

1 March 2019

## Client Update

# WIDENING PROPERTY SECURITIES FUND INVESTMENT GUIDELINES

Legg Mason Australia advises that effective 1 April 2019, there will be a change to the investment guidelines for the Legg Mason Martin Currie Property Securities Fund ("the Fund"). We are expanding the Fund's investment guidelines to include an allocation of up to a maximum 30% to listed property related securities from Asian countries and New Zealand, excluding Japan. Importantly, the Fund will only allocate beyond ASX-listed names when the investment manager has identified opportunities that enhance the Fund's return or risk characteristics. The Fund's benchmark will not change.

These changes are being implemented to help ensure that the Fund's investment universe is large enough to ensure a well-diversified portfolio of property related securities both now and into the future.

The benefits of the expanded investment universe include:

- a broader opportunity to select the most suitable stocks and build what the manager considers to be the most efficient portfolio;
- additional country and currency exposures that act as a diversifier to reduce expected volatility; and
- access to growing and complementary investment opportunities that increase the investment capacity of the Fund.

A Product Disclosure Statement (PDS) dated the 1 April 2019 will include the updated Fund Guidelines as follows:

"The Fund aims to hold investments so that at the time of purchasing securities:

- exposure to individual ASX listed securities is no more than 6% above the Benchmark weight;
- exposure to individual non-ASX listed securities is no more than 7.5%;
- approximately 15 to 35 securities are held; and
- a diversified exposure to property security sub sectors (as determined by Martin Currie Australia, such as diversified property, retail property, commercial property, infrastructure) is obtained.

The Fund may invest up to 30% in non-ASX listed property related securities from Asian countries including New Zealand, excluding Japan."

It is important to note that as a result of these changes, the Fund will no longer be managed within the Complying Investment Framework as directed by Austrade. As such, from 1 April 2019 the Fund will no longer be appropriate for Significant Investment Visa applicants. If you are impacted by this change you should speak with your financial adviser in the first instance as you may need to take action to ensure compliance with the SIV framework.

If you have any queries regarding the information provided, please contact our client service team at [auclientadmin@leggmason.com](mailto:auclientadmin@leggmason.com) or on 1800 679 541.

Yours faithfully



Andy Sowerby

Managing Director