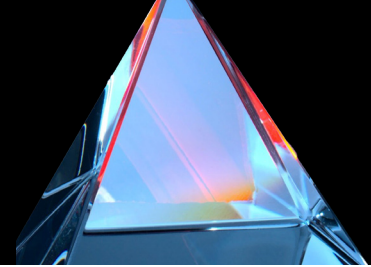


# HSBC Global Infrastructure Equity Fund

Fund report | 31 January 2025



## About the Fund

The HSBC Global Infrastructure Equity Fund is an actively managed portfolio of 30-45 global infrastructure stocks that aims to provide long term total return while maintaining a focus on sustainability, environmental, social and governance (ESG) factors. The Fund is managed by a London and Sydney-based investment team that is part of the worldwide HSBC network.



## Fund Facts

### Fund Manager

HSBC Global Asset Management (UK) Limited.

### Responsible Entity/Distributor

Copia Investment Partners

### Inception Date (Strategy)

31 January 2024 (31 July 2010)

### Objective

To provide long-term capital growth and income, and outperform its benchmark by 2% p.a. (after fees) over 5 years.

### Benchmark

Dow Jones Brookfield Global Infrastructure Index (Hedged to AUD)

### Currency

AUD Hedged

### Investment Time Frame

At least 5 years

### Number of Stocks

30-45

### Distributions

Annually

### Minimum Investment Amount

Initial: \$20,000  
Additional: \$5,000

### Management Fee

0.90%p.a. of the NAV of the Fund

### Performance Fee

Nil

### Fund Rating

Zenith Recommended

### Performance (%) at month end

	1 mth	3 mth	6 mth	1 yr	SI (cum)*
<b>HSBC Global Infrastructure Equity Fund</b>	-0.17	-0.59	2.77	15.30	15.30
<b>Dow Jones Brookfield Global Infrastructure Index*</b>	0.14	0.16	5.41	15.67	15.67
<b>Outperformance</b>	-0.31	-0.75	-2.65	-0.37	-0.37

Past performance is not a reliable indicator of future performance. The total return performance figures quoted are historical, calculated using end-of month prices and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. The performance is quoted net of all fees and expenses. The indices do not incur these costs.

\*Inception of the HSBC Global Infrastructure Equities Fund - Hedged for performance calculation purposes is 31st January 2024.  
+ (Hedged to AUD)

### Top 10 Holdings

	Sector	Absolute (%)	Active (%)
<b>Enbridge Inc</b>	Energy	7.89	-0.19
<b>Cheniere Energy Inc</b>	Energy	6.44	3.22
<b>American Tower Corp</b>	Property Trusts	5.39	-0.15
<b>National Grid PLC</b>	Utilities	4.76	-0.33
<b>Eversource Energy</b>	Utilities	4.55	3.20
<b>Cellnex Telecom SA</b>	Communication Services	4.36	2.67
<b>Vinci SA</b>	Industrials	3.56	-1.20
<b>Koninklijke Vopak NV</b>	Energy	3.51	3.25
<b>Crown Castle Inc</b>	Property Trusts	3.42	0.93
<b>Exelon Corp</b>	Utilities	3.25	0.68

### Top 5 Contributors

Cheniere Energy Inc
Cellnex Telecom SA
Koninklijke Vopak NV
Eiffage SA
Plains GP Holdings LP

### Top 5 Detractors

Vinci SA
Edison International
PG&E Corp
ENN Energy Holdings Ltd
China Resources Gas Group Ltd

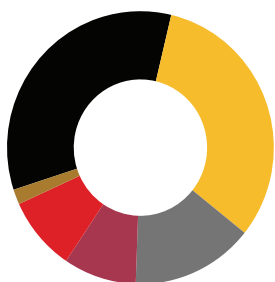
## Fund Commentary

The HSBC Global Infrastructure Equity Fund was roughly flat in January. There was positive contribution coming from all sectors, except Utilities which offset most of the relative performance. The recent fires in California have been shocking for their destruction of property and loss of life and have implicated the state's three major listed utilities. On a stock specific basis, Plains GP, was one of the top contributors this month. The North American energy infrastructure company performed well after announcing \$670mn of acquisitions and a share buyback programme.

Commentary continued next page

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## Sector Allocation



◆ Utilities	33%
◆ Energy	32%
◆ Industrials	15%
◆ Property Trusts	9%
◆ Communication Services	9%
◆ Cash	2%

## Geographic Allocation



◆ United States	43%
◆ Canada	15%
◆ United Kingdom	8%
◆ Mainland China	8%
◆ France	7%
◆ Italy	4%
◆ Other Locations	15%

## Portfolio Strategy and Outlook

Infrastructure is at the beginning of a multi-decade investment cycle, due to secular trends such as energy transition and digitalisation. The investment team believe that the growth of listed infrastructure will continue to be supported by these strong secular tailwinds and its underlying characteristics, such as resilient cash flows generating potentially high distribution levels that are very attractive in this market environment.

The Fund maintained an overweight position to the telecommunications sector. As the investment team are getting close to the end of initial 5G coverage rollout phase, network technology and fast device evolution will continue driving strong data consumption, which in turn require further network densification in the near future. Additionally, while the AI hype has been present in the data center industry for some time, tangible bookings and results are now starting to materialise. Supply constraints and energy challenges will persist in the near term, creating a tight demand-supply dynamic that provides strong tailwinds for the sector.

The investment team also have an overweight position to the industrials sector. The team expect wealth effects, new transport technologies and continued urbanisation to support long term growth in demand for mobility. In the short run, the sharp 'recovery' in volume from COVID has transitioned into more normalised rates of growth aligned to employment, growth and industrial production trends. This has resulted in more idiosyncratic trends, depending on geography and type of asset. The investment team remain focused on assets supported by strong local demographic factors.

The investment team have slightly reduced the underweight position to the utilities sector. Whilst macro-economic and commodity prices pressures have come off their peaks in recent years, which has also helped create a more supportive environment for utilities to invest, the team are currently underweight the sector due to relative valuations.

The underweight position to Energy has slightly increased due to the sector's recent strong performance. The shift towards growth mindset, driven by strong expectations for gas demand related to power generation and data centers has reflected current valuations in the sector.

### Features of global listed infrastructure

#### Essential assets

Assets that are the backbone of society, providing essential and valuable services for the stability and growth of the economy

#### Sustainable earnings

Assets that can generate inflation-linked, long-dated and sustainable earnings growth through economic cycles

#### Government backing

Infrastructure spending has been heavily featured in recovery programs as governments aim for GDP multiplier effects

#### Long cycle

A multi-decade investment cycle, supported by trends such as urbanisation, energy transition and digitalisation

### For more information, contact Copia.

1800 442 129 | [clientservices@copiapartners.com.au](mailto:clientservices@copiapartners.com.au) | [copiapartners.com.au](http://copiapartners.com.au)

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