

FUND STRATEGY

The ATLAS Infrastructure Global Strategy aims to provide investors with exposure to a selection of high quality infrastructure equities. The portfolio will be invested in OECD countries only and is a high conviction strategy focussed on investing in infrastructure securities which provide the optimal balance of return and risk. The fund aims to monitor and manage carbon and climate change risk exposures within set tolerances.

COMMENTARY

The portfolio returned -1.33% (net of fees) in December versus the benchmark return of 0.43%. The total contribution to local returns from our equity holdings was 1.60%. The main contributors in the period were our holdings in SSE, Allete and Spark. Ausnet, Consolidated Edison and Pinnacle West were the main detractors.

PORTFOLIO METRICS

Number of stocks:	19
Cash holding:	6.2 %
EV/Forecast EBITDA	13.4
Forward Dividend Yield	4.3 %

	PERFORMANCE (%)		
	Fund ¹	Benchmark ²	Excess
1 month	-1.3	0.4	-1.8
3 months	7.2	1.7	5.5
1 year	-6.9	5.9	-12.8
2 years	8.9	6.2	2.7
3 years	10.2	6.5	3.7
Inception p.a.	10.5	6.6	3.9

	HOLDINGS (Top 10) (%)
SSE Plc	8.3
Aeroports de Paris SA	7.7
Edison International	7.7
Eutelsat Communications SA	7.6
Terna S.p.A.	7.3
Atlas Arteria Limited	4.7
Spark Infrastructure Group	4.6
ALLETE, Inc.	4.6
Getlink SE	4.5
Aena S.M.E. SA	4.4

	CONTRIBUTORS (LTM) (%)
Chorus Limited	1.79
Snam S.p.A.	1.34
SSE plc	1.34

	DETRACTORS (LTM) (%)
Fraport AG	-3.60
Eutelsat Communications SA	-1.85
Aena SME SA	-1.43

	SECTOR (Top 5) (%)
Electric	58.9
Airport	12.1
Comms	10.1
Toll Road	4.7
Railway	4.5
Gas	3.3

	GEOGRAPHY (Top 5) (%)
United States	28.5
France	21.1
Australia	13.9
Italy	11.4
Spain	9.4
United Kingdom	8.9
Portugal	4.0
Luxembourg	2.7

1. Fund¹ calculated by Northern Trust net of fees and taxes assuming income reinvested.

2. Benchmark² return is calculated by Northern Trust (G7 Inflation +5%).

3. Contributors and detractors (last twelve months) are reported in their local currency.

4. Dividend yield is a look-through forward looking dividend yield, gross of fees, gross of withholding tax and does not account for portfolio level cash allocations. Individual investors will receive less than the gross yield.

FUND DETAILS

Identifier:	PIM6769AU
Inception:	3-Oct-2017
Share class:	AUD Unhedged
Currency:	AUD
Hedging:	No
NAV:	264.9m
Total assets:	1,169.7m
Fees:	1.12 %
Total expense ratio:	1.12 %

ADDITIONAL DETAILS

Application price:	1.3095
Redemption price:	1.3095
Buy/sell spread:	0
Minimum investment:	50,000
Distribution frequency:	Semi-Annual
Latest distribution:	0.0227
Distribution date:	31-Dec-2020

PORTFOLIO POSITIONING & MACRO OUTLOOK

The Investment Committee made no major position changes in the month. The portfolio remains well positioned with regards to stagflation and fast transition, GDP beta and recession risk are now close to neutral compared to the universe whereas CPI beta and long bond beta are better than the universe

MONTHLY STOCK HIGHLIGHT

Getlink is the owner and operator of the fixed link channel tunnel between the UK and France. Getlink has two primary lines of business, providing track access to Eurostar passenger trains and running specialised car and truck rail shuttle services through the tunnel. 2020 has proved a difficult year for all transport assets, including Getlink, with passenger train services between the UK and France severely curtailed due to the imposition of mandatory quarantine rules and travel restrictions. However passenger car shuttles have proved more resilient with total traffic for 2020 at over 50% of 2019 levels. Truck shuttles performed even better with total traffic at over 90% of 2019 levels. Looking forward we see two supporting factors for Getlink traffic growth; firstly, the resilience of the traffic in 2020 has highlighted that Getlink has a larger market share of high value truck and passenger crossings compared with competing ferries. This suggests that Getlink traffic will be less impacted by post Brexit customs checks than more marginal ferry traffic. Secondly, we see the longer term trend within Europe to substitute short haul aviation for high speed rail as an important driver of traffic growth for Getlink and an important part of emissions reductions for the transport sector.

Disclaimer

This document is issued by The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235150, (TTCRESL) as responsible entity of, and issuer of units in, the ATLAS Infrastructure Australian Feeder Fund ARSN 621 075 465. The Investment Manager of the Fund is ATLAS Infrastructure (Australia) Pty Ltd ABN 37 613 657 131 (ATLAS). ATLAS is the holder of an Australian Financial Services (AFS) licence, number 497475 under the Corporations Act 2001 (Cth) in respect of the financial services it provides. This document is provided for general information purposes only, and is not to be construed as solicitation of an offer to buy or sell any financial product. Accordingly, reliance should not be placed on this document as the basis for making an investment, financial or other decisions. This information does not take into account your investment objectives, particular needs or financial situation. Whilst every effort is taken to ensure the information in this document is accurate, its accuracy, reliability or completeness is not guaranteed. A product disclosure statement (PDS) and a reference guide (RG) issued by TTCRESL are available for the Fund. You should obtain and consider the PDS and RG before deciding whether to acquire, or continue to hold, an interest in the Fund. Initial applications for units in the Fund can only be made pursuant to the application form accompanied by the PDS. Performance figures assume reinvestment of income. Past performance is not a reliable indicator of future performance. Neither TTCRESL or ATLAS guarantee repayment of capital or any particular rate of return from the Fund. Statements of fact in this document have been obtained from and are based upon sources that TTCRESL and ATLAS believe to be reliable. Neither TTCRESL or ATLAS give any representation or warranty as to the reliability or accuracy of the information contained in this document. All opinions and estimates included in this document constitute judgements of TTCRESL and ATLAS as at the date of this document and are subject to change without notice.

Contacts

If you have any enquiries regarding the Fund you can contact us by telephone on (03) 9046 4057 or email at atlas@unitregistry.com.au. You can also download a copy of the PDS and the RG on the Fund's website at www.atlasinfrastructure.com