

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 0.95% (net of fees) in July versus the benchmark return of 0.76%. The total contribution to local returns from our equity holdings was 1.17%. The main contributors in the period were our holdings in Norfolk Southern Corporation and Union Pacific Company. Getlink and Avangrid were the main detractors.

PORTFOLIO METRICS

Number of stocks:	18
Cash holding:	9.1 %
Gearing ratio:	42.6 %
Dividend yield:	3.7 %

	PERFORMANCE (%)		
	Fund ¹	Benchmark ²	Excess
1 month	0.9	0.8	0.2
3 months	4.2	2.0	2.2
12 months	--	--	--
Inception	8.9	6.1	2.8

CONTRIBUTORS (LTM)	(%)
Aeroports de Paris SA	1.98
Union Pacific Corporation	1.60
EDP Renovaveis SA	1.51

SECTOR (Top 5)	(%)
Electric	36.1
Railway	15.8
Airport	13.2
Water	7.4
Renewable Energy	4.8

HOLDINGS (Top 10)	(%)
Severn Trent Plc	7.4
Elia System Operator SA	7.4
Spark Infrastructure Group Ltd.	6.7
Getlink SE	6.6
EDP Renovaveis SA	4.8
Union Pacific Corporation	4.7
Redes Energeticas Nacionais SGPS SA	4.6
Transurban Group Ltd.	4.6
Chorus Limited	4.5
Southern Company	4.5

DETRACTORS (LTM)	(%)
Flughafen Wien AG	-0.28
Spark Infrastructure Group Ltd.	-0.24
Severn Trent Plc	-0.13

GEOGRAPHY (Top 5)	(%)
United States	30.5
Australia	11.1
France	10.9
Portugal	9.4
Italy	8.7

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:	IE00BF6X3197
Inception:	3-Oct-2017
Share class:	GBP Hedged
Currency:	GBP
Hedging:	Yes
NAV:	0.75m
Total assets:	9.0m
Fees:	1.2 %
Total expense ratio:	1.2 %

ADDITIONAL DETAILS

Application price:	107.5665
Redemption price:	107.5665
Buy/sell spread:	0
Minimum investment:	50,000
Distribution frequency:	Semi-Annual
Latest distribution:	1.3429
Distribution date:	29-Jun-2018

PORTFOLIO POSITIONING & MACRO OUTLOOK

At the end of the month the ATLAS portfolio was 90% invested. The portfolio has a slight positive exposure to GDP, a lower beta to CPI and a neutral long bond exposure compared with the investment universe. During the month we sold Williams and bought Snam which improved the returns of the portfolio and marginally reduced downside risk. 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.

MONTHLY STOCK HIGHLIGHT

Flughafen Wien Airport Group is the operator of Vienna Airport, the primary airport in Vienna and largest airport in Austria. The airport currently operates a system of two runways, which have an overlapping alignment, meaning simultaneous operations are not possible, limiting capacity. The current terminal configurations has capacity for around 36M PAX per annum. The airport operates under a light-handed regulatory approach, whereby aeronautical tariff price caps are negotiated and agreed with airlines prior and the Austrian Civil Aviation Authority. The group also hold stakes in Malta Airport (48%) and Kosice (Slovakia) Airport (66%). In August 2017, the largest carrier at Vienna Airport, Air Berlin, collapsed. Vienna didn't see a large variation in passengers as other carriers took up the capacity, and Vienna is now positioning itself as a low cost carrier hub, and is expected to improve the efficiency of its operations, particularly on the non-aeronautical side (retailing, property etc). ATLAS expects that strong competition at the airport will ultimately result in Vienna building a third runway to alleviate current capacity limitations.

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