Contactus@
ausbil.com.au

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Ausbil Global Essential Infrastructure Fund – Unhedged

Quarterly performance update

June 2026

Ausbil Investment
Management Limited
ABN 26 076 316 473
AFSL 229722
Level 27
225 George Street
Sydney NSW 2000
GPO Box 2525
Sydney NSW 2001
Phone 61 2 9259 0200

Performance

Returns as at 30 June 2026

Period	1 month	3 months	6 months	1 year	2 years pa	3 years pa	4 years pa	5 years pa	7 years pa	Since Inception pa[4]
Fund Return[1] (%)	4.76	0.89	8.92	12.04	19.37	10.54	9.16	9.65	7.44	9.63
OECD G7 CPI Index plus 5.5% pa[2] (%)	0.78	2.14	4.06	8.29	8.25	8.51	9.53	9.86	9.01	8.86
Out/Under Performance (%)	3.98	-1.25	4.86	3.75	11.12	2.03	-0.37	-0.21	-1.57	0.76
FTSE Developed Core Infrastructure 50/50 Net Tax Total Return Index (AUD)[3] (%)	4.80	0.87	6.87	9.44	15.01	10.64	8.41	9.44	6.75	8.64
Out/Under Performance (%)	-0.05	0.02	2.05	2.60	4.36	-0.11	0.75	0.21	0.69	0.98

‘We continue to believe the investment environment favours high-quality infrastructure assets’

Performance Review

Fund performance for the quarter ending June 2026 was +0.89% (net of fees) versus the benchmark return of +2.14%, as measured by the OECD G7 CPI Index plus 5.5% pa, and the reference index return of +0.87% as measured by the FTSE Developed Core Infrastructure 50/50 Net Tax Total Return Index in AUD.

Global equity markets finished the June quarter strongly as investor confidence improved following a de-escalation in Middle East tensions and continued evidence that the global economy remained resilient despite elevated interest rates. The easing of concerns surrounding the Strait of Hormuz removed a significant geopolitical risk premium from energy markets, with oil prices retracing sharply after spiking earlier in the quarter. Expectations for imminent monetary easing were pushed further out as inflation remained stubbornly above central bank targets and economic activity proved more resilient than anticipated. As a result, government bond yields moved higher during the quarter, although they retraced from their peaks into quarter end, easing some pressure on interest-rate-sensitive sectors.

Against this backdrop, Essential Infrastructure performed well. North American rail (+12%) was the largest positive contributor, led by Canadian National Railway (+19%) and CSX (+16%). The sector benefited from improving sentiment towards freight volumes, with investors increasingly looking through near-term macro uncertainty towards stronger operating leverage and margin expansion as demand normalises. Elsewhere, European transport rose 9%, led by Greek toll road operator GEK Terna (+31%), which reported strong FY25 results and highlighted continued momentum in Greece’s infrastructure investment pipeline.

On the negative side, mobile phone towers fell globally, led by Crown Castle (-6%) in the US and Cellnex (-6%) in Europe. The sector weakened as investors reassessed the outlook for interest rates, with expectations of rates remaining higher for longer weighing on long-duration infrastructure assets despite resilient underlying operating performance. UK utilities also gave back some of their strong first quarter gains, falling 3%, with Pennon (-12%) and SSE (-6%) the largest detractors. Rising UK government bond yields and profit-taking following the sector’s strong first quarter performance weighed on investor sentiment.

Top 10 Stock Holdings

Name	Fund %
Entergy	6.43
CSX	5.37
H20 America	5.33
NextEra Energy	5.10
Cheniere Energy	5.01
Williams Cos	4.21
Norfolk Southern	3.81
SSE	3.30
Xcel Energy	3.27
Fraport AG Frankfurt Airport	3.26

Sector Allocation

Sector	Fund %
Communications Infrastructure	7.59
Energy Infrastructure	15.70
Transportation	29.39
Utilities	45.88
Cash	1.43
Total	**100.00**

Region Allocation

Region	Fund %
Asia Pacific	0.00
Europe	23.88
North America	69.68
United Kingdom	5.01
Cash	1.43
Total	**100.00**

1. Fund returns are net of fees but before taxes and assume distributions are reinvested. Past performance is not a reliable indicator of future performance.
2. The benchmark is the OECD G7 CPI Index plus 5.5% per annum, which is an accumulation index maintained by Ausbil.
3. The Fund’s reference index is the FTSE Developed Core Infrastructure 50/50 Net Tax Total Return Index (AUD). Although the Fund is not managed to this reference index, Ausbil believe the reference index a more widely recognised global listed infrastructure index for investors and so is more useful for comparison and reference purposes.
4. Since Inception December 2018.

Fund Outlook

We continue to believe the investment environment favours high-quality infrastructure assets with predictable cash flows, strong balance sheets and inflation-linked earnings. The structural drivers underpinning the asset class remain firmly in place. Electricity demand continues to accelerate as AI and data centre investment expands, requiring significant investment across generation, transmission and distribution networks. At the same time, energy security remains a strategic priority for governments, supporting continued investment in LNG export infrastructure, natural gas networks and electricity grids. Although geopolitical tensions eased during the quarter, the events surrounding the Strait of Hormuz reinforced the importance of diversified and reliable energy supply chains. We expect this to remain a supportive long-term theme for selected North American energy infrastructure assets.

Valuations across infrastructure remain compelling on a risk-adjusted basis, particularly given the sector's combination of resilient earnings growth, inflation protection and defensive characteristics. We continue to identify attractive stock-specific opportunities where we believe long-term cash flow growth is not fully reflected in current market prices, while maintaining a disciplined focus on quality, capital allocation and valuation.

Infra-know

Why the electricity grid has become the new investment bottleneck

Much of the attention surrounding artificial intelligence has focused on semiconductors and data centres. However, a less appreciated challenge is the electricity grid itself. While new generation can often be built within a few years, expanding transmission and distribution networks typically takes much longer due to planning, permitting and construction requirements.

As electricity demand accelerates from AI, electrification and reshoring of manufacturing, investment in the grid is becoming increasingly critical. For regulated utilities, this creates a multi-year opportunity to expand their asset base through higher capital investment, supporting long-term earnings growth while continuing to provide the stable, inflation-linked cash flows that have traditionally characterised the sector.

Companies such as NextEra Energy, Entergy and National Grid are investing billions of dollars to modernise and expand their networks, positioning them to benefit from one of the largest regulated infrastructure investment cycles in decades.

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Ausbil Investment
Management Limited
Level 27
225 George Street
Sydney NSW 2000
Australia
Toll Free 1800 287 245

More information on the OECD G7 CPI Index plus 5.5% pa benchmark

The OECD G7 CPI Index is published on a monthly basis (five weeks after the end of the period) and represents the weighted average changes in the prices of consumer goods and services purchased by households for the Group of 7 countries in the Organisation for Economic Co-operation and Development (**OECD**). The Group of 7 countries are Canada, France, Germany, Italy, Japan, United Kingdom and United States. Ausbil maintains an accumulation index calculated by converting the movement in OECD G7 CPI Index reported, plus 5.5 per annum into a daily return. As the OECD usually publishes the OECD G7 CPI Index around five weeks after the end of the period, eg the 31 December data will generally not be released by the OECD until the first week of February, the performance return for the benchmark in the table provided is estimated using the previous months OECD G7 CPI Index. As the OECD G7 CPI Index calculation methodology allows for historical revision of the index (such as when an included country revises their national accounts), at a minimum we will update any material revisions to reported OECD data first published during the previous six months when presenting performance data in Fund reports. However, we do not republish previously released reports due to OECD data revisions. The OECD G7 CPI Index is published on the OECD website at: **https://www.oecd.org/en.html**