

# HSBC Global Infrastructure Equity Fund

Fund report | 31 March 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

Quarterly

### 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 (p.a.)*
HSBC Global Infrastructure Equity Fund	2.84	4.56	2.97	15.07	17.59
Dow Jones Brookfield Global Infrastructure Index*	3.32	6.50	6.35	19.30	19.47
<b>Outperformance</b>	-0.48	-1.94	-3.38	-4.23	-1.88

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.

\* SI (p.a.) annualised total return since inception (SI) hedged for performance calculation purposes to 31 January 2025.  
+ Hedged to AUD

Top 10 Holdings	Sector	Absolute (%)	Active (%)
Enbridge Inc	Energy	6.75%	-0.75%
Cheniere Energy Inc	Energy	6.47%	3.28%
American Tower Corp	Property Trusts	6.11%	-0.13%
Eversource Energy	Utilities	4.92%	3.52%
National Grid PLC	Utilities	4.80%	-0.16%
Vinci SA	Industrials	4.29%	-0.66%
Cellnex Telecom SA	Communication Services	4.28%	2.66%
Crown Castle Inc	Property Trusts	3.72%	0.94%
Exelon Corp	Utilities	3.55%	0.70%
PG&E Corp	Utilities	3.31%	0.99%

### Top 5 Contributors

Crown Castle Inc  
Edison International  
Eiffage SA  
Pennon Group PLC  
ENN Energy Holdings Ltd

### Top 5 Detractors

Japan Airport Terminal Co Ltd  
Dominion Energy Inc  
China Resources Gas Group Ltd  
CSX Corp  
China Tower Corp Ltd

## Fund Commentary

The strong positive momentum of the last two years continued its reversal for global equities in March as weak US performance continues to drag on Global Indices, with the MSCI World declining -4.5%. There has been growing uncertainty from markets about President Trump's policies on both corporate and consumer sentiment, as well as the slowing growth in the US economy. On the other hand, historically defensive infrastructure equities materially outperformed broader equities by 8.6%, as investors adjusted their risk appetites.

The Fund slightly underperformed the Dow Jones Brookfield Global Infrastructure Index (in USD, gross of fees) during the month. Telecommunications and Utilities were detractors, whilst Industrials was the largest contributor. On a stock specific basis, Eiffage was one of the largest contributors in March. The French headquartered international concession / contracting operator continued to benefit from reporting FY results that materially beat market expectations earlier this year.

Commentary continued next page

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## Sector Allocation



◆ Utilities	35%
◆ Energy	31%
◆ Industrials	15%
◆ Communication Services	9%
◆ Property Trusts	10%
◆ Cash	1%

## Geographic Allocation



◆ United States	46%
◆ Canada	14%
◆ United Kingdom	9%
◆ Mainland China	8%
◆ France	7%
◆ Spain	4%
◆ Other Locations	12%

## 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 an 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 investment team have also maintained an underweight position to the energy sector. The shift towards growth mindset, driven by strong expectations for gas demand related to power generation and data centers has been reflected by the current valuations seen 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.

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