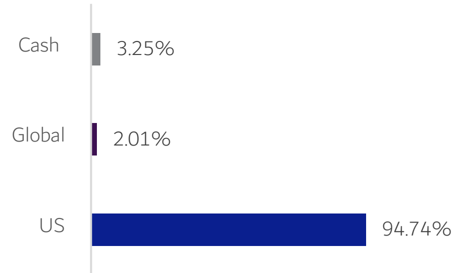
# ADITUM

# Four Quadrant Dynamic Allocation Fund

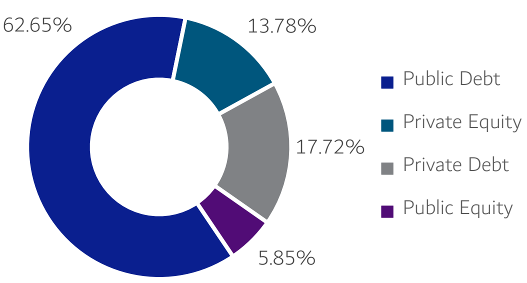
30 January 2025

| FUND INFORMATION | |
|---|---|
| Domicile | Dubai International Financial Centre, UAE |
| Fund Manager | Aditum Investment Management Limited |
| Fund Administrator | Apex Fund Services (AD) Ltd |
| Sub Advisor | Principal Global Investors LLC |
| Auditor | Grant Thornton Audit and Accounting Limited (BVI) |
| Custodian | Standard Chartered Bank, UAE |
| Fund Type | Alternative Real Estate |
| Structure | Open Ended |
| Currency | USD |
| Inception Date | 15 February 2023 |
| Minimum Initial Subscription | US$50,000* |
| Minimum Subsequent Subscription | US$50,000* |
| NAV | 117.6426 |
| AUM (US$m) | 58.65 |
| Dealing Frequency | Monthly (for subscriptions) / Quarterly (for redemptions) |
| Distribution | Quarterly for INC share classes |

## GEOGRAPHIC ALLOCATION:




## INVESTMENT BY QUADRANT*:




*Excluding cash.

## INVESTMENT OBJECTIVES:

The Four Quadrant Dynamic Allocation Fund OEIC Limited will seek to generate long-term capital growth as well as cash distributions through a portfolio of global real estate investments via individual securities, separately managed accounts and commingled vehicles. The Fund will target 8-10% per annum in net total returns over a rolling five-year cycle. The Fund will also target an annual dividend in the range of 5%. The Fund aims to allocate dynamically across public real estate equity, private real estate equity, public real estate debt and private real estate debt (each a "Quadrant" and together the "Four Quadrants").

## PERFORMANCE (%):

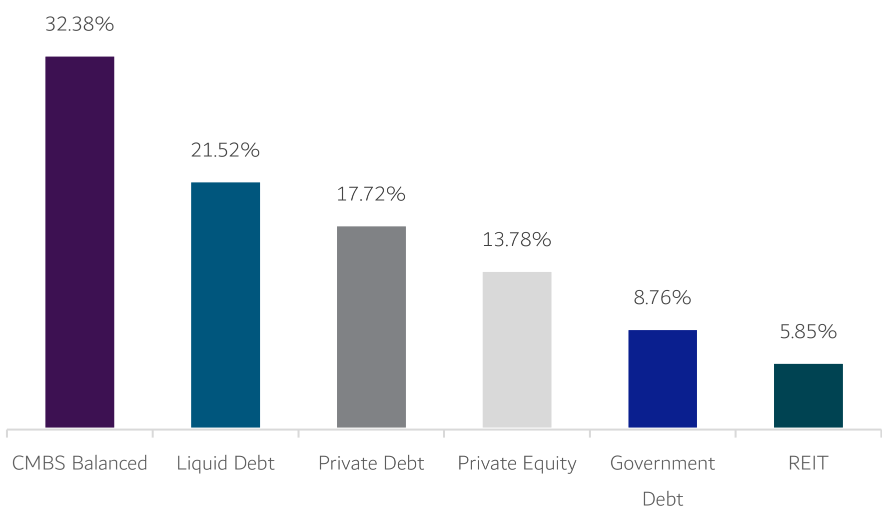
| | 1M | 3M | 6M | 1Y | 2Y | S.I. |
|---|---|---|---|---|---|---|
| FQDAF | 0.44 | 1.31 | 3.10 | 5.06 | 11.25 | 17.64 |

*The performance is calculated from I Acc USD share class since inception 15 February 2023. Performance is calculated net of fees. Past performance is not an indicator or guarantee of future performance. The value of shares in the fund and income received from it can go down as well as up, and investors may not get back the full amount invested. Performance may also be affected by currency fluctuations of the underlying holdings.

## INVESTMENT OVERVIEW:

| Key Metrics | | | |
|---|---|---|---|
| Balanced CMBS Sleeve | | CMBS Cash Proxy Sleeve | |
| YTM | 8.07% | YTM | - |
| Duration | 2.07 years | Duration | - |
| Average Rating | AA+/AA | Average Rating | - |

## SUB INVESTMENT ALLOCATION*:




## TOP FIVE HOLDINGS*

| Name | % holding | Sleeve |
|---|---|---|
| PRINCIPAL REAL ESTATE LIQUID DEBT FUND | 21.52% | Liquid Debt |
| Principal Real Estate Open-End Debt Fund | 17.72% | Private Debt |
| Principal Enhanced Property Fund, L.P. | 13.63% | Private Equity |
| TREASURY BILL Apr 26 0% | 8.76% | Government Debt |
| BANK 2020-BN25 C Jan 63 Floating | 3.79% | CMBS Balanced |
| | 65.40% | |

# Four Quadrant Dynamic Allocation Fund

## JANUARY HIGHLIGHTS

**Balanced CMBS Sleeve**

Portfolio composition remained stable throughout the month, with no trades executed. Strong activity in the CMBS markets lead to tighter spreads and the credit curve flattening. 5-yr CMBS AAA IO spreads tightened by 20bps while the 10-yr remained flat. CMBS issuance at $9.8B in January has been at the highest level since 2008, lead mainly by SASB. 2025 CMBS issuance finished strong relative to the previous year with $125.1B compared to 2024 issuance of $103.5B.

**IMA REIT Sleeve**

Global REITs (FTSE EPRA NAREIT Developed) gained 3.8% over the month, outpacing global equities (MSCI World +2.3%) and global bonds (Barclays Global Aggregate +0.9%). Renewed geopolitical tensions, escalating frictions between the Trump administration and the Fed and a snap Japanese election triggered significant bouts of equity volatility and a rotation into defensive laggards such as REITs. Meanwhile continued signs of stabilising US economic data saw a broadening out of equity performance into more cyclical sectors. The Fed kept interest rates steady, signaling reduced downside risks to the labor market.

Europe outperformed, led by a continued recovery in UK property stocks following the Bank of England's December rate cut. Cyclical property types such as office and malls drove the outperformance. On the Continent, Switzerland was the strongest performer on rising geopolitical risks and rising disinflationary risks. The Americas lagged with currency headwinds from a weaker US dollar playing a major role. Data centers and storage outperformed, in part a mean reversion following tepid performance toward the latter part of 2025. Residential property types lagged as housing affordability concerns became politicized. Asian performance was held back by Japan as the snap election called by PM Takaichi with the sweetener of consumption tax cuts drove a sell off in long end government bonds, weighing on the performance of rate sensitives. Non REIT property stocks in Singapore and Hong Kong were the standout performers on continued signs of a pickup in residential market sentiment. // The portfolio lagged the benchmark on weak US selection. The drag came from the underweight to net lease which benefitted from the rise in geopolitical uncertainty and challenges to Fed independence. The overweight to US healthcare also hurt as the sector lagged in January following a strong Q4 25. An overweight to French retail was also a detractor. Selection within Canadian apartments was also detractive. Contribution came from selection within US industrial. // The equity markets and the US economy have weathered headwinds from rising geopolitical tensions, trade war fears, and slowing labor market data better than expected. While some pockets of the US economy such as the mass consumer and the labor market have come under meaningful downward pressure, Artificial Intelligence (AI) related capex and wealth effects from the ebullient stock market have helped to offset this, shaping the narrative around a K shaped economy. Although equity markets fared well in 2025, there are emergent concerns over the sustainability of the AI trade with the US tech sector wobbling in the later part of the fourth quarter 2025. And whilst the US economy is showing some sign of stabilization after deceleration in the second half of the year, it will likely need a resilient stock market and / or further rate cuts to continue steering it in the right direction.

Encouragingly, US inflation has shown some signs of moderation, and longer-term inflation expectations appear well-behaved. Shelter costs, which have a meaningful effect on inflation, are also moving in the right direction, i.e., downwards. New Fed Chair designate Kevin Warsh has been explicit in his view that the US is on the verge of an AI led productivity boom that should keep inflation at bay. If so, this should keep short end interest rates anchored even as growth picks up, a favorable environment for REITs which have started to outperform broader equities year to date. REITs should provide a ballast against early signs of cracks in the AI trade whilst benefitting from any future rate cuts designed to help cement a reacceleration in US economic growth. The key risk for REITs remains a prolonged stagflationary outlook. Our portfolio strategy will continue to emphasize bottom-up stock selection and company fundamentals to drive excess returns.

**CMBS Cash Proxy Sleeve**

Portfolio currently has no holdings.

## SHARE CLASS INFORMATION

| Share Class | AMC | Placement Fee | Deferred Sales Fee | ISIN |
|---|---|---|---|---|
| Class A ACC | 0.95% | Up to 3% | - | AEDFXA24C006 |
| Class A INC | 0.95% | Up to 3% | - | AEDFXA24C014 |
| Class B ACC | 0.95% | - | 3% | AEDFXA24C022 |
| Class B INC | 0.95% | - | 3% | AEDFXA24C030 |
| Class C ACC | 0.95% | - | 5% | AEDFXA24C048 |
| Class C INC | 0.95% | - | 5% | AEDFXA24C055 |
| Class R ACC | 0.50% | Up to 3% | - | AEDFXA24C063 |
| Class R INC | 0.50% | Up to 3% | - | AEDFXA24C071 |
| Class S ACC | 0.95% | - | 2% | AEDFXA24C089 |
| Class S INC | 0.95% | - | 2% | AEDFXA24C097 |
| Class I ACC | 0.35% | Up to 1% | - | AEDFXA24C105 |
| Class I ACC | 0.35% | Up to 1% | - | AEDFXA24C113 |

## CONTACT DETAILS:

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