

AMP CAPITAL GLOBAL INFRASTRUCTURE SECURITIES FUND (HEDGED) - OFF-PLATFORM CLASS H

Aims to generate income and capital growth over the long term from a diversified, hedged and actively managed portfolio of global infrastructure securities.

Performance summary

- > The Fund outperformed the benchmark during June
- > Trade war risks remain elevated
- > Oil sees continuing support

Investment approach

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.

For more information visit ampcapital.com.au

Performance – as at 30 June 2018

Inception Date: 02 Jul 2010

Performance benchmark: Dow Jones Brookfield Global Infrastructure Net Accumulation Index Hedged AUD

Management costs:** 1.12%

**The Fund PDS outlines management costs components, as well as other fees and costs that may apply to your investment. You can review the PDS at www.ampcapital.com.au

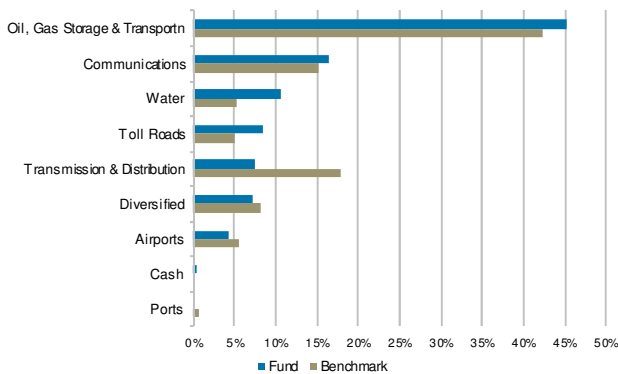
%	1 mth	3 mth	1 yr	3 yr	5 yr	Incept
Total return - after fees	4.05	7.61	2.38	2.15	8.91	13.08
Before tax and fees	4.14	7.90	3.50	3.34	10.16	14.30
Distribution	0.00	0.01	1.26	1.87	3.04	4.36
Growth	4.05	7.60	1.12	0.28	5.88	8.72
Benchmark	3.24	6.59	3.24	6.26	10.18	14.44

Past performance is not a reliable indicator of future performance.

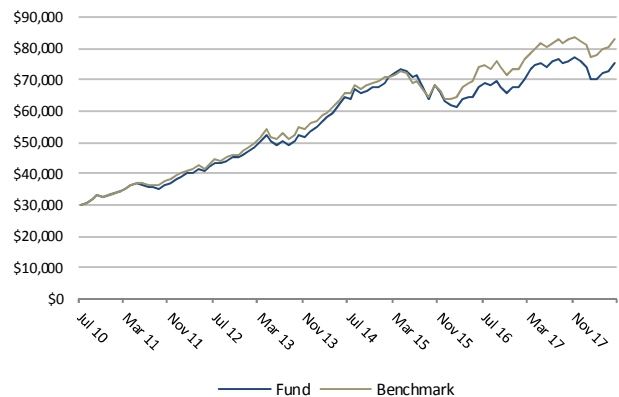
Performance is annualised for periods greater than one year.

Total returns are calculated using the unit price which uses the net asset values for the relevant month end. This price may differ from the actual unit price for an investor applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction by an investor. Returns quoted are before tax, after Class 'H' fees and costs, and assume all distributions are reinvested.

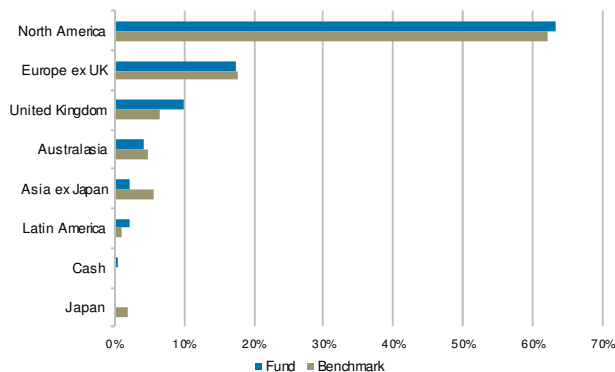
Asset allocation



\$30,000 invested since inception



Regional asset allocation



Top 10 holdings

Security Details	% Portf	% Bench
AMERICAN TOWER CORP	8.57	6.68
ENBRIDGE INC	8.10	6.39
SEMPRA ENERGY	7.21	3.22
KINDER MORGAN INC	6.58	3.52
TRANSCANADA CORP	6.30	4.04
WILLIAMS COS INC/THE	4.51	2.35
PEMBINA PIPELINE CORP	3.81	1.83
PENNON GROUP PLC	3.44	0.46
ATLANTIA SPA	3.35	1.46
EVERGY INC	2.54	0.00

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Performance and activity

The Fund outperformed the index during June on a total return local basis. At a sector level, the Fund is overweight in water, oil, gas storage & transportation, toll roads and communications and is underweight in transmission & distribution, diversified, ports and airports. Overall positive contributions to relative returns came from the oil, gas storage & transportation, water, transmission & distribution, ports and diversified sectors whilst the communications, airports and toll roads sectors were detractors.

The top three individual contributors to relative performance in the period were from overweight positions in Sempra Energy, APA Group and Enbridge, all in oil, gas storage & transportation. Sempra Energy benefitted from positive management comments following activists taking a stake in the company. APA Group rallied after Hong Kong's CKI Group announced a take-over bid. Enbridge has experienced strong performance following the approval of the Line 3 Replacement Project by the Minnesota Public Utilities Commission.

The bottom three individual contributors to relative performance in the period were from overweight positions in Beijing Capital International in airports, RAI Way in communications and Atlas Arteria in transportation. Beijing Capital International announced that the regulator would cease providing a refund for the airport construction fee, reducing earnings. RAI Way was weak over the month on the back of continued uncertainty in Italian politics and the potential for further delays in consolidation. Atlas Arteria pulled back following some strong year-to-date performance.

Market review

The risks of a full-blown trade war increased during the month, with both the US and China threatening a cycle of counter-retaliatory measures; increasing the risk of an escalating tariff spiral. The US also increased its negative rhetoric with Europe, threatening to impose tariffs on European automotive imports. Against the uncertain global economic environment, sovereign bond yields fell as safe-haven demand increased. On the more positive side, the conclusion of the US-North Korean summit was seen as a tentative move in the right direction, although much remains to be formally agreed.

Following the announcement that the Government of Canada agreed to purchase the Trans Mountain Pipeline system, we decided to take the opportunity to exit our position in Kinder Morgan Canada and reduce our underweight allocation to the utilities sector by initiating a position in Hydro One, an electricity transmission and distribution company located in Ontario.

Additionally, after its recent strong performance, we believe that Enav, an air navigation and transportation support services company in Italy, has realised its full valuation and we decided to exit our position, rotating some of the capital into Atlantia, which we believe has more valuation support, whilst also reducing our exposure to the region due to the geopolitical risks. We continue to closely monitor the political situation in Europe, and also stress the higher quality profile and the bottom-up attractiveness of our companies' holdings.

Companies in the news

Ferrovial operates in the international transportation and industrial sectors. It owns and operates airports and toll roads including owning 25% of Heathrow Airport in the UK. A proposal to add a third runway has won approval in a UK House of Commons vote. The vote represents an important step in the process of increasing airport capacity in the London market, which has been constrained for some time. The scheme is expected to cost between £14-£17 billion. Heathrow's regulatory asset base today is currently around £16 billion, which would therefore almost double upon completion of the runway.

APA Group is Australia's largest natural gas infrastructure business which includes gas distribution networks, pipelines and other assets. It has received an unsolicited, indicative and non-binding proposal from a consortium led by CK Infrastructure Holdings to acquire all of its stapled securities. The consortium has proposed a divestment package which would include APA's interests in the Goldfields Gas Pipeline, Parmelia Gas Pipeline, Mondarra Gas Storage Facility and involve a standalone management team. APA Group has entered into a confidentiality agreement with CK Infrastructure Holdings to allow it the opportunity to undertake due diligence on a non-exclusive basis.

Portfolio strategy & outlook

The investment team continues to rely on its investment process, focussing on the long-term cash flow generation of core infrastructure assets, which we firmly believe is the correct way to analyse and value these companies. Whilst macroeconomic trends and more recent geopolitical events have the potential to have a disproportionate impact on the listed infrastructure asset class; we believe such periods can result in large dislocations between fundamental values and market prices. This offers attractive medium to long-term investment opportunities.

Our outlook for the North American oil, gas storage & transportation segment remains positive. Recent regulatory changes led us to re-evaluate our allocation to the segment and, after further analysis, we maintain our conviction on the segment's potential, which is supported by strong underlying cash flows.

Investment objective

To provide total returns (income and capital growth) after costs and before tax, above the Fund's performance benchmark over the long term.

Facts

Fund size	\$1,056.71 million
Minimum suggested time frame	5 years
Minimum initial investment	\$10,000
Buy/sell spread	+0.25/-0.25

Distribution frequency	Quarterly
Date of last distribution	Jun 2018
Distribution cents per unit	0.00

Investors should consider the Product Disclosure Statement (PDS) available from AMP Capital Investors Limited (ABN 59 001 777 591) (AFSL 232497) (AMP Capital) for the AMP CAPITAL GLOBAL INFRASTRUCTURE SECURITIES FUND (HEDGED) - OFF-PLATFORM CLASS H (Fund) before making any decision regarding the Fund. AMP Capital Funds Management Limited (ABN 15 159 557 721, AFSL 426 455) is the responsible entity of the Fund and the issuer of units in the Fund. The PDS contains important information about investing in the Fund and it is important investors read the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. Neither AMP Capital, nor any other company in the AMP Group guarantees the repayment of capital or the performance of any product or any particular rate of return referred to in this document. Past performance is not a reliable indicator of future performance. While every care has been taken in the preparation of this document, AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This fact sheet has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of the information in this fact sheet, and seek professional advice, having regard to their objectives, financial situation and needs.

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