

UBS CBRE Global Infrastructure Securities Fund

March 2022

Fund description

The Fund is an actively managed fund investing in global listed infrastructure securities across a range of geographic regions and infrastructure sectors which may include utilities, transportation, energy infrastructure and communication infrastructure.

Target market

The Target Market Determination (TMD) for the Fund sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. To access to the TMD and other Fund documentation visit our [website](#).

Investment strategy

The Fund will invest in listed infrastructure securities issued by global infrastructure companies, which are entities located throughout the world that derive at least 50% of their revenues or profits from, or devote at least 50% of their assets to, the ownership, management, development or operation of infrastructure assets.

Investment return objective

The Fund aims to provide a total return consisting of capital growth and income that outperforms (after management costs) the FTSE Global Core Infrastructure 50/50 Index (Net) AUD Hedged over rolling three year periods.

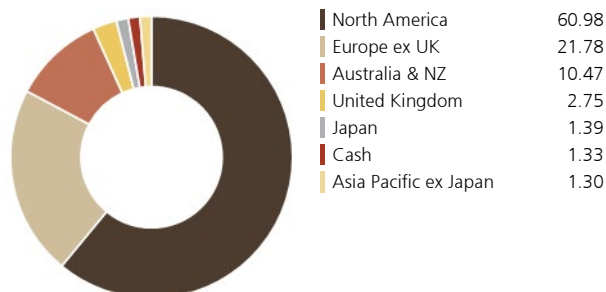
Top 10 positions by stock

Name	Country
American Electric Power Company, Inc.	United States
Union Pacific Corporation	United States
NextEra Energy, Inc.	United States
Transurban Group Ltd.	Australia
Cheniere Energy, Inc.	United States
Cellnex Telecom S.A.	Spain
AES Corporation	United States
Crown Castle International Corp	United States
Atlas Arteria	Australia
WEC Energy Group Inc	United States

Fund information

Inception date	4 August 2016
Fund size	\$ 157.6 m
Management fee	1.00% pa
Minimum initial investment	\$50,000
Distributions	Quarterly
Buy/sell spread	+/- 0.20%
Currency management	Hedged
APIR code	UBS0064AU
Inception date	4 August 2016

Investment portfolio (%)



Investment portfolio (%)

Fund	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	Since inception* % pa
Total return	6.02	3.55	16.19	9.39	9.67	9.59
Benchmark**	6.88	3.12	14.22	6.94	7.87	8.06
Added Value	(0.86)	0.43	1.97	2.45	1.80	1.53

*Inception date: 4 August 2016. **FTSE Global Core Infrastructure 50/50 Index (Net) (AUD Hedged). Performance figures are net of ongoing fees and expenses. The performance figures quoted are historical, calculated using end of month redemption prices, and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. Performance can be volatile and future returns can vary from past returns.

Portfolio review

The Fund increased 6.02% during the month, underperforming the index return.

The Fund's underperformance was the result of sub-par stock selection within the Utility and Transportation sectors in Continental Europe. The portfolio has exposure to integrated utilities on the Continent, including ENGIE and Enel. Investors remained concerned this sector may face political backlash due to the rising power market/high energy prices for consumers in the region. ENGIE sold off sharply due to their exposure to Russia. ENGIE has a loan on the NordStream II gas pipeline that is expected to be written off. The company also procures 30% of its natural gas from Russia that it distributes to its customers in France. This worked to offset positive stock selection and sector allocation decision in the Americas and Asia-Pacific regions.

Market review

Listed infrastructure traded up 6.9% (AUD, hedged) in March.

Listed infrastructure traded up sharply in March, showcasing stability of the asset class in volatile markets. Treasury yields rose sharply in Australia and the U.S. as central banks focused on curbing rising inflation.

The Americas was the strongest performing region for the month as all sectors delivered positive performance, with the communications and rail sectors delivering the strongest performance. Performance in Continental Europe was also strong and performance was led by the communications and rail sectors as well. In the U.K., the rail sector was the only sector to deliver positive performance for the month. In the Asia-Pacific region, transportation stock were the top performers for the month while the utilities sector was the poorest performing sector.

Outlook

The market continues to grapple with a confluence of macro factors: war in Europe, elevated commodity prices, high inflation, rising interest rates, ongoing supply chain disruption, and economic uncertainty from sporadic lockdowns in China. The lingering impacts of these global events should drive opportunity for certain sectors within infrastructure and expose risks for others. Overall, infrastructure should continue to garner support from investors seeking stability of regulated and contracted cash flows.

The outlook is positive for infrastructure. The defensive nature of the assets, durable earnings growth, inflation protection and attractive valuations should continue to support infrastructure stocks in this volatile macro environment.

Client Services

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