

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 4.83% (net of fees) in June versus the benchmark return of 0.87%. The total contribution to local returns from our equity holdings was 4.21%. The main contributors in the period were our holdings in Edison International, Altagas Canada & Aena. Chorus and Redes were the main detractors.

PORTFOLIO METRICS

Number of stocks:	18
Cash holding:	7.1 %
Gearing ratio:	45.0 %
Dividend yield:	3.9 %

PERFORMANCE

	Fund ¹	Benchmark ²	Excess (%)
1 month	4.8	0.9	4.0
3 months	8.4	2.0	6.4
12 months	21.3	6.6	14.7
Inception p.a.	15.7	6.9	8.9

CONTRIBUTORS (LTM)

	(%)
AltaGas Canada Inc.	2.72
Chorus Limited	2.08
Getlink SE	1.94

SECTOR (Top 5)

	(%)
Electric	44.6
Airport	21.8
Railway	8.5
Pipelines and Storage	4.9
Gas	4.5

HOLDINGS (Top 10)

	(%)
Edison International	8.4
Aena S.M.E. SA	8.2
SSE plc	7.4
Elia System Operator SA	6.9
AltaGas Canada Inc.	4.9
Hydro One Limited	4.8
Fraport AG Frankfurt Airport Services Wor...	4.7
Terna S.p.A.	4.6
Snam S.p.A.	4.5
Flughafen Wien AG	4.5

DETRACTORS (LTM)

	(%)
Aeroports de Paris SA	-0.60
EDP Renovaveis SA	-0.41
SSE plc	-0.39

GEOGRAPHY (Top 5)

	(%)
United States	17.7
United Kingdom	12.1
Canada	9.8
Italy	9.1
France	8.8

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:	IE00BF6X3080
Inception:	3-Oct-2017
Share class:	GBP Unhedged
Currency:	GBP
Hedging:	No
NAV:	12.4m
Total assets:	27.0m
Fees:	1.2 %
Total expense ratio:	1.2 %

ADDITIONAL DETAILS

Application price:	127.0730
Redemption price:	127.0730
Buy/sell spread:	0
Minimum investment:	50,000
Distribution frequency:	Semi-Annual
Latest distribution:	1.6607
Distribution date:	28-Jun-2019

PORTFOLIO POSITIONING & MACRO OUTLOOK

At the end of the month the ATLAS portfolio was 93% invested. During the month we exited Transurban and added a position in Chorus. The net impact has been to reduce our portfolio GDP exposure whilst increasing expected total return. The portfolio remains well positioned with respect to stagflation and climate transition scenario risk but has less recession valuation upside compared with the universe. GDP exposure remains higher than the universe whilst CPI and long bond risk exposures are lower.

MONTHLY STOCK HIGHLIGHT

Red Electrica (REE-ES) owns, operates and maintains Spain's power transmission grid (43,000km network). REE is regulated via a standard building blocks model, following restructuring of the Spanish regulatory regime between 2013-16. ATLAS analysis indicates that the de-carbonisation of the Spanish economy will create multiple investment opportunities for REE through connecting new renewable sources, supporting electrification of transport and heating as well as the potential addition of storage assets to the grid. Since 2014, the company has also operated a dark fibre leasing business in Spain (REINTEL), which owns a 20-year concession. Overseas, Red Electrica owns five transmission line concessions in Peru (through REDESUR), and since 2015 has owned a 600km HV line in Chile through TEN. In Feb-19, the company purchased an 89.7% stake in Spanish satellite company, Hispasat.

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