January 2022

AMP Capital Global Infrastructure Securities Fund (Hedged) - On-platform Class A

Investment objective

To provide total returns (income and capital growth) after costs and before tax, above the Fund's performance benchmark (Dow Jones Brookfield Global Infrastructure Index Australian Dollar Hedged) over the long term.

How we manage your money

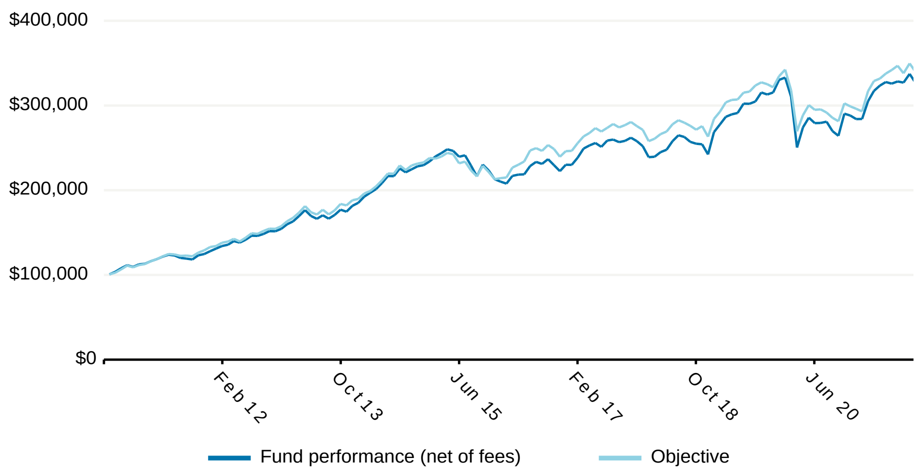
The Fund seeks to invest mainly in listed infrastructure securities where we consider that the underlying infrastructure assets are stable, have strong management teams and appropriate capital structures, and are available at attractive prices. The Fund utilises a bottom-up value-based investment approach, choosing a mix of infrastructure securities - from the more conservative assets with high and stable income levels to the more opportunistic investments that have the potential to produce higher returns. Generally, the Fund's international investments are hedged back to Australian dollars.

Performance as at 31 January 2022

%	1 MTH	3 MTH	1 YR	3 YRS	5YRS	7YRS	SINCE INCEPT
Total Return - Net of Fees	1.98	3.50	23.00	9.16	8.73	5.90	11.54
Income	-0.01	0.88	4.31	3.43	3.19	2.87	4.37
Capital	1.99	2.61	18.69	5.72	5.54	3.04	7.17
Objective	-2.44	1.27	19.57	7.61	7.53	5.85	11.67
Excess return	4.42	2.23	3.43	1.54	1.21	0.05	-0.13

Past performance is not a reliable indicator of future performance. Performance is annualised for periods greater than one year. Total returns are calculated using the net asset value per unit for the relevant month end. This price may differ from the actual unit price for an investor buying or selling an investment. Actual unit prices will be confirmed following any transaction by an investor. Returns quoted are before tax, after fees and costs and assume all distributions are reinvested.

$100,000 invested since inception



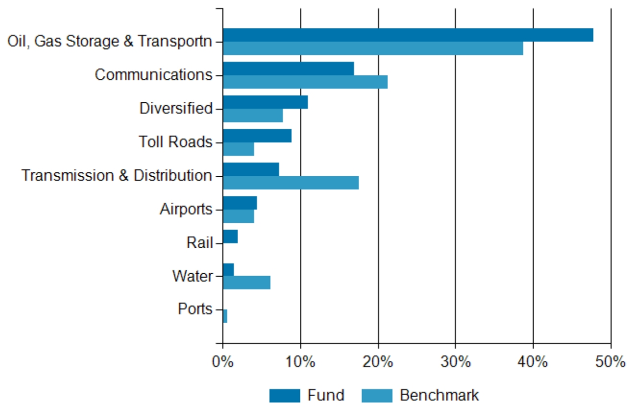
FUND FACTS	
APIR	AMP1595AU
Inception date	15 July 2010
Fund Size	$626,121,371
Management costs*	0.81% p.a.
Buy/Sell spread*	+0.20%/-0.20%
Distribution frequency	Quarterly
Minimum investment	$500,000
Minimum suggested time frame	5 years

*Fee information is accurate as at 30 June 2021, figures are updated bi-annually. The Fund PDS outlines the latest management costs and other relevant components, as well as other fees and costs that may apply to your investment. You can review the PDS at **www.ampcapital.com**

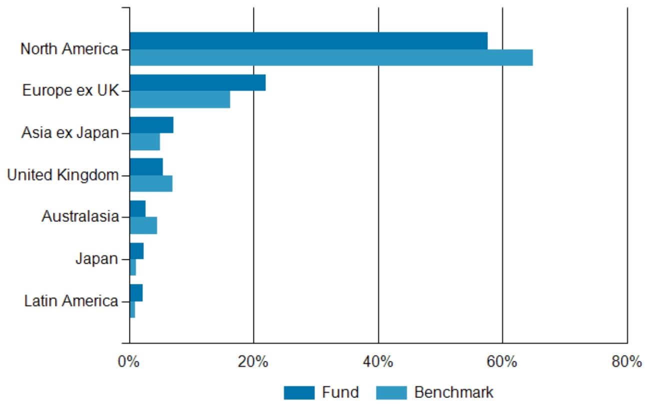
What happened last period

- The Fund outperformed the index during January
- the UK and Australian governments announced they have agreed to collaborate to offer clean, reliable and transparent finance for investment in infrastructure in the Indo-Pacific region.
- Investors remain focused on inflation globally and the expectations of increases in interest rates.

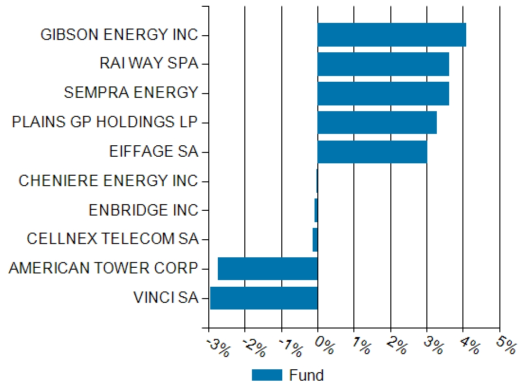
Sector allocation (%)



Regional allocation (%)



Top/Bottom Excess Weights



Fund Performance

The Fund outperformed the index during January on a total return local basis.

At a sector level, the Fund is overweight in oil, gas storage & transportation, toll roads, diversified, rail, and airports; and is underweight in transmission & distribution, communications, water, and ports.

Overall positive contributions to relative returns came from communications, oil, gas storage & transportation, toll roads, water, airports, rail, and diversified; whilst transmission & distribution, and ports detracted. From an asset allocation perspective, positive contributions to relative returns came from communications, oil, gas storage & transportation, water, diversified, airports, and rail; whilst there were negative contributions from toll roads, transmission & distribution, and ports. At a stock selection level, positive contributions came from communications, toll roads, oil, gas storage & transportation, airports, water, and transmission & distribution; whilst there was a negative effect from diversified. There was a neutral effect from ports and rail. The top three individual contributors to relative performance in the period were from underweight positions in Crown Castle International and SBA Communications (where we held no positions in both) in communications; and an overweight position in Plains GP Holdings in oil, gas storage & transportation. Crown Castle International and SBA Communications were both weighed down by concerns of rising interest rates and inflation. Plains GP Holdings benefited from the increase in prices for crude oil and natural gas, in addition to the potential for tighter Permian takeaway following recent discussions on repurposing an existing crude pipe to gas.

The bottom three individual contributors to relative performance during the period were from underweight positions in Kinder Morgan (where we held no position) in communications, and Vinci in diversified; and an overweight position in Infrastrutture Wireless Italiane in communications. Kinder Morgan experienced strong performance following its investor day during which the management team highlighted its stable asset base, and commitment to capital discipline. Vinci performed well during the period and had no change to its fundamental outlook. Infrastrutture Wireless Italiane was weighed down by concerns of rising interest rates and inflation in addition to concerns the KKR deal would not proceed or have a divestment option.

Portfolio Positioning

We maintained a sizeable overweight allocation to the North American oil, gas storage & transportation sector. Our outlook for the energy sector remains positive as we believe that in the long term, low-cost North American production will continue to drive export growth as overall demand recovers and Organisation of the Petroleum Exporting Countries' (OPEC) spare capacity decreases.

We retained an underweight position in the communications sector. Secular trends such as e-commerce penetration, video streaming, working from home, and the continued rapid growth in data usage have only been accelerated by the pandemic. Although we are positive on the tailwinds for the sector, valuations in developed markets currently remain stretched.

We maintained an underweight position in the utilities sector. Energy policy is directing investments towards the sector, creating growth opportunities across all regions. We are seeing infrastructure investment targets on the rise globally, especially to build and connect renewable assets. However, volatile risk-free rates can result in valuation volatility, and thus potential entry and exit points within the sector.

We maintained our overweight position in the transportation sector. In toll roads, we remain positioned towards assets where traffic is either already above, or rapidly returning towards 2019 levels, yet remain at substantially discounted valuation levels. Airport shares remain volatile and subject to headline risk. However, we continue to see compelling value opportunity in strong 'destination' airports – namely capital cities with robust local economies and tourist appeal.

Market review

January saw global growth asset markets experience significant falls, as concerns snowballed around prevailing high inflation rates and the path towards normalisation of interest rates. Inflation in the US is at a 40-year high of 7% annually, with the US Federal Reserve having indicated it will end its bond buying in March 2022, as well as likely start raising rates and then commence "quantitative tightening" by letting its bond holdings run down shortly after. US Federal Reserve Chair Powel pointed to a possibly faster tightening cycle than in 2015-2019 and did not rule out a rate hike at every meeting, which added to investor nerves.

Other factors contributing to bearish sentiment included tensions in Europe around the Russian military build-up at the Ukrainian border; continued coronavirus concerns; ongoing supply chain issues which have been exacerbated by 'COVID-zero' policy concerns in China though some supply issues have also started to subside; and a degree of ongoing civil unrest demonstrated by further mass protests around vaccine mandates and other restrictions. Against this uncertain backdrop, combined with increasingly hawkish sounding central banks, many analysts brought forward their estimates of interest rate rises in the US and other countries, leading to significant volatility in asset markets. Other analysts also trimmed their corporate earnings outlooks due to the inflationary environment.

On the economic data front, US retail sales during December 2021 were shown to be weak as the Omicron wave played out. Jobless claims meanwhile remain at a historic low, placing upwards pressure on wages. US manufacturing conditions indexes were mixed, though capital expenditure plans are showing some resilience. Meanwhile, US corporate earnings have generally surprised on the upside. Inventories are also starting to rebuild, which is a positive indication regarding supply chain issues.

In China, there was some stronger credit growth and inflation fell slightly, with core inflation running at just 1.2% year-on-year. Meanwhile, the Chinese money supply and credit growth picked up against a backdrop of continued policy easing. Gross domestic product growth in the December quarter 2021 was shown to be stronger than expected, though annual growth slowed to 4%.

In Europe, German producer price inflation rose to 24% year-on-year, mainly due to surging in gas prices, though the business climate indicator for Germany saw a surprise rise in January 2022, driven by improved expectations. UK core inflation for December 2021 was at 4.2% and interest rates have begun to rise. Business conditions in both the UK and Europe fell as government restrictions continued to impact.

In January, it was reported that telecom firms Vodafone Group and Iliad are in talks to merge their businesses in Italy. If the deal is successful, it could create a telecoms powerhouse with a combined revenue of almost €6 billion.

During the period, the UK and Australian governments announced they have agreed to collaborate to offer clean, reliable and transparent finance for investment in infrastructure in the Indo-Pacific region.

Outlook

Our outlook for North American oil, gas storage & transportation remains positive as a cyclical recovery with strong commodity prices favours cash flow growth and deleverage. Commodity prices continue to recover, driven by robust demand and limited supply growth. Additionally, balance sheets continue to improve as many companies reduce capital expenditure budgets substantially in favour of paying down debt, reaching an inflection point on free cash flow generation. In the long term, low-cost North American production will continue to drive export growth as overall demand recovers and OPEC spare capacity decreases.

The outlook for transportation remains focused on global vaccination rates as an important signpost for traffic recovery. We will continue to be selective in our positioning, favouring highly discounted valuations based on conservative forecasts and robust financial structures which are able to withstand short-term demand shocks.

We are positive on the thematic of digitalisation, connectivity, and data usage for the communication sector; however, valuations have broadly remained stretched in developed markets. 2022 is expected to be another peak year for 5G network rollout with carriers continuing to accelerate the 5G coverage build out globally. Within the sector we favour European and developing economies' assets over the US due to more supportive valuations.

Portfolio Manager

Giuseppe Corona

Giuseppe Corona is the Head of AMP Capital's Global Listed Infrastructure Team, based in the London office. He also leads the research effort of infrastructure companies in North America and Europe. He joined the financial industry in 1999, and began portfolio management across long only and long/short products in 2008. Prior to joining AMP Capital, Mr Corona spent two years at Exane-BNP Paribas and infrastructure companies.

Further information

For information about the Fund including fees, features, benefits and risks talk to your financial advisor today or read the product disclosure statement (PDS) which can be found on:
www.ampcapital.com/global-infrastructure-securities-hedged-fund
You can also call us on **1800 658 404**

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