

31 JULY 2018

EQUITIES

**Key Facts**

Domicile	The Netherlands
Country Registrations	The Netherlands
Share Class Launch Date	31 January 2018
Legal Structure	Fonds voor gemene rekening (FGR)
Tax Status	Fiscale beleggingsinstelling (FBI)
Regulatory Structure	UCITS
Fund Size	\$2.78bn
Benchmark	FTSE EPRA/NAREIT Developed Index
Number of Shares Issued (Fund)	243,730,798
Dealing Frequency	Daily
Dealing Deadline	2:00pm Dutch Time on the dealing day
Settlement	T+2.0
Securities Lending	No
Swing Pricing	Yes
Distributions	May and November
Share Class Currency	EUR

\*The ongoing charges figures shown are estimated and may vary from time to time

**Codes and Identifiers**

ISIN	EUR D - NL0012125678
Bloomberg Ticker	EUR A - NTDREDE NA

**Fund Information**

	Fund	Index
Forecast EPS Growth	5.0	5.0
Trailing PE	14.0	13.9
Average Capitalisation	5,278.6	5,260.0
P/B Ratio	1.3	1.3
Dividend Yield***	3.8	3.8
Return on Equity	9.0	9.0
Number of Equity Holdings	336	335
5-year beta	-	-

**Top Ten Holdings %**

Simon Property Group, Inc.	3.64
Prologis, Inc.	2.33
Public Storage	2.17
Digital Realty Trust, Inc.	1.67
Vonovia SE	1.66
AvalonBay Communities, Inc.	1.64
Equity Residential	1.57
Welltower, Inc.	1.56
Mitsui Fudosan Co., Ltd.	1.51
Sun Hung Kai Properties Limited	1.49

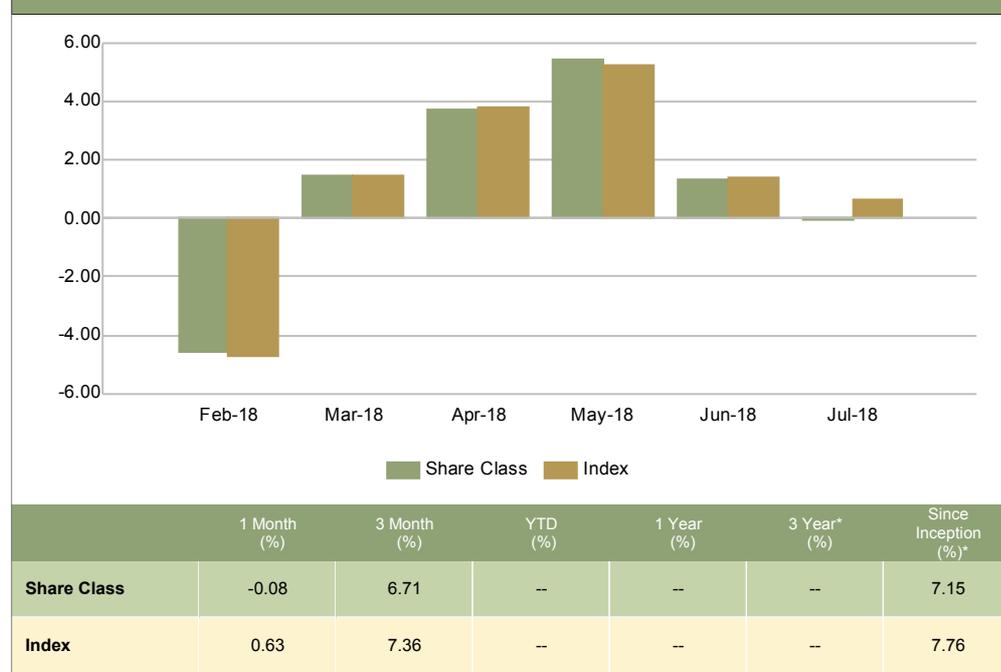
**INVESTMENT OBJECTIVE**

The investment objective of the Fund is to closely match the risk and return characteristics of the FTSE EPRA/NAREIT Developed Index (the Index) with net dividends reinvested. The Fund primarily invests its assets in companies included in the Index and may utilise proprietary optimisation techniques in an effort to minimise costs and reduce risks.

**RISK**

Investment in the Fund involves a degree of risk. There is no guarantee that the Fund's investment objective, or its risk monitoring, will be achieved and results may vary substantially over time. The Fund's investment strategy may carry considerable risks. The value of investments and the income from them, can go down as well as up and an investor may not get back the amount originally invested.

Investing in REITs (Real Estate Investment Trusts) is not equivalent to investing directly in property. Performance of property securities may be more dependent on the performance of stock markets than the property sector. The sale of appreciated properties depends upon market demand. Please see overleaf for further details.

**SHARE CLASS D EUR PERFORMANCE**

Performance calculated from the inception of the share class. All data shown is net of fees.

Past performance is no guarantee of future results. Index performance returns do not reflect any advisory fees, transaction costs or expenses. It is not possible to invest directly into any index.

The unswung initial launch price has been used as the starting point for performance. Thereafter swung NAVs are used.

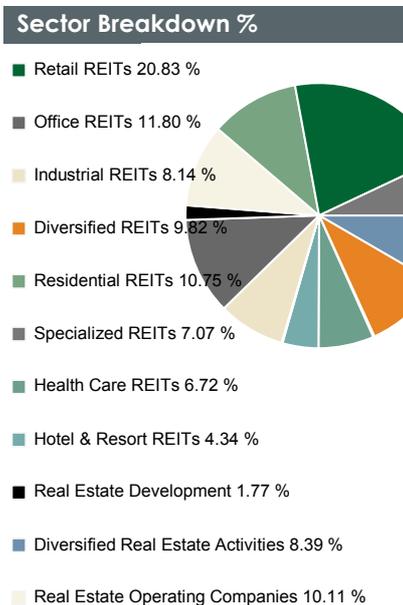
Please note the above represents the performance that was achievable by eligible Dutch investors and includes income distributions gross of Dutch withholding tax because these investors receive a refund of the 15% Dutch withholding tax levied. Different investor types and investors from other jurisdictions may not be able to achieve the same level of performance due to their tax status and local tax rules.

\*\*\* The Dividend yield is calculated at the fund level by Factset as a weighted average of the gross dividend yield of the stocks within the portfolio and index.

**12 MONTH PERFORMANCE PERIODS - TO LAST MONTH END**

	31/07/17-31/07/18	31/07/16-31/07/17	31/07/15-31/07/16	31/07/14-31/07/15	31/07/13-31/07/14	Calendar 2017
Share Class	-	-	-	-	-	-
Index	-	-	-	-	-	-

Geographical Breakdown %	
United States	52.72
Japan	10.57
Hong Kong	7.97
Australia	5.28
United Kingdom	5.00
Germany	4.35
France	3.47
Canada	2.73
Singapore	2.45
Sweden	1.60
Switzerland	0.93
Belgium	0.67
Spain	0.62
Luxembourg	0.35
Netherlands	0.34
Ireland	0.20
Austria	0.16
Finland	0.16
Israel	0.12
Norway	0.11
New Zealand	0.09
Italy	0.09
Jersey	0.03



\*Country and Sector breakdowns may not sum to 100% as the fund has a small allocation to futures.

## PORTFOLIO MANAGER

Northern Trust has a team approach to portfolio management to ensure consistency of coverage and performance. The Fund is managed in London by the Equities Management team of eight, which is led by Nick Dymond.

## PORTFOLIO MANAGER COMMENTARY

Without the MPC meetings in July, market participants were closely watching US and UK economic data releases. With a robust job market, inflation treading close to the Fed’s objective, and the risks to the outlook roughly balanced, the FOMC believes that the best way forward is to keep gradually raising the federal funds rate. The preliminary US GDP data showed that the economy rebounded strongly in Q2, rising an annualized 4.1%q/q. Existing home sales slipped 0.6%*m/m* in June, declining steadily amidst property shortage. The BoE Governor signaled that he had greater confidence that the softness in UK activity in Q1 was temporary. Economic activity firmed in May, growing 0.3%*m/m*. Separately, UK house prices rose 1.8% (3*m/y*) in June. The ECB left all of the policy measures and forward guidance unchanged in July. The Governing Council remains broadly optimistic on the path of the Eurozone economy which they believe is “preceding along a solid and broad-based growth path”. The Council was encouraged by the recent meeting between President Trump and European Council President Jean-Claude Juncker agreeing to continue negotiations on trade policies. Euro area advanced Q2 GDP was softer (0.3%*q/q*). Eurozone house prices rose 4.5%*y/y* in Q1, a new high unseen since 2007.

The Bank of Japan voted to keep the monetary policy unchanged, however embracing a forward guidance on future policy for the first time. The Bank noted that it intends to keep rates “very low” for an “extended period of time”, while also acknowledging that it would take “more time than expected” to achieve its inflation target of 2%. The RBA kept interest rates on hold at 1.5% in its July meeting, reiterating that recent economic data was consistent with the bank’s central forecast for GDP growth to pick up, to average above 3% in 2018 and 2019. While New Zealand’s central bank did not meet in July, the economy is struggling to gather steam.

## MATERIAL RISKS

The following risks are material in addition to the risks captured by the risk indicator overleaf:

- Exchange Rate Risk - Investments in other countries are affected by exchange rate risk, where the currencies may fluctuate in value.
- Credit Risk - A borrower or a counterparty may fail to repay or otherwise fail to meet contractual obligations to the Fund.
- Liquidity Risk - The inability to sell investments quickly may result in failure to return funds to investors on a timely basis.
- Investment Risk - The Fund may not achieve its investment objective. An investment in any fund involves investment risks including possible loss of the amount invested.
- Futures and Options Risk - In case of failure or bankruptcy of the broker, there is no guarantee that the collateral held will be returned to the Fund.
- Valuation Risk - A position in the Fund may be valued incorrectly, as some prices may be uncertain at a point in time.

## COUNTERPARTY

- Manager - Northern Trust Fund Managers (Ireland) Limited
- Investment Manager - Northern Trust Global Investments Limited
- Depository – Northern Trust Global Services Ltd, Amsterdam Branch
- Administrator – Northern Trust International Fund Administration Services (Ireland) Limited

## For More Information

[www.northerntrust.com/fgrfunds](http://www.northerntrust.com/fgrfunds)

Or alternatively please consult with your distributor.

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For investors in the Netherlands: The Fund has been notified to the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten (AFM)) in order to market its units for sale to the public in the Netherlands. Please note that the value of your investment may fluctuate. Past performance does not guarantee future results.

Northern Trust Fund Managers (Ireland) Limited (NTFML) is the management company of NTFGR. NTFML is authorised and regulated by the Central Bank of Ireland, and registered as the management company of NTFGR and its sub funds by the AFM. NTFGR is authorised as being managed by NTFML with the AFM.

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