

# First Sentier Global Listed Infrastructure Fund

Quarterly Investment Report

31 March 2024

## Contents

Portfolio Overview	1
Performance	2
Commentary	3
Portfolio Allocation and Stock Holdings	4
Stock Contribution	5

## Important Notice

This material is prepared by First Sentier Investors (Singapore) ("FSI") (Co. Reg No. 196900420D.) whose views and opinions expressed or implied in the material are subject to change without notice. To the extent permitted by law, FSI accepts no liability whatsoever for any loss, whether direct or indirect, arising from any use of or reliance on this material. This material is published for general information and general circulation only and does not have any regard to the specific investment objectives, financial situation and particular needs of any specific person who may receive this material. Investors may wish to seek advice from a financial adviser and should read the Prospectus, available from First Sentier Investors (Singapore) or any of our Distributors before deciding to subscribe for the Fund. In the event that the investor chooses not to seek advice from a financial adviser, he should consider carefully whether the Fund in question is suitable for him.

Past performance of the Fund or the Manager, and any economic and market trends or forecast, are not indicative of the future or likely performance of the Fund or the Manager. The value of units in the Fund, and any income accruing to the units from the Fund, may fall as well as rise. Investors should note that their investment is exposed to fluctuations in exchange rates if the base currency of the Fund and/or underlying investment is different from the currency of your investment. Units are not available to US persons.

Applications for units of the Fund must be made on the application forms accompanying the prospectus. Investments in unit trusts are not obligations of, deposits in, or guaranteed or insured by First Sentier Investors (Singapore), and are subject to risks, including the possible loss of the principal amount invested.

Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell the same. In the event of discrepancies between the marketing materials and the Prospectus, the Prospectus shall prevail.

In Singapore, this material is issued by First Sentier Investors (Singapore) whose company registration number is 196900420D. This advertisement or material has not been reviewed by the Monetary Authority of Singapore. First Sentier Investors (registration number 53236800B) is a business division of First Sentier Investors (Singapore).

First Sentier Investors (Singapore) is part of the investment management business of First Sentier Investors, which is ultimately owned by Mitsubishi UFJ Financial Group, Inc. ("MUFG"), a global financial group. First Sentier Investors includes a number of entities in different jurisdictions. To the extent permitted by law, MUFG and its subsidiaries are not responsible for any statement or information contained in this document. Neither MUFG nor any of its subsidiaries guarantee the performance of any investment or entity referred to in this document or the repayment of capital. Any investments referred to are not deposits or other liabilities of MUFG or its subsidiaries, and are subject to investment risk, including loss of income and capital invested.

# Portfolio Overview

31 March 2024

## Investment objective and strategy

The Fund aims to achieve total investment return consistent with income and long term capital growth, and invests all or substantially all of its assets in the First Sentier Global Listed Infrastructure Fund ("Underlying Sub-Fund"), a sub-fund of the England and Wales domiciled umbrella fund First Sentier Investors ICVC.

The Underlying Sub-Fund invests in a diversified portfolio of securities issued by companies in the infrastructure sector that are listed, traded or dealt in on regulated markets worldwide. The infrastructure sector includes, but is not limited to, utilities (e.g. water and electricity), highways and railways, airports, marine ports and oil and gas storage and transportation.

## Fund Information

Fund Size (S\$m)	15.8
Benchmark	FTSE Global Core Infrastructure 50/50 Index*
Number Of Holdings	39

## Available Share Classes

Share class	Inception date	NAV price	Distribution frequency <sup>#</sup>	ISIN code
Class A (Dist)	03 Mar 2008	S\$1.0797	Semi-annually	SG9999005300

\*The benchmark displayed is UBS Global Infrastructure & Utilities 50-50 Index until 31 March 2015 and FTSE Global Core Infrastructure 50/50 Index from 1 April 2015 onwards.

# Performance

31 March 2024

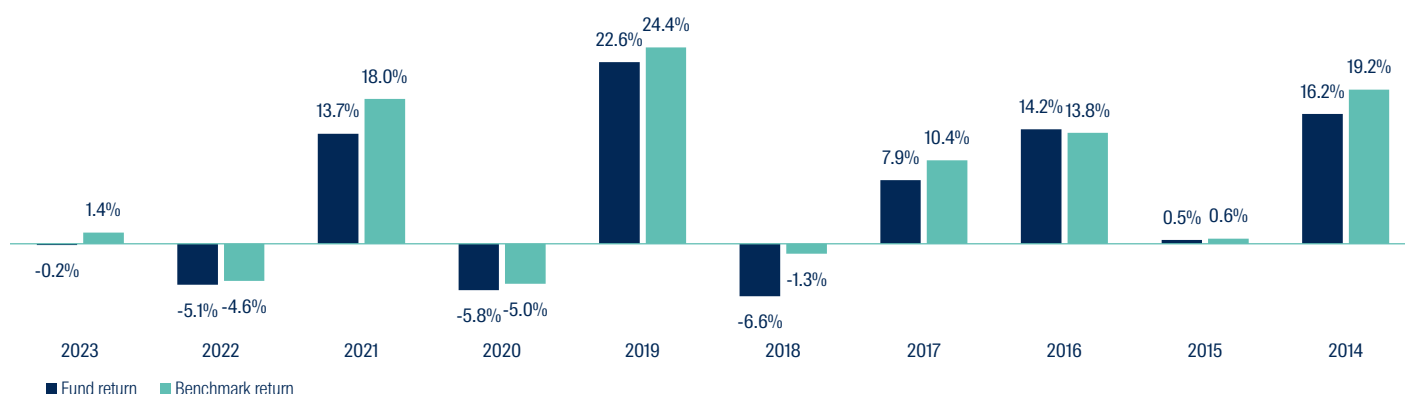
## Annualised performance in SGD (%)

	1yr	3yrs	5yrs	10yrs	Since incept.
Class A (SGD - H Dist) (Ex initial charges)	1.1	1.1	2.4	4.8	3.8
Class A (SGD - H Dist) (Inc initial charges)	-4.0	-0.6	1.4	4.3	3.4
Benchmark*	5.7	3.9	4.5	7.0	4.9

## Cumulative performance in SGD (%)

	3mths	1yr	3yrs	5yrs	Since incept.
Class A (SGD - H Dist) (Ex initial charges)	1.4	1.1	3.2	12.8	81.7
Class A (SGD - H Dist) (Inc initial charges)	-3.7	-4.0	-1.9	7.1	72.6
Benchmark*	4.1	5.7	12.1	24.8	114.5

## Calendar Year Performance (% in SGD) to 31 March 2024



Source: Lipper, First Sentier Investors. Single pricing basis with net income reinvested. Except for the benchmark index, performance stated for relevant indices are quoted in the respective local currency unless otherwise specified. Investment involves risks, past performance is not a guide to future performance.

# Commentary

31 March 2024

## Market Review

Global Listed Infrastructure delivered positive returns during the March quarter, reflecting positive investor sentiment and generally robust fundamentals. The Fund returned +0.4% after fees, compared with a +2.5% return from its benchmark index. Global equities ended the quarter +9.9% higher.

## Performance Review

Energy Midstream stocks were supported by a favourable demand outlook and a rising oil price. Solid earnings numbers and a healthy outlook for passenger volumes helped Airport stocks move higher. Railroads gained on activist investor interest, and the anticipation of volume and margin improvements for North American freight rail operators.

However, Water stocks lagged as concerns for debt levels at unlisted UK operator Thames Water weighed on the country's listed water utilities. Towers also lagged, as market consensus around the likely timing of future interest rate cuts was extended.

## Fund Activity

The Fund added a position in regulated electric utility American Electric Power, which serves nearly 5.6 million customers across 11 US states. Concerns around the company's balance sheet had seen the stock trade down to depressed valuation multiples. However, recent developments – new board members and indications that the company may seek to ease balance sheet pressures by selling minority stakes in some of its transmission assets – have the potential to ease these worries and drive an increase in the stock's valuation multiples.

The Fund divested its holding in US east coast freight rail company CSX Corp, on a relative valuation basis. The proceeds were used in part to add to an existing position in east coast peer Norfolk Southern, which we believe has greater scope to increase earnings and operational efficiency metrics from current levels.

## Outlook

The Fund invests in a range of listed infrastructure assets including toll roads, airports, railroads, utilities and renewables, energy midstream, wireless towers and data centres. 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.

Earnings growth for the asset class is likely to be underpinned by a number of structural growth themes over coming years. We are optimistic about the substantial investment opportunities associated with the decarbonisation of the world's energy needs. Utilities are positioned to derive steady, regulated earnings growth by building solar and wind farms, and by upgrading and expanding the networks needed to connect these new power sources to the end user.

Our team's recent meetings with US utility management teams have been characterized by optimism that demand growth for electricity is set to increase materially over coming years. This is likely to bolster the need for transition fuels such as natural gas, which have a crucial role to play in maintaining energy reliability and affordability. As well as underpinning utilities' earnings growth, this is also likely to drive additional demand for North American energy midstream storage and transportation assets.

Digitalisation is another key theme for the asset class. We expect structural growth in demand for mobile data (underpinned by an

ever-growing reliance on digital connectivity) to support long-term earnings growth for Towers. The adoption of 5G technology over coming years will require networks to handle increased data speed, as well as a much higher number of connected devices. The surge of interest in AI is driving data center demand, as well as boosting the need for electricity.

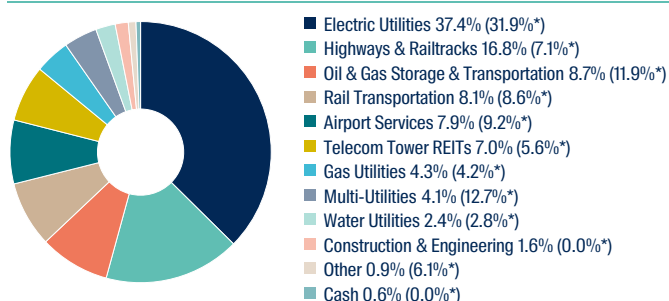
# Portfolio Allocation and Stock Holdings

31 March 2024

## Ten Largest Holdings as at 31 March 2024

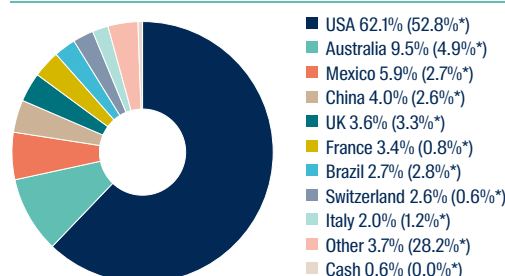
Stock Name	Geography	Sector	Portfolio Weight (%)	Index Weight (%)
Transurban	Australia	Highways & Railtracks	6.5	4.0
NextEra Energy, Inc.	USA	Electric Utilities	6.3	5.1
Duke Energy Corporation	USA	Electric Utilities	4.5	2.9
American Tower Corporation	USA	Telecom Tower REITs	4.3	3.2
Southern Company	USA	Electric Utilities	4.2	3.1
Cheniere Energy, Inc.	USA	Oil & Gas Storage & Transportation	4.0	1.3
Union Pacific Corporation	USA	Rail Transportation	3.6	2.1
Eversource Energy	USA	Electric Utilities	3.4	0.8
Entergy Corporation	USA	Electric Utilities	3.3	0.9
Xcel Energy Inc.	USA	Electric Utilities	3.1	1.2

## Sector Breakdown



\*Index Weight

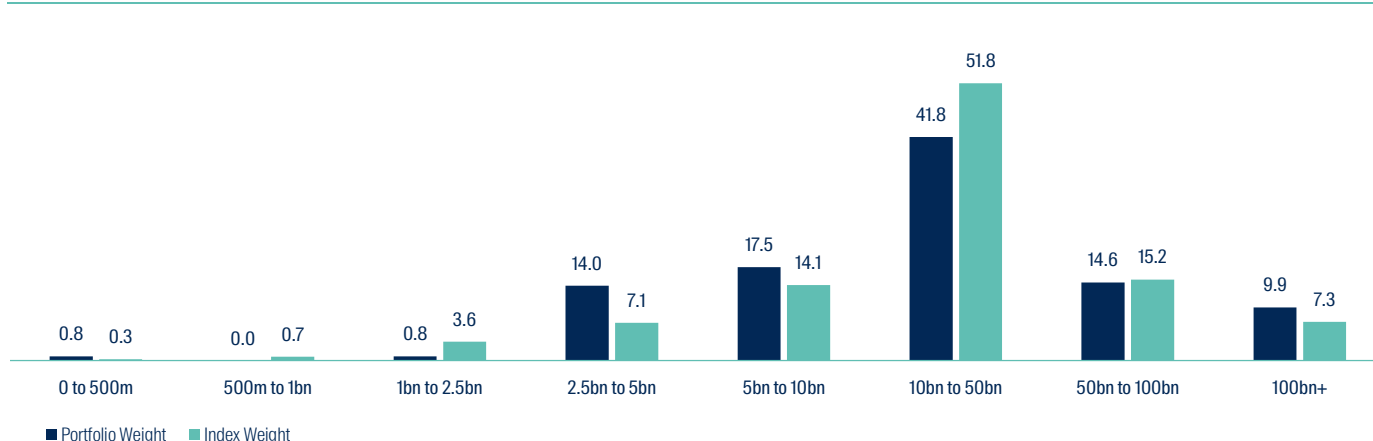
## Geographic Breakdown



\*Index Weight

Sector and Country classifications provided by Factset and First Sentier Investors. The Fund may hold multiple equity securities in the same company, which have been combined to provide the Fund's total position in that company. Index weights, if any, typically include only the main domestic-listed security. The above Fund weightings may or may not include reference to multiple securities.

## Market Capitalisation Breakdown (GBP)



Source: First Sentier Investors as at 31 March 2024. The Fund may hold multiple equity securities in the same company, which have been combined to provide the Fund's total position in that company. Index weights, if any, typically include only the main domestic-listed security. The above Fund weightings may or may not include reference to multiple securities. Allocation percentage is rounded to the nearest one decimal place and the total allocation percentage may not add up to 100%. Past performance is not indicative of future performance. Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell the same. All securities mentioned herein may or may not form part of the holdings of First Sentier Investors' portfolios at a certain point in time, and the holdings may change over time.

# Stock Contribution

31 March 2024

## Top 5 contributors to absolute performance

3 months to 31 March 2024

Stock Name	Country	Sector	Value added (bps*)
Targa Resources Corp.	USA	Oil & Gas Storage & Transportation	72
NextEra Energy, Inc.	USA	Electric Utilities	41
Dt Midstream Inc Com USD0.01 WI	USA	Oil & Gas Storage & Transportation	30
Norfolk Southern Corporation	USA	Rail Transportation	25
Flughafen Zurich AG	Switzerland	Airport Services	24

12 months to 31 March 2024

Stock Name	Country	Sector	Value added (bps*)
Targa Resources Corp.	USA	Oil & Gas Storage & Transportation	116
Union Pacific Corporation	USA	Rail Transportation	67
Norfolk Southern Corporation	USA	Rail Transportation	58
Dt Midstream Inc Com USD0.01 WI	USA	Oil & Gas Storage & Transportation	55
Flughafen Zurich AG	Switzerland	Airport Services	46

## Bottom 5 contributors to absolute performance

3 months to 31 March 2024

Stock Name	Country	Sector	Value added (bps*)
Guangdong Investment Limited	China	Water Utilities	-55
Transurban	Australia	Highways & Railtracks	-43
Xcel Energy Inc.	USA	Electric Utilities	-40
American Tower Corporation	USA	Telecom Tower REITs	-34
Atlas Arteria	Australia	Highways & Railtracks	-26

12 months to 31 March 2024

Stock Name	Country	Sector	Value added (bps*)
Crown Castle International Corp	USA	Telecom Tower REITs	-135
ENN Energy Holdings Limited	China	Gas Utilities	-112
Guangdong Investment Limited	China	Water Utilities	-93
Beijing Capital International Airport Co., Ltd. Class H	China	Airport Services	-64
Xcel Energy Inc.	USA	Electric Utilities	-63

Stock Contributions show the impact of the individual stock's performance to the total fund performance. These stock contributions show the top 5 and bottom 5 contributors to the fund and are not representative of the performance of the fund as a whole.

Past performance is not indicative of future performance. Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell the same. All securities mentioned herein may or may not form part of the holdings of First Sentier Investors' portfolios at a certain point in time, and the holdings may change over time.

This stock information does not constitute any offer or inducement to enter into investment activity.

Contributions are calculated at the investee company level before the deduction of any fees incurred at fund level (e.g. the management fee and other fund expenses) but after the deduction of transactional costs.

Stocks held/listed in non-index countries have economic activity > 50% from developing economies.

\* A basis point is a unit of measure used in finance to describe the percentage change in value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form.

Data source: This information is calculated by First Sentier Investors.