

**30 JUNE 2018**  
**QUARTERLY REPORT**  
**REDPOINT GLOBAL INFRASTRUCTURE FUND**

Fund performance as at 30 June 2018	1 month (%)	3 months (%)	6 months (%)	1 year (%)	2 years (% pa) <sup>4</sup>	3 years (% pa) <sup>4</sup>	5 years (% pa) <sup>4</sup>	Since Inception (% pa) <sup>4</sup>
Fund return (net) <sup>1</sup>	2.72	6.72	1.49	4.86	7.79	8.98	11.32	12.33
Benchmark return <sup>2</sup>	2.86	6.99	2.29	6.02	8.33	8.67	10.84	12.40
Active return <sup>3</sup>	-0.14	-0.27	-0.80	-1.16	-0.54	0.31	0.48	-0.07

Source: Redpoint Investment Management

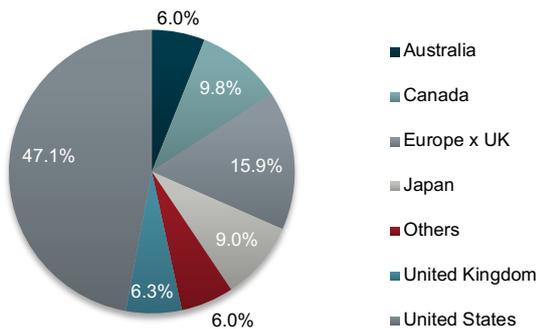
Past performance is not a reliable indicator of future performance.

1. Redpoint Global Infrastructure Fund (Fund) – Fund net returns are before taxes, but after management fees and transactions costs.
2. FTSE Developed Core Infrastructure 50/50 Index, with net dividends reinvested – hedged to Australian dollars (Benchmark). Note that returns from inception (3 April 2012) to 25 May 2018 are for the previous benchmark, the FTSE Developed Core Infrastructure Index, with net dividends reinvested – hedged to Australian dollars (see NOTE 2).
3. Active return is the difference between the net return of the Fund and the Benchmark return.
4. Returns are annualised for periods of 12 months or more.

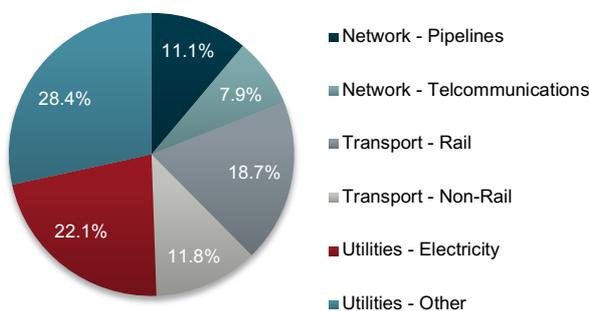
### INVESTMENT OBJECTIVE

The Fund aims to deliver a return, after accounting for management fees and taxes, in excess of the FTSE Developed Core Infrastructure Index (Benchmark) hedged to Australian dollars (net dividends reinvested) over rolling five-year periods.

### REGIONAL ALLOCATIONS



### SUB-GROUP ALLOCATIONS



**NOTE 1:** These sub-group allocations are based on the Industry Classification Benchmark (ICB), the industry classification scheme adopted by FTSE for use in its family of indexes.

### TOP 10 HOLDINGS

Company	Fund (%)	Benchmark (%)	Active (%)
Union Pacific Corporation	3.07	2.05	1.02
American Tower Corporation	2.83	3.69	-0.86
Duke Energy Corporation	2.58	2.99	-0.40
Enbridge Inc	2.20	3.55	-1.35
CSX Corporation	2.03	1.00	1.03
Norfolk Southern Corporation	1.97	0.80	1.17
ONEOK Inc	1.93	1.67	0.26
Central Japan Railway	1.89	0.70	1.19
Transurban Group	1.86	4.32	-2.46
East Japan Railway	1.84	0.66	1.18

### FUND FACTS

APIR code	PPL0031AU
Fund size (\$)	56,007,636
Number of holdings	117
Inception date	3 April 2012
Management fee	0.70%
Buy/sell spread	+/- 0.20%
Minimum initial investment	\$20,000
Income distribution	Quarterly

### UNIT PRICES AND DISTRIBUTION

Transaction type	Unit price (\$)
Net asset value (cum distribution)	1.5898
Application	1.5930
Redemption	1.5867
Income distribution (quarter ending 30 June 2018)	0.0985

**NOTE 2:** As of 25 May 2018, the reference Benchmark for the Fund is the FTSE Developed Core Infrastructure 50/50 Index, as opposed to the FTSE Developed Core Infrastructure Index. This change of Benchmark is reflected in a revised Product Disclosure Statement (PDS) released on 25 May 2018.

**30 JUNE 2018**  
**QUARTERLY REPORT**  
**REDPOINT GLOBAL INFRASTRUCTURE FUND**

**PERFORMANCE COMMENTARY**

**FUND**

For the three-month period ending 30 June 2018, the net return of the Fund was +6.72%. Over the same period, the total return of the Index (a blend of the FTSE Developed Core Infrastructure Index and the FTSE Developed Core Infrastructure 50/50 Index) was +6.99%. As a result, the Fund underperformed the Index by -0.27% (active return).

Since inception (3 April 2012), the net return of the Fund has been +12.33% versus a total return for the Index of +12.40%, which means the Fund has underperformed the Index by -0.07% on an annualised basis.

**MARKET**

Global listed infrastructure securities (as measured by the FTSE Developed Core Infrastructure 50/50 Index) performed solidly over the June quarter with a total return of +6.08%, more than compensating for their poor performance in the March quarter (-4.94%).

On an unhedged basis, the total return of the FTSE Developed Core Infrastructure 50/50 Index was +8.15% in Australian dollar (AUD) terms, which reflected a strengthening of the US dollar against all major currencies (including the AUD). This was primarily driven by investors' concerns of a looming trade war between the US and China creating greater uncertainty across global equity markets. Global listed infrastructure outperformed global equities – the total return of the MSCI All Country World Index was +4.37% for the quarter (on an unhedged basis in AUD terms).

With the exception of Real Estate Investment Trusts (REITs), which are mostly owners and operators of wireless and broadcast communications infrastructure, all sectors in the Index had positive total returns for the quarter, with growth sectors tending to outperform defensive sectors, the most prominent of these being the Diversified Telecommunication Services, Media (communications satellite companies) and Oil, Gas & Consumable Fuels sectors.

Across regions, the best performing countries in the Index were Luxembourg (home to some communications satellite companies), Canada, New Zealand, Japan, Finland, the United Kingdom, Australia and Belgium, which all outperformed the boarder market, while the worst performing countries were Singapore, Italy, Denmark and Switzerland, which all had negative total returns and consequently underperformed the boarder market.

**ATTRIBUTION COMMENTARY**

The active return for the June quarter (-0.27%) can be decomposed into a number of components:

- Index stocks held by the Fund contributed +0.17% to active return;
- Index stocks not held in the Fund detracted -0.40% from active return;
- non-Index stocks held by the Fund (for diversification purposes) contributed +0.14% to active return; and
- management fees detracted -0.18% from active return.

It was Japanese and United States (US) stocks in the Index that were not held by the Trust that had the largest impact on relative performance, detracting -0.22% and -0.17% respectively from active return. In particular, Japanese Electric Utilities stocks and US Electric Utilities and Real Estate Investment Trusts (REITs) stocks in the Index not held by the Trust detracted -0.22%, -0.05% and -0.05% respectively from active return (collectively -0.32%).

**COUNTRY**

A returns-based attribution indicates that the *country* positioning of the Fund contributed +0.14% to active return, stock selection within the countries detracted -0.25% from active return, while minor currency imbalances contributed +0.03% to active return.

**LARGEST CONTRIBUTORS**

Company	Fund Avg. Weight (%)	Index Avg. Weight (%)	Contribution (%)
Inmarsat Plc	0.58	0.15	0.23
APA Group	0.92	0.43	0.12
Osaka Gas Co Ltd	1.53	0.46	0.12
Naturgy Energy Group SA	1.12	0.43	0.12
Aena SME SA	1.19	1.48	0.10
Inter Pipeline Ltd	1.07	0.40	0.09
West Japan Railway	1.43	0.55	0.08
Centrica Plc	1.08	0.62	0.08
ONEOK Inc	1.77	1.43	0.08
Enagas SA	0.93	0.36	0.08

**LARGEST DETRACTORS**

Company	Fund Avg. Weight (%)	Index Avg. Weight (%)	Contribution (%)
Union Pacific Corporation	3.00	4.51	-0.26
Canadian National Railway	1.76	2.45	-0.24
Enbridge Inc	1.91	3.00	-0.22
CSX Corporation	2.02	2.14	-0.14
Kinder Morgan Inc	1.06	1.77	-0.13
SES SA	0.14	0.32	-0.12
Kansai Electric Power Co	0.00	0.57	-0.10
Tokyo Electric Power Co	0.00	0.40	-0.09
NextEra Energy Inc	1.10	4.19	-0.09
Crown Castle International	1.89	2.39	-0.08

**Note:** Contributions shown above in the above tables are to the active return of the Fund. Period: 30 March 2018 to 29 June 2018.

From a country allocation perspective, the largest contributors to active return were overweight positions in Luxembourg, the United Kingdom (UK) and Finland and an underweight position in the United States (US), which collectively contributed +0.47% to active return.

Offsetting these positive results, overweight positions in Japan, Singapore, Hong Kong and Italy and an underweight position in Canada collectively detracted -0.35% from active return.

For stock-level diversification reasons the Fund tends to be overweight European and Asia/Pacific countries at the expense of North America. In aggregate, these regional allocations had a positive impact on active return for the June quarter.

Stock selection was best in Spain, Hong Kong, the United Kingdom, Australia, Italy and Singapore, which collectively contributed +0.62% to active return. On the other hand, stock selection was worst in Luxembourg, Canada, the United States and Japan, which collectively detracted -0.86% from active return.

30 JUNE 2018  
**QUARTERLY REPORT**  
REDPOINT GLOBAL INFRASTRUCTURE FUND

## ATTRIBUTION COMMENTARY (CONT'D)

### INDUSTRY

A returns-based attribution indicates that the *industry* positioning of the Fund contributed +0.11% to active return, stock selection within the industries detracted -0.22% from active return, while minor currency imbalances contributed +0.03% to active return.

From an industry allocation perspective, the largest contributors to active return were overweight positions in the Transportation Infrastructure, Gas Utilities, Media and Diversified Telecommunication Services sectors and underweight positions in the Electric Utilities and Real Estate Investment Trusts (REITs) sectors, which collectively contributed +0.97% to active return. Offsetting these positive returns was an overweight position in the Road & Rail sector and an underweight position in the Oil, Gas & Consumable Fuels sector, which collectively detracted -0.89% from active return.

Stock selection was best in the Diversified Telecommunication Services, Electric Utilities, Water Utilities and Multi-Utilities sectors, which collectively contributed +0.25% to active return. However, this was offset by poor stock selection in the Media, Road & Rail, REITs and Oil, Gas & Consumable Fuels sectors, which collectively detracted -0.48% from active return.

### ASSETS

At the stock level, some of the largest contributors to active return were overweight positions in Inmarsat Plc (UK, Diversified Telecommunication Services), APA Group (Australia, Gas Utilities), Osaka Gas Co Ltd (Japan, Gas Utilities), Naturgy Energy Group SA (Spain, Gas Utilities), Inter Pipeline Ltd (Canada, Oil, Gas & Consumable Fuels), West Japan Railway Company (Japan, Road & Rail), Centrica Plc (UK, Multi-Utilities), ONEOK Inc (US, Oil, Gas & Consumable Fuels) and Enagas SA (Spain, Oil, Gas & Consumable Fuels) and an underweight position in Aena SME SA (Spain, Transportation Infrastructure), which collectively contributed +1.10% to active return.

From a relative return perspective, two (2) of the best performing stocks were overweight positions in Inmarsat Plc and APA Group, which contributed +0.23% and +0.12% respectively to active return.

Inmarsat Plc (LON: ISAT), a British satellite telecommunications company, had a total return of +51.8% for the quarter. Shares in ISAT surged recently on the prospect of a bidding war between European rival Eutelsat SA (Euronext: ETL) and Colorado-based EchoStar Corporation (NASDAQ: SATS). ETL has subsequently withdrawn its offer and a second offer by SATS was rejected by the ISAT board, saying it undervalued the business.

APA Group (ASX: APA) had a total return of +28.1% for the quarter. Shares in the gas infrastructure and transportation company jumped after it received a cash takeover offer from a Hong Kong-based consortium led by CK Infrastructure Holdings and including property developer CK Asset Holdings and utility company Power Assets Holdings.

Underweight positions in Union Pacific Corporation (US, Road & Rail), Canadian National Railway (Canada, Road & Rail), Enbridge Inc (Canada, Oil, Gas & Consumable Fuels), CSX Corporation (US, Road & Rail), Kinder Morgan Inc (US, Oil, Gas & Consumable Fuels), SES SA (Luxembourg, Media), Kansai Electric Power Company (Japan, Electric Utilities), Tokyo Electric Power Company (Japan, Electric Utilities), NextEra Energy Inc (US, Electric Utilities) and Crown Castle International Corporation (US, REITs) collectively detracted -1.47% from active return.

From a relative return perspective, two (2) of the worst performing stocks were underweight positions in Enbridge Inc and SES SA, which detracted -0.22% and -0.12% respectively from active return.

Enbridge Inc (TSX: ENB) had a total return of +19.9% for the quarter. ENB shares rose after regulators in Minnesota approved its preferred route through the state to upgrade a deteriorating crude oil pipeline and state commissioners acknowledged the need for the pipeline, despite vocal opposition from local Indigenous and environmental activists.

SES SA (Euronext: SESG) had a total return of +50.4% for the quarter. Shares in SESG have increased significantly as US regulators (Federal Communications Commission) consider a joint proposal (letting terrestrial services use airwaves long dedicated to the satellite services) that could allow Luxembourg-based communications satellite companies Intelsat SA and SESG to receive billions of dollars in fees from mobile providers using airwaves now devoted to TV broadcasters and cable companies.

## KEY CONTACTS

### INVESTMENT MANAGEMENT

Ganesh Suntharam / Alex Stephen  
Email: [ganesh.suntharam@redpointim.com](mailto:ganesh.suntharam@redpointim.com)  
[alex.stephen@redpointim.com](mailto:alex.stephen@redpointim.com)

Phone: 02 9119 5800

Address: Level 17, 255 George Street, Sydney NSW 2000

Website: [www.redpointim.com](http://www.redpointim.com)

### CLIENT SERVICES

Email: [info@nabam.com.au](mailto:info@nabam.com.au)

Phone: 1300 738 355

Address: Level 21, 255 George Street, Sydney NSW 2000

Website: [www.nabam.com.au](http://www.nabam.com.au)

#### IMPORTANT NOTICE:

Antares Capital Partners Ltd (ABN 85 066 081 114) (AFSL 234483) (ACP), the Responsible Entity of and the issuer of units in the Redpoint Global Infrastructure Fund (Fund), is a subsidiary of National Australia Bank Limited (NAB). An investment in the Fund does not represent a deposit with or a liability of NAB nor any of its related bodies corporate and is subject to investment risk including possible delays in repayment and loss of income and capital invested. None of NAB, ACP, other member companies in the National Australia Group of companies (NAB Group) nor Redpoint Investment Management Pty Ltd (Redpoint) guarantees the capital value, payment of income or performance of the Fund. Neither NAB, ACP or other member companies in the NAB Group is in any way responsible for and does not guarantee the quality or accuracy of any information provided by third parties. To the maximum extent permitted by law, neither NAB, ACP or other member companies in the NAB Group will be liable to any party in contract, tort (including for negligence) or otherwise for any loss or damage arising either directly or indirectly from reliance on, the use of or inability to use any third-party information. This report has been prepared in good faith, where applicable, using information from sources believed to be reliable and accurate as at the time of preparation. However, no representation or warranty (express or implied) is given as to its accuracy, reliability or completeness (which may change without notice). The Product Disclosure Statement (PDS) for the Fund is available by calling the Client Services Team on 1300-738-355 or visit [www.nabam.com.au](http://www.nabam.com.au). Any information in this document has been prepared without taking account of your personal objectives, financial situation or needs. Because of this you should, before acting on any information in this communication, consider whether it is appropriate to your personal objectives, financial situation and needs. Past performance of a product or market is not a reliable indicator of future performance. You should obtain a PDS for the Fund issued by ACP and consider it before making any decision about whether to acquire or continue to hold the product.