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Ausbil Global Essential Infrastructure Fund – Hedged

Monthly performance update

July 2025

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Performance
Returns as at 31 July 2025

Period	1 month	3 months	6 months	1 year	2 years pa	3 years pa	4 years pa	Since Inception pa[4]
Fund return[1] (%)	2.02	3.69	8.33	16.01	7.99	2.93	5.66	7.59
OECD G7 CPI Index plus 5.5% pa[2] (%)	0.67	1.98	3.99	8.15	8.56	9.81	10.24	9.75
Out/under performance (%)	1.34	1.71	4.34	7.85	-0.57	-6.88	-4.57	-2.16
FTSE Developed Core Infrastructure 50/50 Hedged to AUD Net Tax Index[3] (%)	1.55	2.95	6.74	11.06	9.51	3.96	5.52	7.04
Out/under performance (%)	0.47	0.74	1.59	4.95	-1.53	-1.03	0.14	0.56

"Our focus stays on high quality assets with regulated or contracted cash flows, inflation linkage, and long asset lives'

Performance Review

Fund performance for the month ending July 2025 was +2.02% (net of fees) versus the benchmark return of +0.67%, as measured by the OECD G7 CPI Index plus 5.5% pa, and the reference index return of +1.55% as measured by the FTSE Developed Core Infrastructure 50/50 100% Hedged to AUD Net Tax Index.

North America was the key contributor in July, led by railroads and AI-exposed utilities. One of the most significant developments this month was Union Pacific's confirmed bid for Norfolk Southern. This marks a pivotal moment in our Trump 2.0 playbook, as deregulation is a key part of the pro-business policies for the administration.

There is also growing speculation that CSX could be acquired by BNSF, Berkshire Hathaway's prized infrastructure asset. If it proceeds, it will represent the most transformative shift in US rail this century. Even without a formal bid, the sector is rerating. Both Union Pacific and CSX are top ten holdings in the Fund and were up more than 10% for the month.

Meanwhile, AI continues to drive a historic buildout in data centre infrastructure. You cannot train advanced models on simple computing. They need power, and lots of it. The Fund remains well positioned through Constellation Energy, Duke Energy, Entergy, NextEra, and PSEG with a combined Fund weight of nearly twenty percent. Together, these companies account for more than half of US nuclear capacity, which is emerging as the most credible zero-carbon solution to meet AI-driven power demand.

We are also seeing renewed momentum in US LNG exports, as natural gas plays a growing role in trade diplomacy. Recent tariff negotiations with Japan and the EU have elevated LNG as a strategic bargaining chip. The EU's commitment to purchase $750 billion of US energy exports will underwrite continued investment in US energy infrastructure. Fund holdings Cheniere and Venture Global (market leaders in US LNG export) are direct beneficiaries, supported by long-term contracts and rising volumes.

Top 10 Stock Holdings

Name	Fund %
Italgas	5.42
NextEra Energy	5.20
CSX	4.96
Norfolk Southern	4.90
Cheniere Energy	4.09
Public Service Enterprise	3.74
AENA SME	3.58
Entergy	3.54
Eversource Energy	3.29
Exelon	3.20

Sector Allocation

Sector	Fund %
Communications Infrastructure	5.25
Energy Infrastructure	15.28
Transportation	28.10
Utilities	51.11
Cash	0.26
Total	**100.00**

Region Allocation

Region	Fund %
Asia Pacific	2.90
Europe	21.87
North America	70.39
United Kingdom	4.57
Cash	0.26
Total	**100.00**

1. Fund returns are net of fees, before taxes and assume reinvestment of distributions.
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 Hedged to AUD Net Tax Index. 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 19 October 2020.

Fund Outlook

While tariffs and mixed signals from the US economy have created near-term uncertainty across markets, we remain positive on the outlook for both the US and Europe as the case for Essential Infrastructure strengthens. Infrastructure has limited exposure to tariffs and serves as a relative safe harbour in volatile times. The global shift toward electrification, data connectivity, and energy security is driving steady demand for the physical assets that enable it all.

Our focus stays on high quality assets with regulated or contracted cash flows, inflation linkage, and long asset lives. In a market that rewards resilience and discipline, these traits are not optional but essential. We remain fully invested, with a focus on downside protection, capital efficiency, and long-term structural growth.

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Infra-know

Despite the scale of the US rail network, one of its biggest inefficiencies sits right in the middle of the country. Chicago remains a freight bottleneck, where trains can be delayed for days navigating a maze of outdated switchyards and competing rail lines.

A transcontinental corridor, made possible by a Union Pacific and Norfolk Southern merger, could bypass this congestion entirely. Saving up to two days on coast-to-coast freight would not just improve logistics, it would deliver a step change in network productivity.

With AI improving freight flows and deregulation opening the door for meaningful consolidation, US rail is evolving. It is no longer just about moving goods, it is about rebuilding how supply chains function from start to finish.

The future of freight may not be flying drones or driverless trucks. It might just be faster, cleaner, smarter trains.

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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: **www.oecd.org/std/prices-ppp/**.