May 2021

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 over the long term.BenchmarkDow Jones Brookfield Global Infrastructure Index Australian Dollar Hedged

How we manage your money

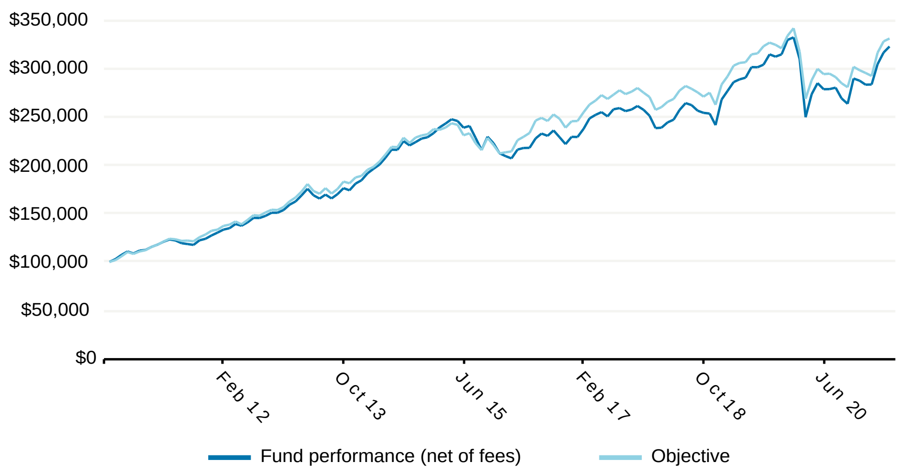
The Fund seeks to invest mainly in listed infrastructure securities where we consider that the underlying infrastructure assets are stable, have strong management teams and appropriate capital structures, and are available at attractive prices. The Fund utilises a bottom-up value-based investment approach, 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 May 2021

%	1 MTH	3 MTH	1 YR	3 YRS	5YRS	7YRS	SINCE INCEPT
Total Return - Net of Fees	1.97	13.83	13.27	9.30	8.15	6.49	11.51
Income	0.00	1.06	4.39	2.51	3.00	3.35	4.38
Capital	1.97	12.77	8.88	6.79	5.15	3.14	7.13
Objective	0.88	13.21	10.42	7.22	7.24	6.64	11.76
Excess return	1.09	0.62	2.85	2.08	0.91	-0.15	-0.25

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



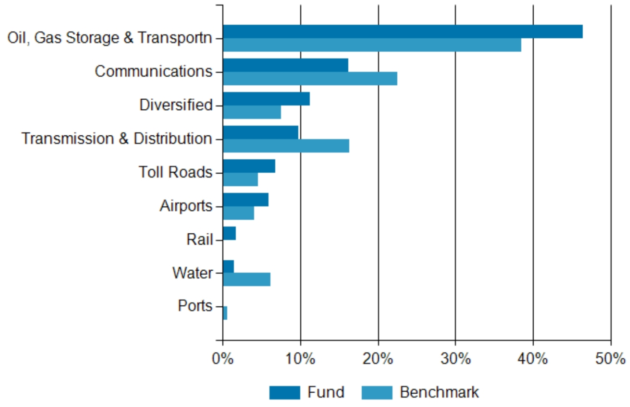
FUND FACTS	
APIR	AMP1595AU
Inception date	15 July 2010
Fund Size	$1,393,952,189
Management costs*	0.88% p.a.
Buy/Sell spread*	+0.25%/-0.25%
Distribution frequency	Quarterly
Minimum investment	$500,000
Minimum suggested time frame	5 years

*Fee information is accurate as at 30 June 2020, 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**

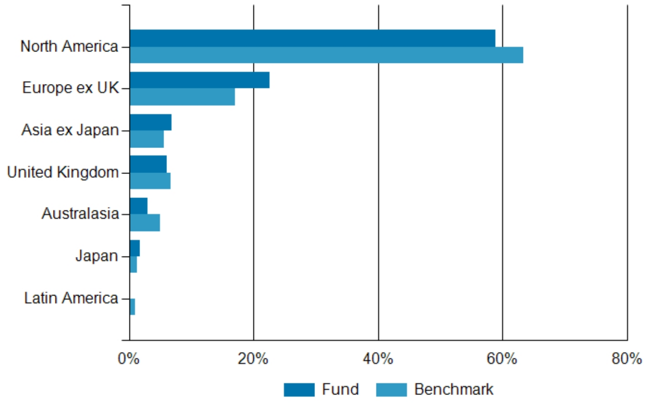
What happened last period

- The Fund outperformed the benchmark during the period
- Economies continue to open up
- Planned US infrastructure plans a long-term positive

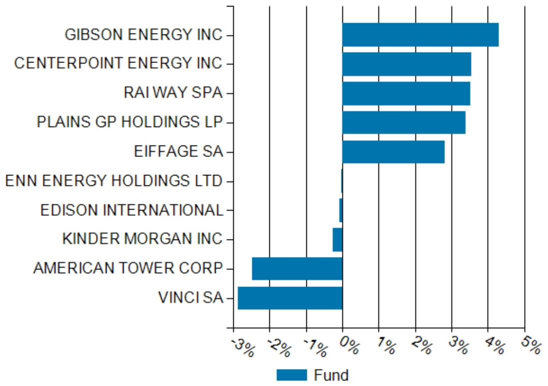
Sector allocation (%)



Regional allocation (%)



Top/Bottom Excess Weights



Fund Performance

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

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

Overall positive contributions to relative returns came from oil, gas storage & transportation, transmission & distribution, toll roads, water, airports, diversified, rail, ports, and communications. From an asset allocation perspective, positive contributions to relative returns came from transmission & distribution, oil, gas storage & transportation, diversified, rail, ports, water, and communications; whilst toll roads and airports detracted. At a stock selection level, positive contributions came from oil, gas storage & transportation, transmission & distribution, toll roads, airports, water, and communications; whilst there was a negative contribution from diversified. There were neutral effects from rail and ports.

The top three individual contributors to relative performance in the period were from overweight positions in Plains GP Holdings, The Williams Companies Inc, and Gibson Energy Inc; all in oil, gas storage & transportation. Plains GP Holdings benefitted from an improved Permian Basin outlook driven by the supportive oil price environment. This is positive for cash flow, particularly given the significant operating leverage of the company's assets. The Williams Companies has benefitted from positive expectations from the recent bolt-on acquisition of Sequent Energy Management. This will add market intelligence and origination ability that could lead to incremental transmission asset expansion. Gibson Energy benefitted from new tankage discussions at both Edmonton and Hardisty facilities.

The bottom three individual contributors to relative performance during the period were from an underweight position in Hong Kong & China Gas Co in oil, gas storage & transportation, an overweight position in Flughafen Zurich in airports, and an underweight position in Cellnex Telecom in communications. Hong Kong & China Gas Co traded up on the back of an increased gas demand outlook in China. Furthermore, it is expanding its integrated energy offering by moving into renewables. There were no changes to Flughafen Zurich's fundamentals. Traffic continues to be depressed although there is improving medium-term traffic potential. Cellnex Telecom reported a solid first quarter result with strong organic and acquisition growth. Management also reiterated its full-year guidance.

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 low-cost US production will continue to drive export growth as overall demand recovers in the long term.

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 our overweight position in the transportation sector. The valuation dislocations in the sector narrowed as positive vaccine developments were announced, although there remain significant opportunities. 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.

Market review

Risks of unexpected inflation and the pace of economic recovery are the hot topics at the moment, with the market taking increasing interest in both leading indicator producer price indices as well as more lagging consumer price index data, all of which are seeing some upward pressure. This is feeding into market volatility, but it is too early to judge how persistent inflationary pressures may be. An increasing path to a post-vaccination environment is resulting in many economies gradually opening up and some consumer rotation from goods into services. However, high equity valuations on many metrics mean the risk of a market correction remains, especially if further inflation data spooks markets.

Strong US demand is coming up against some supply-demand mismatches and bottlenecks which is also boosting market fears of inflation. However, the US Federal Reserve (Fed) is playing down inflationary risks, citing they are transitory, which is currently assuaging markets. However, investors will be watching how the combined effect of ongoing stimulus programmes, married to disrupted and possible structural changes to some supply chains, may ultimately impact the longer-term inflationary environment. In any case, the Fed is deflecting questions regarding any possibility of tapering, providing a unified front in saying there is a long way to go before any wind down of policy will be considered.

Despite a fall in jobless claims, many US jobs lost in the pandemic remain to be recovered and thus positive employment figures must be taken in the context of a recovery from a low base. There are some potential concerns on enhanced unemployment benefit stickiness, as some people are earning more unemployed than employed and thus may be reluctant to actively look for work. However, this is likely to be a short-term effect and resolve itself over the coming months. The positive US first quarter's earnings season boosts the case for a recovery and stronger business and consumer confidence.

The Biden administration is pushing ahead to pass the proposed US$2.25 trillion infrastructure programme through the legislature and is currently negotiating and rallying support. A successful passage will be a long-term positive for infrastructure investors. The plan aims to upgrade roads, bridges and water systems and help make the country's infrastructure more resilient to the impacts of climate change. Although the investments do not impact our companies directly, the asset class overall will benefit indirectly. For example, the plan proposes US$100 billion to modernise the country's aging electric grid and targets 100% carbon-free electricity by 2035. This is going to provide much-needed, new investment opportunities in wind, solar and batteries. These assets by their nature are often located well away from demand centres and commonly require meaningful extension of transmission networks to connect them to the grid. The plan also outlines US$174 billion for electric vehicle infrastructure, creating additional investment opportunities for utilities. To support the expected growth in electric vehicles, a completely new network of charging points will need to be established.

In Asia, China's Caixin business conditions remain buoyant, suggesting growth is sustainable and that Chinese exports and imports are flowing relatively well compared to many global economies. Slowing supply and credit growth also suggest normalising policies are having an effect. Japanese gross domestic product remains under pressure, weighed down by ongoing pandemic restriction measures, and the jobs market remains subdued.

In Europe, business conditions purchasing managers' indices have risen, indicating some easing of conditions and an improving path to recovery. Eurozone government bonds recovered following European Central Bank communications telegraphing to the market it was in no rush to wind-back its stimulus efforts. Eurozone inflation expectations are below those of many developed economies. In Italy, Prime Minister Mario Draghi, is looking to reform Italy's sclerotic state-controlled companies and government bureaucracy to create a clean slate prior to European Union support funds being allocated to reform packages. From a strategic and cohesive economic perspective, the European Union is also looking at the thorny subject of how the significant cost of decarbonisation should be spread amongst its members without putting an undue burden on poorer countries.

Outlook

Our outlook for North American oil, gas storage &

transportation remains positive, as a vaccine-driven cyclical recovery favours cash flow growth and deleveraging. Balance sheets continue to improve as many companies cut capital expenditure budgets substantially in favour of paying down debt. In the long term, low-cost North American production will continue to drive export growth as overall demand recovers.

The outlook for transportation remains focussed on economies reopening and the uncertainties around returning to prior levels of activity. Subsectors less dependent on mass transit such as freight, rail, or toll roads will be likely relative beneficiaries of economies reopening, whereas other subsectors such as passenger rail or airports will see their recovery more dependent on the success of the vaccine programmes. 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. We expect to see a more substantial increase in activity around 5G in 2021, particularly as more 5G handsets become available and the race between both countries and carriers accelerates to build-out coverage and capacity.

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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