

# Magellan Infrastructure Fund (Currency Hedged) (Managed Fund)



TICKER: MICH | ARSN: 612 467 580

AS AT 31 AUGUST 2024

## PORTFOLIO MANAGER

GERALD STACK

### INVESTMENT PHILOSOPHY

To prudently invest in outstanding infrastructure and utilities companies at attractive prices that exhibit highly predictable cashflows.

### OBJECTIVES

To achieve attractive risk-adjusted returns over the medium to long term; while reducing the risk of permanent capital loss.

### PORTFOLIO CONSTRUCTION

Relatively concentrated portfolio of typically 20 to 40 investments.  
Typical cash and cash equivalents exposure between 0 - 20%.

### INVESTMENT RISKS

All investments carry risk. While it is not possible to identify every risk relevant to an investment in the fund, we have provided details of risks in the Product Disclosure Statement. You can view the PDS for the fund on Magellan's website [www.magellangroup.com.au](http://www.magellangroup.com.au).

## MAGELLAN INFRASTRUCTURE FUND (CURRENCY HEDGED) (MANAGED FUND): KEY PORTFOLIO INFORMATION

TICKER	FUND SIZE	BUY/SELL SPREAD	MANAGEMENT AND PERFORMANCE FEES <sup>1</sup>	INCEPTION DATE
MICH	AUD \$636.7 million	Nil	1.06%, and performance fee of 10% of dual hurdle excess return <sup>^</sup>	19 July 2016

<sup>^</sup> 10.0% of the excess return of the units of the Fund above the higher of the Index Relative Hurdle (S&P Global Infrastructure Index A\$ Hedged Net Total Return) and the Absolute Return Hurdle (the yield of 10-year Australian Government Bonds). Additionally, the Performance Fees are subject to a high water mark.

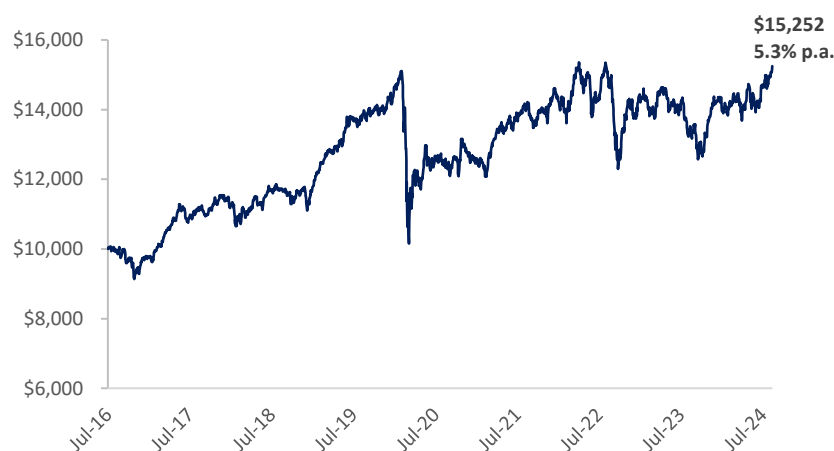
### PERFORMANCE<sup>2</sup>

	1 MONTH (%)	3 MONTHS (%)	1 YEAR (%)	3 YEARS (% p.a.)	5 YEARS (% p.a.)	7 YEARS (% p.a.)	Since Inception (% p.a.)	OUTPERFORMANCE CONSISTENCY <sup>+</sup>
MICH	2.3	6.0	13.6	2.8	1.9	4.5	5.3	48%
S&P Global Infrastructure Index A\$ Hedged Net Total Return	3.1	4.6	16.7	7.1	4.5	4.7	5.8	-
Excess	-0.8	1.4	-3.1	-4.3	-2.6	-0.2	-0.5	-

CALENDAR YEAR RETURNS	CYTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (part year)
MICH	7.0	3.7	-6.0	15.2	-11.2	25.5	-0.4	17.5	-2.8
S&P Global Infrastructure Index A\$ Hedged Net Total Return	12.9	3.4	1.3	13.7	-11.9	25.3	-6.7	14.4	-0.4
Excess	-5.9	0.3	-7.3	1.5	0.7	0.2	6.3	3.1	-2.4

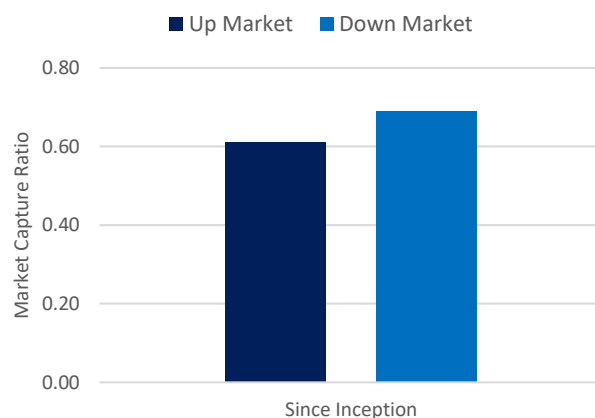
Past performance is not a reliable indicator of future performance.

### PERFORMANCE CHART GROWTH OF AUD \$10,000<sup>2</sup>



Past performance is not a reliable indicator of future performance.

### MARKET CAPTURE<sup>3</sup>



<sup>1</sup> Transaction costs may also apply – refer to the Product Disclosure Statement. All fees are inclusive of the net effect of GST.

<sup>2</sup> Calculations are based on NAV prices with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable). Returns denoted in AUD.

<sup>3</sup> Market Capture is calculated after fees measured against the monthly return of the MSCI World Net Total Return Index (A\$ Hedged). Up market capture shows how the fund performed relative to the index while the market is rising. Down market capture shows how the fund performed relative to the index while the market is falling. All MSCI data used is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI and its affiliates assume no liability for or in connection with the data. Please see complete disclaimer in [www.magellangroup.com.au/funds/benchmark-information/](http://www.magellangroup.com.au/funds/benchmark-information/)

<sup>+</sup> Outperformance consistency indicates the percentage of positive excess returns for rolling 3 year returns since inception.

## TOP 10 HOLDINGS (ALPHABETICAL ORDER)

STOCK	SECTOR <sup>4</sup>
Aena SME SA	Airports
Dominion Energy Inc	Integrated Power
Ferrovial SE	Toll Roads
Norfolk Southern Corporation	Rail
Sempra Energy	Integrated Power
Severn Trent	Water Utility
Transurban Group	Toll Roads
United Utilities Group Plc	Water Utility
Vinci SA	Toll Roads
Xcel Energy Inc	Integrated Power

## TOP CONTRIBUTORS/DETRACTORS 1 YEAR<sup>5</sup>

TOP 3 CONTRIBUTORS	CONTRIBUTION TO RETURN (%)
Ferrovial	1.8
Aena SME SA	1.7
Norfolk Southern Corporation	0.9

TOP 3 DETRACTORS	CONTRIBUTION TO RETURN (%)
Atlas Arteria	-0.4
Energy Inc	-0.4
Groupe ADP	-0.1

## MONTHLY SUMMARY

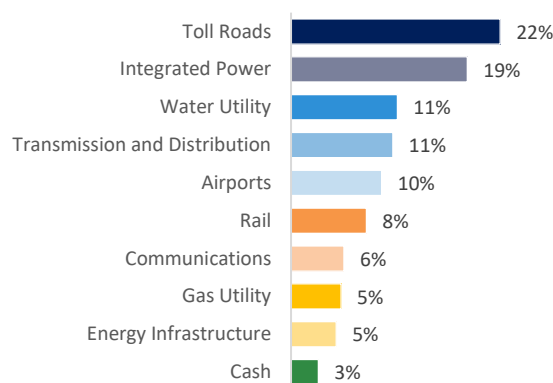
The portfolio recorded a positive return for August, as markets continued to value the defensive nature of infrastructure businesses.

The key contributors for the month were Aena, WEC Energy and Dominion Energy. Aena, an important holding, partially recovered from declines experienced during July where concerns about travel weakness and political concerns in Catalonia affected sentiment. WEC Energy, a Wisconsin-based utility business, performed strongly, with results and guidance demonstrating ongoing growth and support from industrial drivers such as data centre demand to support AI developments. Similarly, Dominion Energy, a diversified US utility, delivered strong performance after the release of its 2Q result.

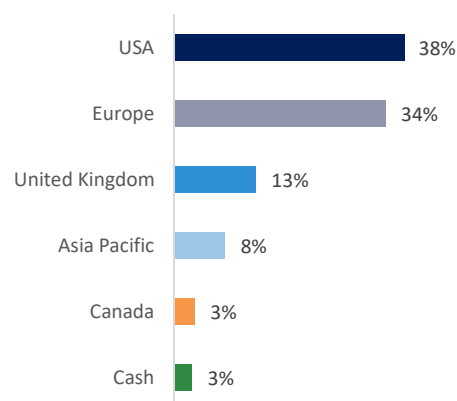
The key detractors were Atlas Arteria, CSX and United Utilities. Atlas Arteria, owner of motorways in France and the US, was down during the month on limited news and prior to both its results release and announcement of new CEO Hugh Wehby, news we considered to be positive for the outlook of the business. CSX, a US freight rail business, was down modestly as investors continued to handicap the risk of a weaker economic outlook. Finally, United Utilities was down modestly as investors continued to assess the outcomes of the ongoing regulatory review.

*Stock contributors/detractors are based in local currency terms unless stated otherwise.*

## SECTOR EXPOSURE<sup>4</sup>



## GEOGRAPHICAL EXPOSURE<sup>4</sup>



<sup>4</sup> Sectors are internally defined. Geographical exposures are by domicile of listing. Exposures may not sum to 100% due to rounding.

<sup>5</sup> Shows how much the stock has contributed to the fund's gross return for the period in AUD. Excludes non-disclosed positions established in the latest quarter.

## IMPORTANT INFORMATION

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