Resolution Capital Global Listed Infrastructure Fund – Class B

RESOLUTION CAPITAL

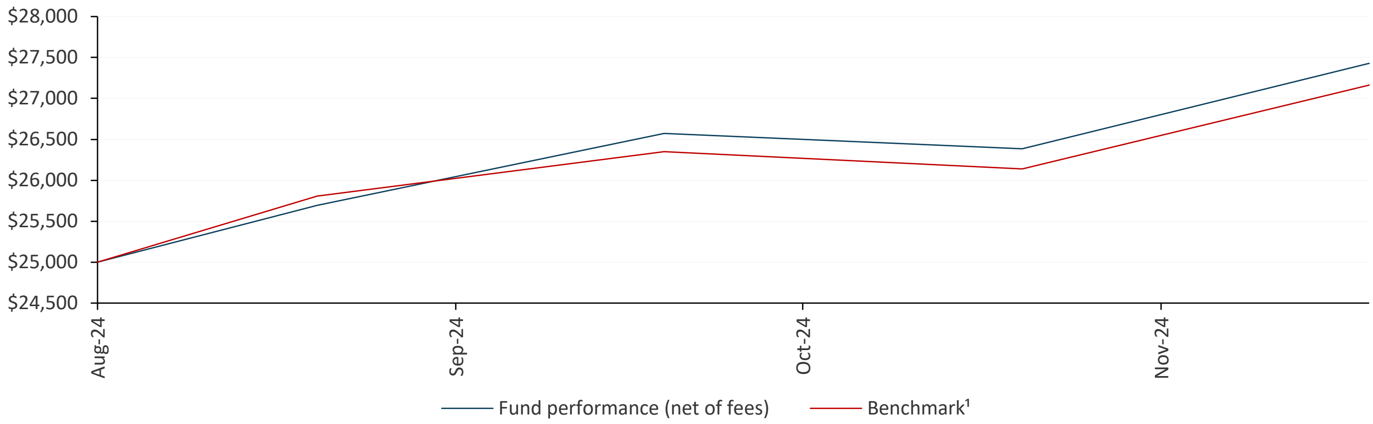
30 November 2024

Performance Summary

	1 Month %	3 Months %	Since Inception* %
Fund Return (Net Performance)	3.95	6.76	9.71
Benchmark[1] return	3.91	5.26	8.65
Value Added (Net Performance)	0.04	1.50	1.06

Performance numbers less than one year are cumulative while numbers greater than one year are annualised.
Past performance is no guarantee of future results.

Growth of $25,000 invested Since Inception*



[1]Benchmark is FTSE Developed Core Infrastructure 50/50 Index (AUD Hedged) Net TRI.
Source: Resolution Capital

Top 5 Weights

Security Name	%
Duke Energy	6.51
Kinder Morgan	6.08
TXNM Energy	5.77
Southern Company	5.34
Public Service Enterprise	5.11

Top 5 Contributors

Security Name	%
Kinder Morgan	0.93
TXNM Energy	0.69
Targa Resources	0.47
CSX Corp	0.46
Public Service Enterprise	0.32

Bottom 5 Contributors

Security Name	%
Boralex	-0.16
NextEra Energy	-0.12
Dominion Energy	-0.11
Cellnex Telecom	-0.06
Aena SME	-0.06

These are illustrative only and not a recommendation to buy, sell or hold any security.

Fund Details

APIR code	WHT5725AU	**Benchmark**	FTSE Developed Core Infrastructure 50/50 Index (AUD Hedged) Net TRI
ARSN Code	653 043 442	**Management Fee**	0.70% p.a. plus 20% of outperformance above the benchmark
***Inception Date**	12 August 2024	**Buy/Sell Spread**	+0.20%/-0.20%
Fund Size	$108.4 Million	**Distribution Frequency**	Quarterly
NAV per Unit	$1.10	**No. of Stocks**	Generally 20 to 45
Investment Manager	Resolution Capital	**Risk/Return Profile**	The Fund's risk band is 6-7 (High - Very high)
Minimum Investment	$25,000	**Investment Timeframe**	Medium to long term, being 5 or more years

Market Commentary

The FTSE Developed Core Infrastructure 50/50 Index (AUD Hedged) Net TRI produced a total return of 3.9% for the month ending on 30 November 2024. The UK was the best-performing region, returning 5.9% in local currency terms, while Japan was the worst performer, returning -6.7% in local currency terms.

Most sectors posted positive returns in November, buoyed by the election of Donald Trump as the next U.S. president. His agenda is anticipated to prioritize economic growth and deregulation, with midstream and gas utilities expected to benefit disproportionately from potential policy shifts. These sectors emerged as the top performers. However, Trump's pro-growth policies have also heightened expectations for stronger economic growth and higher interest rates. This adversely affected bond-proxy sectors such as toll roads and towers, which were the weakest performers during the month as higher rates diminished their relative appeal.

Stock selection in the gas utilities sector, along with an overweight position in the renewables sector, detracted from overall performance. In contrast, strong stock selection within the electric utilities sector was a key driver of outperformance for the month.

Third-quarter reporting season continued throughout November, with U.S. electric utility results highlighting the impact of accelerating electricity demand on investment needs and earnings growth. Xcel Energy (XEL) exemplifies this trend, with projected electricity demand now expected to grow by 5% per annum, up from the previous estimate of 2–3%. To support this growth, XEL has increased its investment plan by US$6bn for additional generation and transmission infrastructure, raising its total five-year capital plan to US$45bn. This expanded investment has enabled the company to revise its long-term annual earnings per share (EPS) guidance upward from 5–7% to 6–8%.

The strong fundamentals driving growth in electric utilities are also benefiting other sectors. North American midstream companies, which reported robust results, emphasized the rising demand for natural gas. This growth is driven by the ongoing electrification of the economy, which is increasing the need for new gas generation, as well as the rising demand for liquefied natural gas (LNG). These positive trends are creating unique investment opportunities within the sector, where attractive build multiples are expected to support stronger earnings growth.

This month, Spanish infrastructure owner and developer Ferrovial (FER) announced the sale of its 50% stake in Aberdeen, Glasgow, and Southampton airports in the UK for £450m. The transaction reflects an enterprise value-to-EBITDA multiple of 23x, significantly higher than the typical trading multiples for listed European airports. This sale, following the sale of Heathrow Airport in August, largely concludes a period of asset rotation for FER, as the company shifts its focus from mature UK airports to new infrastructure projects across North America.

Finally, North American rail company CSX (CSX) hosted an investor day, where it projected high single-digit to low double-digit annual EPS growth over the next three years. This growth is expected to be driven by the resurgence and expansion of new and existing industries along the U.S. East Coast, leading to robust volume growth.

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