31 MARCH 2020

QUARTERLY REPORT

REDPOINT GLOBAL INFRASTRUCTURE FUND

Fund performance as at 31 March 2020	1 month (%)	3 months (%)	6 months (%)	1 year (%)	2 years (% pa) [4]	3 years (% pa) [4]	5 years (% pa) [4]	7 years (% pa) [4]	Since Inception (% pa) [4]
Fund return (net) [1]	-14.17	-19.40	-18.07	-12.69	1.54	1.80	3.65	7.40	9.04
Benchmark return [2]	-15.91	-20.27	-19.02	-13.10	1.51	1.86	3.53	7.19	9.04
Active return [3]	1.74	0.87	0.95	0.41	0.03	-0.06	0.12	0.21	0.00

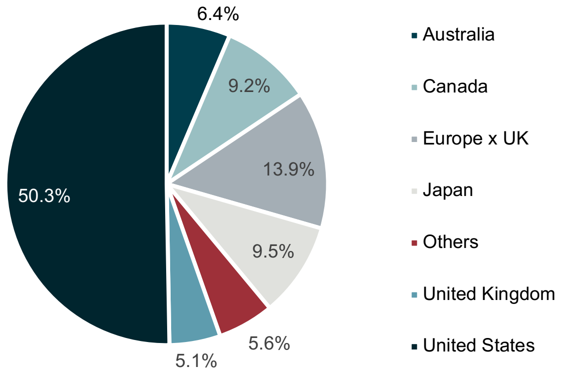
Source: Redpoint Investment Management *Past performance is not a reliable indicator of future performance.*

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.

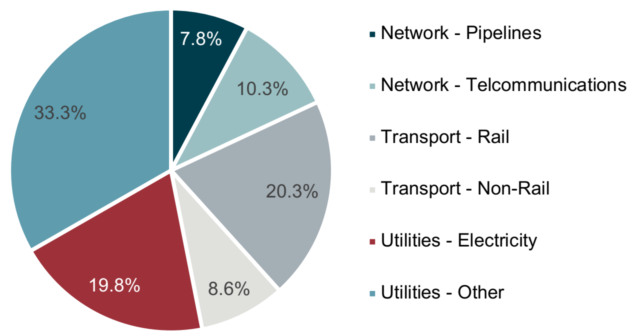
INVESTMENT OBJECTIVE

The Fund aims to deliver a return (after fees) that exceeds the FTSE Developed Core Infrastructure 50/50 Index (hedged to Australian dollars) with net dividends reinvested (Benchmark) 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	3.36	2.26	1.10
American Tower Corporation	3.26	4.57	-1.31
Duke Energy Corporation	3.13	3.17	-0.04
Crown Castle International	3.00	2.86	0.14
National Grid Plc	2.24	2.20	0.04
Transurban Group	2.20	4.57	-2.37
Canadian National Railway	2.20	1.27	0.93
East Japan Railway	2.16	0.63	1.53
CSX Corporation	2.10	0.97	1.13
Central Japan Railway	2.05	0.67	1.38

FUND FACTS

APIR code	PPL0031AU
Fund size ($)	28,379,242
Number of holdings	122
Inception date	3 April 2012
Management fee (including GST net of reduced input tax credit)	0.70%
Buy/sell spread	+/- 0.15%
Minimum initial investment	$20,000
Income distribution	Quarterly

UNIT PRICES AND DISTRIBUTION

Transaction type	Unit price ($)
Net asset value	1.4408
Application	1.4430
Redemption	1.4387
Income distribution (quarter ending 31 March 2020)	Nil

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.

31 MARCH 2020

QUARTERLY REPORT

REDPOINT GLOBAL INFRASTRUCTURE FUND

PERFORMANCE COMMENTARY

FUND

For the three-month period ending 31 March 2020 the net return of the Fund was -19.40%. Over the same time period the total return of the Benchmark was -20.27%. As a result, the Fund outperformed the Benchmark by +0.87% (active return) for the March quarter.

Although the Fund underperformed the Benchmark by -1.13% in January, this was more than offset by the performance of the Fund in February and March, where the Fund outperformed the Benchmark by +0.12% and +1.74% respectively.

Over the past 12 months the Fund has outperformed the Benchmark by +0.42% (on a cumulative basis) and over the past 36 months and 60 months the Fund has outperformed the Benchmark by +0.03% (on an annualised basis) and +0.11% (on an annualised basis) respectively.

Since inception (3 April 2012) the net return of the Fund has been +9.04% versus a total return of +9.04% for the Benchmark (a blend of the FTSE Developed Core Infrastructure Index and the FTSE Developed Core Infrastructure 50/50 Index), which means the Fund has performed precisely in line with the Benchmark over this period.

MARKET

Global listed infrastructure securities, as measured by the Benchmark, posted a total return of -20.27%, in hedged Australian dollar (AUD) terms, for the March quarter as markets reacted dramatically to the partial shutdown of economies worldwide in order to deal the health implications of the COVID-19 pandemic. The market reaction to the pandemic got progressively worse as the March quarter evolved, with returns of +3.81%, -8.66% and -15.91% for January, February and March respectively.

By comparison, the Australian equity market, as represented by the S&P/ASX 200 Index, and global equity markets, as represented by the MSCI All Country World Index (net dividends reinvested in hedged AUD terms) posted total returns of -23.10% and -20.94% respectively for the quarter.

On an unhedged basis, the total return of the Benchmark was -9.85% (in AUD terms) for the March quarter, highlighting the substantial depreciation of the AUD relative to all major developed markets currencies. The AUD weakened against the against the US dollar (USD) (-14.85%), the Japanese Yen (JPY) (-15.62%), the Euro (EUR) (-12.27%), the British pound (GBP) (-7.50%), the Canadian dollar (CAD) (-4.64%) and the New Zealand dollar (NZD)(-0.93%). This weakness highlights the Australian economy's reliance on commodities such as coal, iron ore and gas in a period where industrial production is expected to decrease materially and global demand for these resources is likely to moderate.

The best performing industries for the quarter were the utility industries (Water Utilities, Gas Utilities, Electric Utilities and Multi-Utilities) and communication services industries (Integrated Telecommunication Services, Communications Equipment, Specialised REITs), which outperformed the broader global listed infrastructure market, while the worst performing industries for the quarter were the Cable & Satellite, Airport Services, Marine Ports & Services, Oil & Gas Storage & Transportation and Highways & Railtracks, which underperformed the broader global listed infrastructure market, as represented by the Benchmark.

ATTRIBUTION COMMENTARY

The active return for the March quarter (+0.87%) can be decomposed into a number of components:

- Benchmark stocks held by the Fund contributed +1.29% to active return;
- Benchmark stocks not held by the Fund detracted -0.29% from active return;
- non-Benchmark stocks held by the Fund (for diversification purposes) contributed +0.05% to active return; and
- management fees plus other costs detracted -0.18% from active return.

LARGEST CONTRIBUTORS

Company	Fund Avg. Weight (%)	Benchmark Avg. Weight (%)	Contribution (%)
Atlantia SpA	1.02	2.97	0.70
Aena SME SA	1.61	3.44	0.63
Aeroports de Paris SA	0.76	1.35	0.30
Osaka Gas Co Ltd	1.30	0.32	0.27
Toho Gas Co Ltd	0.84	0.16	0.27
Transurban Group Ltd	2.15	4.84	0.25
Tokyo Gas Co Ltd	1.27	0.44	0.22
Auckland International Airport Ltd	0.81	1.39	0.22
Sydney Airport Holdings Ltd	1.04	1.65	0.16
ONEOK Inc	0.72	1.02	0.14

LARGEST DETRACTORS

Company	Fund Avg. Weight (%)	Benchmark Avg. Weight (%)	Contribution (%)
NextEra Energy Inc	1.09	5.65	-0.93
Centrica Plc	0.79	0.25	-0.30
SES SA	0.64	0.16	-0.26
Inter Pipeline Ltd	0.60	0.23	-0.25
American Tower Corporation	3.16	4.23	-0.19
Dominion Energy Inc	1.31	3.15	-0.19
Xcel Energy Inc	0.63	1.60	-0.17
Go-Ahead Group Plc	0.28	0.02	-0.17
Southern Company	1.20	3.08	-0.14
Fortis Inc	0.00	0.84	-0.13

Note: Contributions shown above in the above tables are to the active return of the Fund. Period: 31 December 2019 to 31 March 2020.

Stocks in the Benchmark that were held by the Fund in Italy, Japan, Spain, Australia, New Zealand, France, Hong Kong, Switzerland, Belgium and Portugal collectively contributed +3.37% to active return. Stocks in the Benchmark held by the Fund in Italy (primarily in the Gas Utilities, Highways & Railtracks and Integrated Telecommunication Services industries), Japan (mainly in the Gas Utilities industry), Spain (mostly in the Airport Services industry), Australia (predominantly in the Airport Services and Highways & Railtracks industries) and New Zealand (mostly in the Airport Services industry) had the largest impact, contributing +1.04%, +0.87%, +0.58%, +0.42% and +0.22% respectively to active return.

By contrast, stocks in the Benchmark that were held by the Fund in the United States, the United Kingdom, Luxembourg, Canada, Germany and Singapore collectively detracted -2.07% from active return. Stocks in the Benchmark held by the Fund in the United States (primarily in the Electric Utilities industry), the United Kingdom (mostly in the Multi-Utilities and Railroads industries), Luxembourg (predominantly in the Cable & Satellite industry) and Canada (mainly in the Oil & Gas Storage & Transportation industry) had the largest impact, detracting -1.23%, -0.35%, -0.26% and -0.17% respectively from active return.

Stocks in the Benchmark that were not held by the Fund in Japan (primarily in the Electric Utilities industry) and Canada (mainly in the Electric Utilities industry) detracted -0.26% and -0.13% respectively from active return, while stocks in the Benchmark not held by the Fund in Korea (predominantly in the Electric Utilities industry) and the United States (mainly in the Oil & Gas Storage & Transportation industry) contributed +0.05% and +0.03% respectively to active return.

COUNTRY

A returns-based attribution indicates that the *country* positioning of the Fund contributed +0.72% to active return, stock selection within the countries contributed +0.58% to active return, while currency imbalances between the Fund and the Benchmark detracted -0.26% from active return.

From a country allocation perspective, the largest contributors to active return for the quarter were overweight positions in Japan, the United Kingdom, Hong Kong, Denmark, Belgium and Portugal, which outperformed the broader market, and underweight positions in Italy, Spain, New Zealand, Australia, Switzerland and Korea, which underperformed the broader market, and which collectively contributed +1.72% to active return. The overweight positions in Japan and the United Kingdom and underweight positions in Italy, Spain and New Zealand had the largest impact, contributing +0.63%, +0.24%, +0.27%, +0.17% and +0.12% respectively to active return.

By contrast, the largest detractors from active return for the quarter were overweight positions in France, Germany, Singapore, Finland and Austria, which underperformed the broader market, and underweight positions in the United States and Canada, which outperformed the broader market, and which collectively detracted -1.00% from active return. The overweight positions in France and Germany and the underweight position in the United States had the largest impact, detracting -0.49%, -0.14% and -0.21% respectively from active return.

Stock selection was best in Italy, Spain, France, Australia, Germany, New Zealand, Singapore, Austria and Korea, which collectively contributed +2.08% to active return. Stock selection in Italy, Spain, France, Australia and Germany had the largest impact, contributing +0.80%, +0.43%, +0.33%, +0.20% and +0.17% respectively to active return.

By contrast, stock selection was worst in the United States, the United Kingdom, Canada, Japan and Hong Kong, which collectively detracted -1.50% from active return. Stock selection in the United States, the United Kingdom, Canada and Japan had the largest impact, detracting -0.60%, -0.50%, -0.26% and -0.11% respectively from active return.

INDUSTRY

A returns-based attribution indicates that the *industry* positioning of the Fund contributed +1.94% to active return, stock selection within the industries detracted -0.64% from active return, while currency imbalances between the Fund and the Benchmark detracted -0.26% from active return.

From an industry allocation perspective, the largest contributors to active return for the quarter were underweight positions in the Airport Services, Highways & Railtracks and Oil & Gas Storage & Transportation industries, which underperformed the broader market, and overweight positions in the Gas Utilities, Water Utilities, Railroads, Integrated Telecommunication Services and Multi-Utilities industries, which outperformed the broader market, and which collectively contributed +3.54% to active return. The underweight positions in the Airport Services and Highways & Railtracks industries and overweight positions in the Gas Utilities, Water Utilities and Railroads industries had the largest impact, contributing +1.19%, +0.63%, +0.64%, +0.38% and +0.28% respectively to active return.

By contrast, the largest detractors from active return for the quarter were underweight positions in the Electric Utilities and Specialised REITs industries, which outperformed the broader market, and overweight positions in the Cable & Satellite and Marine Ports & Services industries, which underperformed the broader market, and which collectively detracted -1.60% from active return. The underweight positions in the Electric Utilities and Specialised REITs industries and the overweight position in the Cable & Satellite industry had the largest impact, detracting -0.94%, -0.43% and -0.22% respectively from active return.

Stock selection was best in the Gas Utilities, Airport Services, Highways & Railtracks, Specialised REITs, Water Utilities and Cable & Satellite industries, which collectively contributed +0.81% to active return. Stock selection in the Gas Utilities, Airport Services, Highways & Railtracks and Specialised REITs industries had the largest impact, contributing +0.29%, +0.18%, +0.13% and +0.10% respectively to active return.

On the other hand, stock selection was worst in the Electric Utilities, Oil & Gas Storage & Transportation, Multi-Utilities, Railroads and Integrated Telecommunication Services industries, which collectively detracted -1.45% from active return. Stock selection in the Electric Utilities, Oil & Gas Storage & Transportation, Multi-Utilities and Railroads industries had the largest impact, detracting -0.56%, -0.37%, -0.37% and -0.12% respectively from active return.

ASSETS

For stock-specific diversification reasons the portfolio construction process tends to underweight larger market capitalisation companies and overweight small to medium market capitalisation stocks in the Benchmark. The impact of this approach naturally manifests as overweight exposures to Japan, the United Kingdom, France and Hong Kong and underweight exposures to the United States, Australia, Italy, Spain and New Zealand. In turn this leads to overweight positions in the Railroads, Gas Utilities and Water Utilities industries and underweight positions in the Electric Utilities, Highways & Railtracks, Airport Services, Oil & Gas Storage & Transportation and Specialised REITs industries. Given these quasi permanent country and industry tilts in the Fund, it's not surprising that they represent a significant source of active return from period to period.

CONTRIBUTORS

At the stock level, some of the largest contributors to active return for the quarter were underweight positions in Atlantia SpA (Highways & Railtracks), Aena SME SA (Airport Services), Aeroports de Paris SA (Airport Services), Transurban Group Ltd (Highways & Railtracks), Auckland International Airport Ltd (Airport Services), Sydney Airport Holdings Ltd (Airport Services) and ONEOK Inc (Oil & Gas Storage & Transportation) and overweight positions in Osaka Gas Co Ltd (Gas Utilities), Toho Gas Co Ltd (Gas Utilities) and Tokyo Gas Co Ltd (Gas Utilities), which collectively contributed +3.15% to active return.

Companies like Aena SME SA, Aeroports de Paris SA, Auckland International Airport Ltd and Sydney Airport Holdings Ltd have been severely impacted by the collapse of the airline industry as countries around the world closed their borders and restricted internal travel in an attempt to halt the spread of the coronavirus. Consequently, these companies underperformed the broader market, posting total returns of -34.5%, -44.3%, -42.4% and -35.5% respectively for the quarter. Underweight positions in these stocks contributed +0.63%, +0.30%, +0.22% and +0.16% respectively to active return for the quarter.

So far there has been no discernible economic hit to Japanese gas utilities companies like Osaka Gas Co Ltd, Toho Gas Co Ltd and Tokyo Gas Co Ltd from a likely reduction in demand for natural gas due to the COVID-19 pandemic. Utility companies, and their consumer staples counterparts, are seen to be relatively immune from the economic consequences of the COVID-19 pandemic. These gas utility companies outperformed the broader market, posting total returns of +13.9%, +27.7% and +12.7% respectively for the quarter. Overweight positions in these stocks contributed +0.27%, +0.27% and +0.22% respectively to active return for the quarter.

ONEOK Inc engages in the gathering, processing, storage and transportation of natural gas in the United States. It experienced a total return of -66.5% for the quarter amid concerns that customers shipping oil, natural gas and refined products on pipeline systems operated by companies like ONEOK Inc will encounter cash flow difficulties in an economic downturn. An underweight position in this company contributed +0.14% to active return for the quarter.

DETRACTORS

On the other hand, some of the largest detractors from active return for the quarter were underweight positions in NextEra Energy Inc (Electric Utilities), American Tower Corporation (Specialised REITs), Dominion Energy Inc (Multi-Utilities), Xcel Energy Inc (Electric Utilities), Southern Company (Electric Utilities) and Fortis Inc (Electric Utilities) and overweight positions in Centrica Plc (Multi-Utilities), SES SA (Cable & Satellite), Inter Pipeline Ltd (Oil & Gas Storage & Transportation) and Go-Ahead Group Plc (Railroads), which collectively detracted -2.73% from active return.

At the present time, electric utility companies like NextEra Energy Inc, Dominion Energy Inc, Xcel Energy Inc, Southern Company and Fortis Inc are considered to be relatively insulated from the economic consequences of the COVID-19 pandemic. These companies outperformed the broader market, posting total returns of +14.8%, +1.3%, +9.9%, -1.5% and +6.3% respectively for the quarter. Underweight positions in these companies detracted -0.93%, -0.19%, -0.17%, -0.14% and -0.13% respectively from active return for the quarter.

By contrast, European cable & satellite companies like SES SA has been severely impacted by the economic consequences of the COVID-19 pandemic. This company underperformed the broader market, posting a total return of -52.0% for the quarter and an overweight position in this stock detracted -0.26% from active return.

Companies with exposure to the energy sector like Inter Pipeline Ltd, a multinational petroleum (oil, natural gas and petrochemical products) transportation and infrastructure company, have been adversely impacted by a sharp decline in oil prices due to a sudden drop in demand caused by the COVID-19 pandemic and the oil production feud between Russia and Saudi Arabia, which has led to an excess of supply. These demand and supply pressures pushed oil prices down to around USD 20 a barrel by quarter end, a price level not seen since 2001. Accordingly, Inter Pipeline Ltd experienced a total return of -59.7% for the quarter and an overweight position in this company detracted -0.25% from active return.

CURRENCY

The Fund reduces the impact of currency translation risk by hedging 100% of portfolio value to the Australian dollar (AUD). This hedge is implemented by the use of currency forwards contracts for the major currencies.

As noted previously, for stock-specific diversification reasons, the Fund tends to be overweight securities in Japan, the United Kingdom, France and Hong Kong and underweight securities in the United States, Australia, Italy and New Zealand.

This means that, when compared to the Benchmark, the Fund will tend to be overweight the Japanese yen (JPY), the British pound (GBP), the Euro (EUR) and the Hong Kong dollar (HKD) and underweight the US dollar (USD), the Australian dollar (AUD) and the New Zealand dollar (NZD).

Given the substantial movements in equity and currency markets over the quarter these embedded currency imbalances have had a larger than usual impact on the relative performance of the Fund versus the Benchmark for the quarter.

Consequently, from a currency perspective, an underweight exposure to the AUD and overweight exposures to the EUR and the CHF contributed +0.14%, +0.10% and +0.02% respectively to active return for the quarter. On the other hand, overweight exposures to the USD, JPY and HKD detracted -0.45%, -0.05% and -0.02% respectively from active return for the quarter. The total impact of these differential currency exposures was to detract -0.26% from active return for the quarter.

KEY CONTACTS

INVESTMENT MANAGEMENT

Ganesh Suntharam
Phone (direct): 02 9119 5804
Address: Level 19, Governor Macquarie Tower
1 Farrer Place, Sydney NSW 2000
Website: www.redpointim.com

CLIENT SERVICES

Please contact the portfolio managers directly at:
Email: redpoint@redpointim.com
Phone (general): 02 9119 5800
Address: Level 19, Governor Macquarie Tower
1 Farrer Place, Sydney NSW 2000
Website: www.redpointim.com