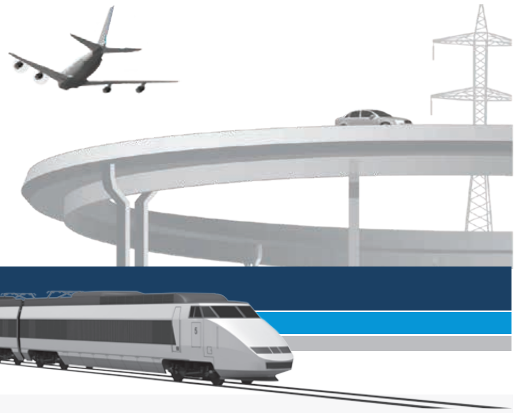
First State
Global Listed Infrastructure Fund



Monthly Review and Outlook

March 2019

- The Fund invests primarily in global listed infrastructure and infrastructure-related equity and equity related securities worldwide. Investments in infrastructure projects may involve risks including projects not being completed on time and within budget, changes in environment laws and regulations.
- The Fund's investments may be concentrated in a single and limited/specialist sector or in fast growing economies which may have higher volatility or greater loss of capital than more diversified portfolios.
- Small/ mid-capitalisation securities may have lower liquidity and their prices are more volatile to adverse economic developments.
- The Fund may use FDIs for hedging and efficient portfolio management purposes, which may subject the Fund to additional liquidity, valuation, counterparty and over the counter transaction risks
- For certain share classes, the Fund may at its discretion pay dividend out of capital or pay fees and expenses out of capital to increase distributable income and effectively a distribution out of capital. This amounts to a return or withdrawal of your original investment or from any capital gains attributable to that, and may result in an immediate decrease of NAV per share.
- It is possible that a part or entire value of your investment could be lost. You should not base your investment decision solely on this document. Please read the offering document including risk factors for details.

Market Review

Global Listed Infrastructure gained in March as buoyant financial markets shrugged off global growth concerns. The FTSE Global Core Infrastructure 50/50 index rose +2.6%, while the MSCI World index^ ended the month +1.3% higher.

The best performing infrastructure sector was Towers (+11%) which climbed on indications that capex levels by large US mobile carriers will remain healthy throughout 2019, to the benefit of tower operators. The expected deployment of new spectrum bands for 5G represents an additional tailwind for the sector. Ports (+8%) increased as investors identified value in the sector, and the US and China remained engaged in trade talks. The worst performing sector was Airports (+1%), which continued to adjust to softening passenger growth rates. Mexican operators underperformed in the face of ongoing political and regulatory uncertainty.

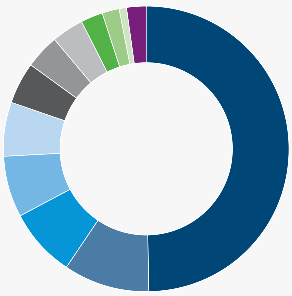
The best performing region was Australia / NZ (+5%), where support was provided by lower US bond yields (the US 10 Year Treasury yield moved from 2.7% to 2.4% during the month) and an infrastructure-friendly state election result for New South Wales. The worst performing region was Latin America (-2%), as weakness in local indices weighed on infrastructure stocks.

Fund Performance

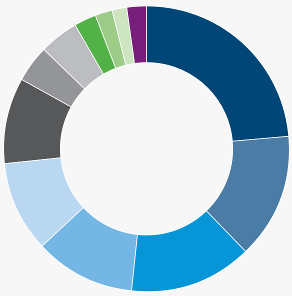
Cumulative Performance in USD (%) [1]						
	3 mths	YTD	1yr	3yrs	5yrs	Since inception
Class I (USD - H Dist)	12.9	12.9	10.4	23.9	34.2	76.2
Benchmark*	13.1	13.1	13.7	31.2	43.3	80.4

Calendar Year Performance in USD (%) [1]					
	2018	2017	2016	2015	2014
Class I (USD - H Dist)	-8.3	17.2	11.7	-5.7	12.3
Benchmark*	-4.0	18.4	11.3	-6.0	13.6

Asset Allocation (%) [1]



Country
- USA 50.1
- Canada 9.5
- Japan 7.9
- Australia 6.9
- UK 6.3
- Spain 4.7
- China 3.9
- Italy 3.4
- France 2.5
- Brazil 2.0
- Other 0.9
- Liquidity 2.1



Sector
- Electric Utilities 23.6
- Highways/Railtracks 14.2
- Oil/Gas Storage & Trans. 14.0
- Multi-Utilities 11.4
- Railroads 10.3
- Specialised REITs 9.5
- Construction & Engineering 4.4
- Gas Utilities 4.2
- Airport Services 2.7
- Marine Ports & Services 1.9
- Other 1.6
- Liquidity 2.1

All stock and sector performance data expressed in local currency terms. Source: Bloomberg. [1] Source: Lipper & First State Investments, Nav-Nav (USD total return) as at 31 March 2019. Allocation percentage is rounded to the nearest one decimal place and the total allocation percentage may not add up to 100%. Fund inception date: 27 June 2008. Performance is based on First State Global Listed Infrastructure Fund Class I (USD – H-Dist). This is the semi-annually dividend distribution class of the Fund. The performance quoted are based on USD total return (with dividend reinvested). Dividends are not guaranteed and may be paid out of capital. ^MSCI World Net Total Return Index, USD. *The benchmark displayed is UBS Global Infrastructure & Utilities 50-50 Index until 31 March 2015 and the FTSE Global Core Infrastructure 50/50 Index from 1 April 2015 onwards. Gross of tax benchmark performance is shown before 1 July 2016 and net of tax benchmark performance is shown after the aforementioned date.

Top 10 holdings (%) [2]

Stock name	Sector	%
Dominion Energy Inc COM	(Multi-Utilities)	6.7
Transurban	(Highways/Railtracks)	5.9
Nextera Energy Inc	(Electric Utilities)	5.8
Transcanada Corp	(Oil/Gas Storage & Trans.)	5.4
East Japan Railway Co	(Railroads)	3.8
Crown Castle International Corp	(Specialised REITs)	3.8
Williams Companies, Inc.	(Oil/Gas Storage & Trans.)	3.7
American Electric Power Company, Inc.	(Electric Utilities)	3.5
SBA Communications Corp Class A	(Specialised REITs)	3.5
Kinder Morgan Inc Class P	(Oil/Gas Storage & Trans.)	3.4

The portfolio returned +2.2%[3] in March, 39 basis points behind the FTSE Global Core Infrastructure 50/50 Index (USD, Net TR).

The best performing stock in the portfolio was American Tower (+12%). An upbeat presentation from the company highlighted healthy organic growth, driven by mobile carriers investing in their networks to keep pace with rapidly growing data usage; and the build-out of FirstNet – a nationwide broadband network for first responders. SBA Communications (+11%) and Crown Castle (+9%) also benefitted from the positive growth outlook.

North American pipelines continued their recent run of strong performance. Williams (+9%) established a Joint Venture with Canadian pension fund CPPIB in order to consolidate its Marcellus and Utica natural gas gathering and processing midstream assets. Under the terms of the JV, Williams will reduce its capex requirements and receive US$600 million from CPPIB. This builds on work already done by the company to improve its asset quality and balance sheet profile. Kinder Morgan (+4%) and TransCanada (+3%) also gained as the need for additional energy infrastructure was highlighted by EIA statistics showing that US natural gas production reached a record high for the second consecutive year in 2018.

Italian toll road operator Atlantia (+8%) rose after starting to simplify its business by disposing of a third of its stake in German engineering firm Hochtief. The stake was acquired in 2018 to facilitate the acquisition of Spanish toll road Abertis. Waning support for the populist left wing Five Star Movement suggests that Italy's political risk is reducing. Australian peer Transurban (6%) finished the month strongly, helped by a victory for the Liberal Party in the New South Wales state election. The Liberals have pledged to continue to invest in infrastructure across the state, including new roads in Sydney that will complement Transurban's existing network.

Canadian-listed multi-utility Emera (+7%) also gained following the sale of its Maine regulated utility for a very attractive price. The transaction strengthens Emera's balance sheet, and will allow it to focus on its core regulated electric and gas utility businesses in Florida and Nova Scotia.

The worst performing holding in the portfolio was Brazil toll road operator CCR (-17%), which agreed a R$750 million (c. US$200 million) settlement payment with federal prosecutors relating to last year's corruption investigation. Although the agreement had been expected, the amount was larger than anticipated.

Defensive, cash generative Japanese gas utilities Osaka Gas (-3%) and Tokyo Gas (-1%) lagged as investors rotated towards higher beta assets. The portfolio's UK utility holdings also underperformed. National Grid (flat) gave up ground after plans by the opposition Labour Party to release a policy paper discussing its transfer to public ownership rekindled nationalisation concerns. Severn Trent (-2%) and SSE (flat) were also affected by the report. Political turmoil as the UK approached - and then passed - its Brexit deadline of 29 March presented an additional headwind.

Fund Activity

No new holdings were added to the Fund in March, and positions in existing holdings were generally maintained at current levels.

Market Outlook and Fund Positioning

The Fund invests in a range of global listed infrastructure assets including toll roads, airports, ports, railroads, utilities, pipelines, and wireless towers. These sectors share common characteristics, like barriers to entry and pricing power, which can provide investors with inflation-protected income and strong capital growth over the medium-term.

The Fund is positioned with toll roads as its largest sector overweight. Transurban, Atlantia and Vinci have high barriers to entry, strong free cash flow and inflation linked pricing. We are attracted to their reasonable valuation multiples and well-supported dividend yields of between 3% and 6%. Growing urbanisation and worsening traffic congestion are likely to underpin long term demand. EM peers operate high growth toll roads with well-established concession agreements, providing an essential service to some of the most densely populated regions in the world.

The Fund is also overweight energy pipelines such as Kinder Morgan and Williams. These companies own assets connecting North American oil and gas fields with processing facilities and export terminals, positioning them to benefit from rising production levels and US energy exports. Tower companies like American Tower and Crown Castle are profiting as telecom companies seek to improve their networks, driven by structural growth in demand for mobile data.

The portfolio largest underweight position is the Airports sector. The sector has faced a deteriorating outlook for passenger volumes, aeronautical charges and retail spend in recent months, following years of exceptional growth. Despite the resulting pullback many airport stocks still appear overvalued, and we are content to remain underweight. A number of high quality US utilities also continue to trade at valuations that we find difficult to justify based on company fundamentals.

[2] Source: First State Investments as at 31 March 2019. [3] Performance is based on VCC ID share class, net of fees, expressed in USD. All stock and sector performance data expressed in local currency terms. Source: Bloomberg.