

INVESTMENT OBJECTIVE

The Global Infra-Energy Fund (the Fund) is focused on infrastructure and energy business segments to provide exposure to companies that are operating in essential industries around the world. We explore the entire infrastructure and energy value chains which benefit under different economic scenarios that lead to higher returns.

The Fund targets an annual total return of 10 % with income component of greater than 3.5% yield.

Our investment approach is bottom-up, value-oriented with a quality overlay, index agnostic, and thematic-driven.

FUND OVERVIEW

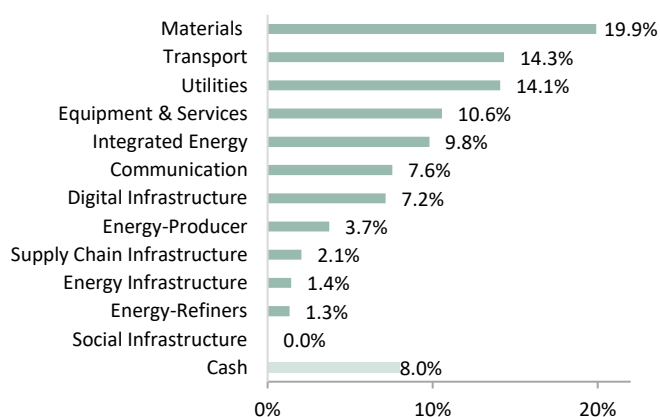
Portfolio Manager	Roy Chen
Performance Target	10% per annum
Asset Class	International Shares
Coverage	All Global Equity Markets
Currency	AUD Unhedged
Cash Holdings	Up to 35%
Entry/Exit Price	\$1.0230/\$1.0199

PERFORMANCE

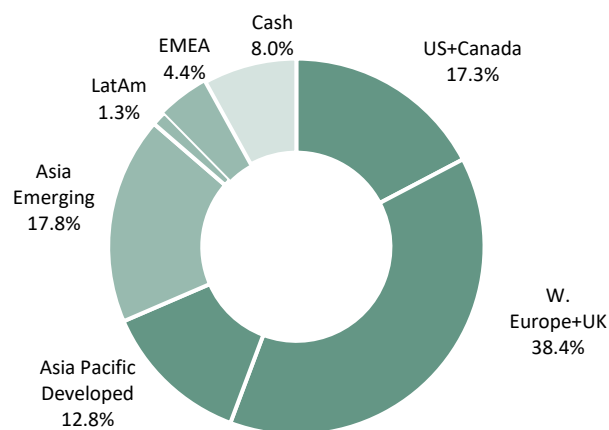
Total Return	1 month	3 month	6 month	YTD	1 Year	Since Inception**
Global Infra-Energy Fund*	4.1%	5.2%	12.3%	15.5%	27.1%	21.0%
Performance Target					10.0%	

*Performance is based on the movement in net asset value per unit plus distributions before tax and after all fees and charges. Imputation and foreign tax offsets are not included in these numbers. **Inception date is 1 August 2017 and calculated cumulatively

SECTOR EXPOSURE



REGIONAL EXPOSURE



TOP 10 HOLDINGS

Company	Country	Industry Segment	Mkt Cap \$USbn	ND/EBITDA	Div Yield	Weight
1 Telenor ASA	Norway	Communication	24	2.1	6.1%	2.2%
2 Schneider Electric SE	France	Equipment & Services	95	1.6	1.8%	2.0%
3 Shin-Etsu Chemical Co Ltd	Japan	Materials	67	-2.1	1.4%	2.0%
4 Linde plc	Germany	Materials	159	1.4	1.3%	1.9%
5 Deutsche Post AG	Germany	Transport	84	1.9	2.4%	1.8%
6 Royal Dutch Shell Plc Class A	Netherlands	Integrated Energy	155	3.9	3.3%	1.8%
7 Total Energies SE	France	Integrated Energy	115	2.5	7.2%	1.8%
8 Enterprise Products Partners L.P.	United States	Energy Infrastructure	49	4.0	8.0%	1.8%
9 Iberdrola SA	Spain	Utilities	77	3.8	3.4%	1.8%
10 United Parcel Service, Inc. Class B	United States	Transport	138	1.5	2.1%	1.7%

PORTFOLIO COMMENTARY

- The best performing segments in the portfolio were Transport followed by Utilities and Telecoms. Shipping companies generated significant alpha. Weaker segments were energy-related and the more economic sensitive names within Materials. Conversely, the more defensive Integrated Energy and Specialty Chemicals sectors performed well.
- Regionally, the rebound from Asia Pacific & EM was a huge positive for the portfolio. Some of our EM exposures were among the best performers such Thailand +12.1%, Mexico +6.2% and Russia +4.2%. Our Chinese holdings on average did +10.4% compared to MSCI China of +0%. 2 of the top 5 performers came from China and 1 each from Thailand and Mexico.
- The Fund also benefited from the strength shown in both US and Europe.
- We exited with good gains in a number of holdings: **Enterprise Products** US (Energy Infrastructure) +34%; **Kawasaki Kisen** Japan (Transport-Diversified Shipping) +31%; **LyondellBasell** US (Material-Petrochemicals) +19% and **Zim Integrated** (Transport-Shipping) +15%.
- New purchases included **Albemarle** US, a Top 2 Lithium Producer globally, two Digital Infrastructure stocks- **United Microelectronics** Taiwan and **Renesas Electronics** Japan and two specialist Energy Shipping companies -**Flex LNG** Norway for LNG and **Dorian** US for LPG, as well as **PTT Global Chemicals** Thailand.

PORTFOLIO POSITIONING

- Despite a lot of negative news on Chinese equities, we continue to take a constructive approach to Emerging Markets (EM) which includes China. We are close to reaching a 25% weighting in EM by selectively casting our net wider outside of Asia in countries such as Russia, Mexico and Kazakhstan.
- Asia still accounts for the bulk of EM exposure with 10% in China, 5.5% in Thailand, 2% in Taiwan, 1.4% in Malaysia and 1% in S Korea. Combined with Japan 9.4%, we have 30% in Asia.
- **A couple of key observations** - Metals/Miners in the Material sector very overbought then became very oversold in August. This was very much triggered by steel production cuts in China which in turn hit iron-ore prices. Having already taken profits earlier in Fortescue Metals, Steel Dynamics and Posco Steel Korea, our high conviction calls are: 1) **Aluminium** - best demand/supply situation and yet not overbought. We have two stocks here, **Norsk Hydro** Norway and **Hongqiao** China, both are among the top 4 integrated

aluminium companies globally; 2) **Copper** – despite a sell-off after its quarterly results, we maintain a positive view on **Aurubis** Germany, the largest copper recycling company. We believe that the circular economy of recycling metals will be a key megatrend.

- The chips shortage and shipping delays highlighted last month are not going away any time soon and thus justifying our substantial weightings in both Digital Infrastructure and Transport. Another 37 companies reported their results during the month with 24 of these beating expectations. Among the best includes the likes of **BP** and **Sinopec** China (both integrated energy), China Everbright Environment (utilities) and Transport stocks, **Nippon Yusen**, **Mitsui OSK** (both Japan), **SITC** China and **Flex LNG** Norway all of which have a strong outlook and solid dividend support.

PORTFOLIO CHARACTERISTICS

Net Asset Value	\$1.023
Number of stocks	79
Net cash position	8.0%
Dividend yield	3.4%
Price/Earnings FY1	16.0
Market capitalisation \$USbn	59.1
EV/EBITDA	12.9
ND/EBITDA	2.5

TOP 5 PERFORMERS

Company	Return
1 Nippon Yusen Kabushiki Kaisha	51.57%
2 Mitsui O.S.K.Lines,Ltd.	51.16%
3 China Everbright Environment	28.42%
4 Star Bulk Carriers Corp.	26.13%
5 KunLun Energy Co. Ltd.	23.23%

BOTTOM 5 PERFORMERS

Company	Return
1 Hoegh LNG Partners LP	-20.56%
2 Aurubis AG	-15.63%
3 Beach Energy Limited	-11.68%
4 Namyong Terminal Public Co. Ltd.	-10.24%
5 Woodside Petroleum Ltd	-9.22%

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