex Japan markets, which include China, Hong Kong, India, Indonesia, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan and Thailand. The index is a market capitalisation weighted index of REIT funds with market capitalisation of USD5 million or more. The performance of the benchmark is available at the Manager's website. The risk profile of the Fund is different from the risk profile of the benchmark.

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Market review

Major Asia ex Japan REITs markets recovered some lost grounds in October as fears over China contagion risk receded. Sentiment improved on news that property group China Evergrande has managed to avert default (for now) with last-minute bond coupon payments. Global equity investors confidence was lifted by strong US corporate earnings with limited impact from supply chain disruptions. Markets were feeling more optimistic about the prospects for major infrastructure and social spending legislation after the latest push by US President Joe Biden.

Australia REITs market underperformed the region as gains were curtailed by spike in 10-year Australia bond yields (up 58bps) to above 2%. Market is building expectations for Reserve Bank of Australia to end quantitative easing in early 2022 on strong inflation data. The government is on track to re-open international borders to residents and tourists by end of 2022. On that note, re-opening related AREITs continued to sustain their outperformance vs. the defensive industrial REITs in September. There were active transactions in regional retail malls at/above book value, providing evidence that asset values for large malls have stabilized.

Hong Kong REITs market saw marginal gains led by the Hong Kong retail centric REITs. Retail REITs outperformed as retail sales remains healthy with spending boosted by the consumption vouchers issued by the government. Link REIT outperformed peers after it provided an operational update which guided for healthy tenants' sales growth and positive rental reversions in the 1HCY21. China-centric REIT, Yuexiu REIT fell sharply on news that it will conduct a rights issue to fund a purchase of an office asset from its sponsor.

Singapore REITs market rebounded, outperforming Hong Kong and Australia REITs markets. Reopening plays like hospitality and retail REITs did well despite the extension of current "stabilizing phase measures" by another month. Investors cheered the news that the Singapore government has opened more vaccinated travel lanes and has relaxed border controls for international arrivals. Despite recent surge in infection rate, retail landlords in their latest corporate earnings meetings shared that the pace of negative reversions has continued to ease.

Market outlook

Equity markets are likely to stay volatile in 4Q21 as we approach US tapering, which will start in November. With improving global vaccination rate and fading pandemic risk, regional governments (except China/Hong Kong) are committed and moving towards further relaxation and borders reopening. We believe a synchronized re-opening of borders for major global economies would be supportive of improving leasing negotiations and concluding more real estate transactions. Despite borders restrictions for most of 2021, we have seen active merger and acquisitions which underpinned resilience of commercial real estate capital values.

Fund review and strategy

The Fund performed broadly in-line with its benchmark in October. Stock selection in diversified REITs and retail REITs contributed positively to the fund while a combination of stock selection and sector allocation in industrial REITs and specialized REITs contributed negatively to the fund. While equity markets are likely to stay volatile in 4Q21 as we approach US tapering, we see pocket of opportunities in REITs that may benefit from border reopening theme.

Based on the Fund's portfolio returns as at 30 Sep 2021 the Volatility Factor (VF) for the Fund is as indicated in the table above and are classified as in the table (source: Lipper). "Very High" includes Funds with VF that are above 17.285, "High" includes Funds with VF that are above 14.240 but not more than 17.285, "Moderate" includes Funds with VF that are above 10.840 but not more than 14.240, "Low" includes Funds with VF that are above 4.265 but not more than 10.840 and "Very Low" includes Funds with VF that are above 0.000 but not more than 4.265 (source:FIMM). The VF means there is a possibility for the Funds in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified Funds. VF and VC are subject to monthly revision or at any interval which may be prescribed by FIMM from time to time. The Fund's portfolio may have changed since this date and there is no guarantee that the Funds will continue to have the same VF or VC in the future. Presently, only Funds launched in the market for at least 36 months will display the VF and its VC.

The above information has not been reviewed by the SC and is subject to the relevant warning, disclaimer, qualification or terms and conditions stated herein. Investors are advised to read and understand the contents of the Master Prospectus dated 10 August 2020 and its First Supplemental Master Prospectus dated 10 August 2020 and its Second Supplemental Master Prospectus dated 27 January 2021 and its Third Supplemental Master Prospectus dated 5 April 2021 and its Fourth Supplemental Master Prospectus dated 13 September 2021 and all the respective Product Highlights Sheet(s) (collectively, the "Offering Documents"), obtainable at our offices or website, before investing. The Offering Documents have been registered with the Securities Commission Malaysia (SC), however the registration with the SC does not amount to nor indicate that the SC has recommended or endorsed the product. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from the pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV; and where a unit split is declared, the value of your investment in the Fund's denominated currency will remain unchanged after the distribution of the additional units. Past performances are not an indication of future performances. There are risks involved with investing in unit trust funds; wholesale funds and/or Private Retirement Schemes. Some of these risks associated with investments in unit trust funds; wholesale funds and/or Private Retirement Schemes are interest rate fluctuation risk, foreign exchange or currency risk, country risk, political risk, credit risk, non-compliance risk, counterparty risk, target fund manager risk, liquidity risk and interest rate risk. For further details on the risk profile of all the funds, please refer to the Risk Factors section in the Offering Documents. The price of units and income distribution may go down as well as up. Investors should compare and consider the fees, charges and costs involved. Investors are advised to conduct own risk assessment and consult the professional advisers if in doubt on the action to be taken.