October 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 (Dow Jones Brookfield Global Infrastructure Index Australian Dollar Hedged) over the long term.

How we manage your money

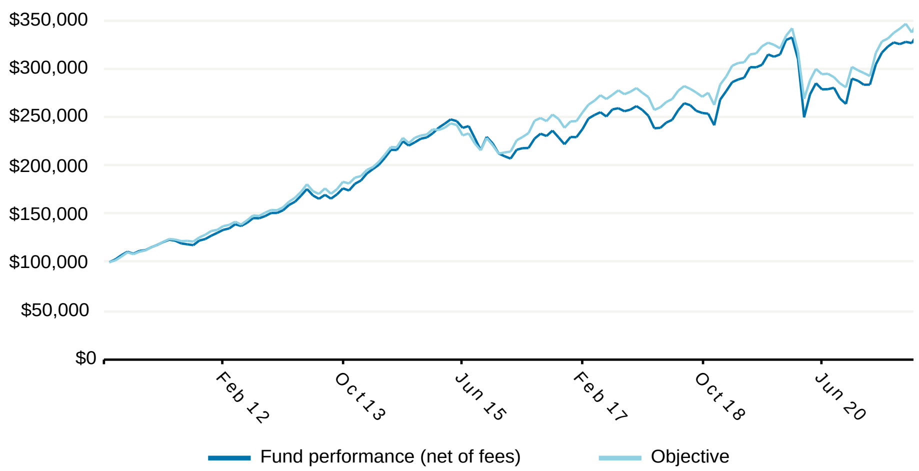
The Fund seeks to invest mainly in listed infrastructure securities where we consider that the underlying infrastructure assets are stable, have strong management teams and appropriate capital structures, and are available at attractive prices. The Fund utilises a bottom-up value-based investment approach,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

%	1 MTH	3 MTH	1 YR	3 YRS	5YRS	7YRS	SINCE INCEPT
Total Return - Net of Fees	3.18	3.53	27.76	9.81	8.02	6.00	11.47
Income	0.00	0.92	4.60	3.15	3.07	2.74	4.38
Capital	3.18	2.61	23.16	6.66	4.96	3.26	7.09
Objective	3.44	2.26	24.31	8.81	7.06	6.22	11.82
Excess return	-0.26	1.28	3.45	1.01	0.96	-0.22	-0.34

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



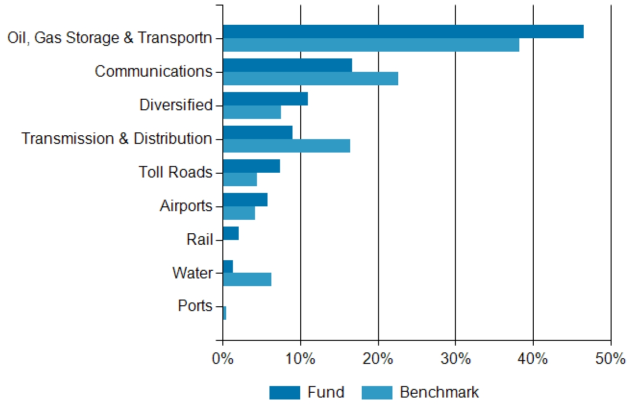
FUND FACTS	
APIR	AMP1595AU
Inception date	15 July 2010
Fund Size	$1,180,678,003
Management costs*	0.88% p.a.
Buy/Sell spread*	+0.20%/-0.20%
Distribution frequency	Quarterly
Minimum investment	$500,000
Minimum suggested time frame	5 years

*Fee information is accurate as at 30 June 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**

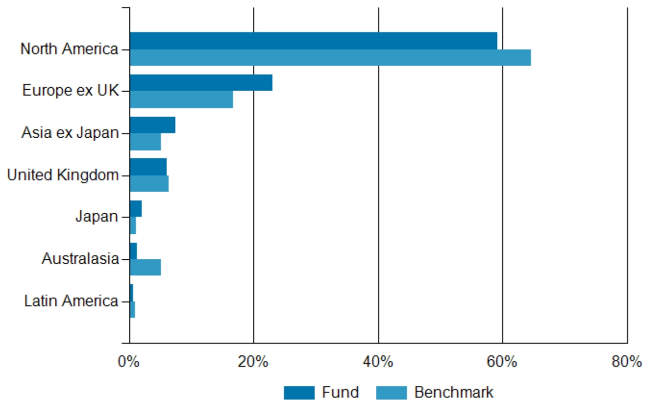
What happened last period

- The Fund underperformed the index during October
- The US government moved closer to a deal on the 'Build Back Better' infrastructure spending policy, worth around US$1.8 trillion
- A degree of consternation remained around global supply constraints and rising bond yields, amid the threat of continued inflation

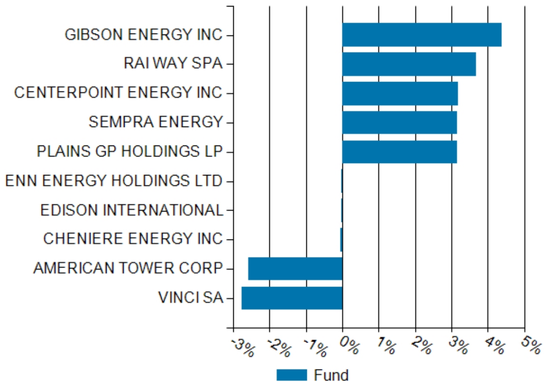
Sector allocation (%)



Regional allocation (%)



Top/Bottom Excess Weights



Fund Performance

The Fund underperformed the index during October on a total return local basis.

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

Overall positive contributions to relative returns came from oil, gas storage & transportation, toll roads, and ports; whilst communications, diversified, rail, transmission & distribution, water, and airports detracted. From an asset allocation perspective, positive contributions to relative returns came from ports, water, diversified, and oil, gas storage & transportation; whilst rail, toll roads, transmission & distribution, airports, and communications detracted.

At a stock selection level, positive contributions came from oil, gas storage & transportation, toll roads, transmission & distribution, and airports; whilst there were negative contributions from communications, diversified, and water. There was a neutral effect from ports and rail.

The top three individual contributors to relative performance in the period were from an underweight position in Transurban Group (where we had no holdings) in toll roads; and overweight positions in Gibson Energy and the Williams Companies in oil, gas storage & transportation. Transurban Group's stock price fell after announcing it will raise equity to complete the acquisition of the remaining 49% stake in WestConnex. Gibson Energy's stock price rallied on positive expectations for its Marketing segment ahead of its quarterly earnings release. The Williams Companies continued to perform well on strong volumes and pricing in the West and Northeast gathering and processing segments.

The bottom three individual contributors to relative performance during the period were from overweight positions in Pinnacle West Capital Corp in diversified, and West Japan Railway Co in rail; and an underweight position in PG&E Corp (where we had no holdings) in transmission & distribution. Pinnacle West Capital Corp's rate case progressed during the month with a number of negative amendments made by the Commission to an already adverse recommendation from the administrative law judge. Expectations from the market are low for its EPS guidance in 2022 with likely more equity than previously forecasted. The company will provide an update at its third quarterly earnings results in early November. West Japan Railway Co experienced weak traffic performance in September, which led to concerns around its second quarter results and the potential risk of missing its earnings guidance for the whole year. PG&E Corp performed well as rain fell over

California, particularly in the north region, to which the company is exposed, extinguishing a number of fires and reducing the risks of further fires this season.

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 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. Additionally, higher commodity prices and the resulting higher energy price are further adding to volatility and increase the likelihood of government intervention and regulation.

We maintained our overweight position in the transportation sector. The valuation dislocations in the sector have narrowed following positive announcements on the global vaccination programs. With high vaccination rates in developed markets, we see increasing 'market opening' for international travel. Whilst domestic travel recovery is much more advanced, with toll road traffic continuing to benefit from a marginal shift away from public transport and a general shift in travel patterns throughout the week. 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. On the other hand, 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

October saw the previous month's somewhat bearish turn in sentiment swing back towards the bullish side, as some signs of relief emerged regarding the market's long list of broader concerns. However, a degree of consternation remained around global supply constraints and rising bond yields, amid the threat of continued inflation. Reflecting this, the Bank of Canada surprised some by ending its quantitative easing program and brought forward the expected momentum for rates to earlier than previously slated in 2022. In contrast, both the European Central Bank and Bank of Japan remained dovish, reflecting their lower starting points for inflation and subpar experience over the last decade.

In the US, the October debt ceiling was pushed back into early December, offering some short-term relief for markets. The Democrats also moved closer to a deal on the 'Build Back Better' infrastructure spending policy, which looks likely to involve around US$1.8 trillion in new spending in the coming years, financed by various revenue measures, potentially including a minimum 15% corporate tax, a levy on multimillionaires, and tax enforcement measures.

On the data front, US GDP slowed sharply, but other US data was mostly strong. US September quarter gross domestic product slowed to a 2% annualised pace, reflecting the Delta outbreak and supply constraints, though some data is already pointing to a rebound. Personal spending, consumer confidence, underlying durable goods orders, new home sales rose and house prices all rose and jobless claims fell. While the personal savings rate is now back to pre-pandemic levels, there is still more than US$2 trillion in excess savings built up through the pandemic that will likely help support spending.

In Asia, data showed Chinese growth slowing further in the September quarter, with gross domestic product down to 4.9% year-on-year amid earlier policy tightening and coronavirus restrictions. Other Chinese data was mixed, with investment and industrial production down, whilst retail sales accelerated as COVID-related restrictions were eased. In Japan meanwhile, business conditions purchasing managers' indexes rose in October as coronavirus cases fell, while headline inflation rose on higher food & energy prices.

In Europe, business conditions purchasing? managers' indexes fell back, partially reflecting relative movements in coronavirus cases, while price pressures remained high reflecting supply bottlenecks that continued to linger. Against a backdrop of rising energy prices, particularly gas, Eurozone producer price inflation rose to 13.4% year-on-year for August. German industrial production figures also fell sharply amid the supply constraints. Meanwhile, President Lagarde of the European Central Bank urged markets to look through the supply and pricing issues, noting the European Central Bank "should not overreact to supply shortages or rising energy prices" and that "monetary policy cannot directly affect these phenomena."

The European Union Commission announced a set of options for members to tackle high energy prices. The "toolbox" contains a mix of immediate measures to protect vulnerable consumers and business, and more medium-term ideas to book market resilience alongside decarbonisation. The intention is to provide member states the ability to keep energy prices low without breaching strict competition rules.

As part of the UK's target to reach net zero emissions by 2050, the government is hoping to build new nuclear plants to help replace aging coal facilities and lower greenhouse gas emissions. As such, the UK government has proposed the new Nuclear Energy (Financing) Bill, which will use a new funding model, known as the Regulated Asset Base (RAB). With this new model, the government aims to lower its financing costs and encourage private investment in new nuclear power projects.

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. In the long term, low-cost North American production will continue to drive export growth as overall demand recovers.

The outlook for transportation remains focused on global vaccination rates as an important signpost for traffic recovery. Although government restrictions remain, we are seeing much more political support for cross-border travel than at prior points in the pandemic and increasing 'market opening' for international travel. Domestic travel recovery is much more advanced, with toll road traffic continuing to benefit from a marginal shift away from public transport. We will continue to be selective in our positioning, favouring highly discounted valuations based on conservative forecasts and robust financial structures.

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 in the race to accelerate the build-out coverage and capacity. 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**