

FUND STRATEGY

The ATLAS Infrastructure Global Strategy aims to provide investors with exposure to a selection of high quality infrastructure equities. The portfolio will be invested in OECD countries only and is a high conviction strategy focussed on investing in infrastructure securities which provide the optimal balance of return and risk. The fund aims to monitor and manage carbon and climate change risk exposures within set tolerances.

COMMENTARY

The ATLAS portfolio returned 1.32% (net of fees) in May versus the benchmark return of 0.77%. The total contribution to local returns from our equity holdings was 1.5%. The main contributors in the period were our holdings in SES, Elia System Operator and Pennon. Spark Infrastructure and Terna were the main detractors.

PORTFOLIO METRICS

Number of stocks:	18
Cash holding:	8.9 %
Gearing ratio:	41.7 %
Dividend yield:	3.6 %

PERFORMANCE	Fund ¹			Benchmark ²			Excess	(%)
1 month	1.3		0.8	0.5				
3 months	8.1		2.0	6.1				
12 months	--		--	--				
Inception	7.0		4.8	2.2				

CONTRIBUTORS (LTM)	(%)
Aeroports de Paris SA	1.55
Union Pacific Corporation	1.33
Getlink SE	1.09

SECTOR (Top 5)	(%)
Electric	32.0
Railway	16.3
Water	12.7
Airport	12.3
Comms	9.1

HOLDINGS (Top 10)	(%)
Severn Trent Plc	8.0
Elia System Operator SA	7.9
Getlink SE	7.0
Spark Infrastructure Group Ltd.	6.7
SES SA	4.8
Norfolk Southern Corporation	4.7
Pennon Group Plc	4.7
Avangrid, Inc.	4.7
Union Pacific Corporation	4.6
EDP Renovaveis SA	4.5

DETRACTORS (LTM)	(%)
Spark Infrastructure Group Ltd.	-0.53
Pennon Group Plc	-0.21
Flughafen Wien AG	-0.19

GEOGRAPHY (Top 5)	(%)
United States	23.6
Australia	15.5
United Kingdom	14.0
France	11.1
Belgium	7.9

1. Fund¹ calculated by Northern Trust net of fees and taxes assuming income reinvested.

2. Benchmark² return is calculated by Northern Trust (G7 Inflation +5%).

3. Contributors and detractors (last twelve months) are reported in their local currency.

FUND DETAILS

Identifier:	IE00BF6X2X43
Inception:	3-Oct-2017
Share class:	USD Hedged
Currency:	USD
Hedging:	Yes
NAV:	0.73m
Total assets:	11.5m
Fees:	1.2 %
Total expense ratio:	1.2 %

ADDITIONAL DETAILS

Application price:	107.0185
Redemption price:	107.0185
Buy/sell spread:	0
Minimum investment:	50,000
Distribution frequency:	Semi-Annual
Latest distribution:	n/a
Distribution date:	n/a

PORTFOLIO POSITIONING & MACRO OUTLOOK

At the end of the month the ATLAS portfolio was 92% invested. The portfolio has a slight positive exposure to GDP, a high beta to CPI and a neutral long bond exposure compared with the investment universe. The positions in our portfolio remained the same, however we increased our weight in Elia System operator and decreased our weight in EDPR based on expected forward returns. Our macro scenario analysis indicated that the portfolio has a positive exposure to a fast transition climate scenario and a negative exposure to delayed action. The portfolio is broadly neutral to global growth and inflation on a real return basis and has a slight positive to a stagnation scenario.

MONTHLY STOCK HIGHLIGHT

Elia System Operator (ELI-BE) is a Brussels-listed electricity TSO with a market cap of €3.1bn and free float of 52%. Elia serves 30 million customers across Europe across Belgium and north-east Germany, through a 100% stake in Elia Transmission and a 60% stake in 50Hertz Transmission (one of four TSOs in Germany and held by Eurogrid) respectively. Recent investment has focussed on interconnection (incl. Nemo Link with the UK) and offshore wind (e.g. establishing a 'Modular Offshore Grid' in the North Sea). 50Hertz's network forms a bridge between a growing number of offshore wind farms in the Baltic Sea, and load centres in the south of Germany. Between 2018-22, under its latest capex program - the largest in its history - Elia is investing €2.3bn (40% maintenance) in Belgium, and €3.3bn (85% renewables integration) in Germany, where investments are focussed on offshore wind integration. This investment program, which is vital to the renewable energy targets for Germany and Belgium, will support growth in regulated asset base as well as provide scope for enhanced returns if projects are delivered within budget.

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