

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 portfolio returned 0.67% (net of fees) in July versus the benchmark return of 0.03%. The total contribution to local returns from our equity holdings was 2.90%. The main contributors in the period were our holdings in Avangrid, Pinnacle West and Norfolk Southern. ADP, Aena and SSE were the main detractors.

PORTFOLIO METRICS

| | |
|--------------------|-------|
| Number of stocks: | 19 |
| Cash holding: | 4.3 % |
| Yield | 4.7 % |
| EV/Forecast EBITDA | 11.3 |

| PERFORMANCE | (%) | | |
|----------------|-------------------|------------------------|--------|
| | Fund ¹ | Benchmark ² | Excess |
| 1 month | 0.7 | 0.0 | 0.6 |
| 3 months | 0.6 | 0.9 | -0.3 |
| 1 year | -7.0 | 5.4 | -12.4 |
| 2 years | 5.5 | 6.1 | -0.6 |
| Inception p.a. | 6.6 | 6.5 | 0.2 |

| CONTRIBUTORS (LTM) | (%) |
|--------------------|------|
| Chorus Limited | 1.92 |
| SSE plc | 1.41 |
| Snam S.p.A. | 1.36 |

| SECTOR (Top 5) | (%) |
|----------------|------|
| Electric | 58.7 |
| Comms | 11.1 |
| Airport | 10.5 |
| Railway | 9.0 |
| Gas | 3.6 |

| HOLDINGS (Top 10) | (%) |
|-----------------------------------|-----|
| Avangrid, Inc. | 8.6 |
| SSE Plc | 7.9 |
| Eutelsat Communications SA | 7.7 |
| Edison International | 7.1 |
| Aeroports de Paris SA | 6.7 |
| Norfolk Southern Corporation | 4.6 |
| Spark Infrastructure Group | 4.6 |
| Pinnacle West Capital Corporation | 4.6 |
| Terna S.p.A. | 4.6 |
| Consolidated Edison, Inc. | 4.5 |

| DETRACTORS (LTM) | (%) |
|----------------------------|-------|
| Fraport AG | -3.24 |
| Eutelsat Communications SA | -3.21 |
| Aena SME SA | -2.13 |

| GEOGRAPHY (Top 5) | (%) |
|-------------------|------|
| United States | 35.4 |
| France | 19.7 |
| Australia | 11.9 |
| Italy | 8.5 |
| Spain | 8.3 |

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.

4. Dividend yield is a look-through forward looking dividend yield, gross of fees, gross of withholding tax and does not account for portfolio level cash allocations. Individual investors will receive less than the gross yield.

FUND DETAILS

| | |
|----------------------|--------------|
| Identifier: | IE00BF6X2Y59 |
| Inception: | 3-Oct-2017 |
| Share class: | EUR Unhedged |
| Currency: | EUR |
| Hedging: | No |
| NAV: | 0.95m |
| Total assets: | 429.2m |
| Fees: | 1.2 % |
| Total expense ratio: | 1.2 % |

ADDITIONAL DETAILS

| | |
|-------------------------|-------------|
| Application price: | 113.1009 |
| Redemption price: | 113.1009 |
| Buy/sell spread: | 0 |
| Minimum investment: | 50,000 |
| Distribution frequency: | Semi-Annual |
| Latest distribution: | 1.7444 |
| Distribution date: | 30-Jun-2020 |

PORTFOLIO POSITIONING & MACRO OUTLOOK

During the month, the Investment Committee (IC) resolved to increase the position in ADP, as well as to increase the position in Eutelsat. As a result of these trades, portfolio total expected return increased slightly during the month and stress risk of loss and recession risk were stable. The portfolio remains well positioned with regards to stagflation and fast transition, GDP beta is now close to neutral compared to the universe whereas CPI beta and long bond beta are better.

MONTHLY STOCK HIGHLIGHT

Aéroports de Paris owns and operates the three airports in Île-de-France, including the international hub airport, Charles de Gaulle. It also owns a number of other airports and airport groups internationally, including stakes in TAV, Amsterdam Schiphol and India's GMR. ADP's primary French assets are regulated under a hybrid-till structure, with retailing and some real estate omitted from economic regulation, allowing it to earn competitive returns on these assets. Like most airports globally, ADP has been strongly affected by the outbreak of COVID-19, with passenger demand at its core airports remaining below 90% of 2019 levels until July. However, ADP benefits from specific characteristics which are not common amongst all airports. Most importantly, ADP has a strong destination-focussed traffic profile and is not beholden to competing with other hub airports for traffic. Secondly, ADP operates under a regulated structure where long term returns are maintained by tariff changes calculated by the regulator. Ultimately traffic will take time to recover to 'trend' levels, however ATLAS believes ADP provides investors with a strong margin of safety, even in a worst-case COVID scenario (ATLAS deemed 'stress case'). We increased our holding in ADP in the month of July.

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