

SHINING A LIGHT ON THE.....
Vontobel Fund II – Duff and Phelps Global Listed Infrastructure Fund

AT A GLANCE

Investment Objective
The Fund aims to achieve an attractive capital growth in USD. While respecting the principle of risk diversification, the Fund's assets are exposed to the global infrastructure sector by i.a. mainly investing in equities, equity-like transferable securities, including transferable securities issued by infrastructure companies and companies that qualify as closed-ended real estate investment trusts, which are listed on a Regulated Market or on one of the markets referred to in section 9 "Investment and Borrowing Restrictions" of the General Part and which are involved in telecommunication services, utilities, transportation, and energy industries, as well as participation certificates, etc. issued by companies worldwide.

Launch date	6 th July 2020
Fund Factsheet Link	https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F0000159YG

Management	
Manager Name	Start Date
Connie Luecke	6 th July 2020
Steven Wittwer	6 th July 2020

FUND PERFORMANCE

Performance from 6th July 2020 to 31st March 2021:

	2020	2021
Vontobel Fund II – Duff and Phelps Global Listed Infrastructure Fund	1.15%	0.82%
FTSE World ex UK	11.94%	4.04%

Performance over 12 months, 3 years, 5 years and since fund manager inception:

	Since launch
Vontobel Fund II – Duff and Phelps Global Listed Infrastructure Fund	-1.98%
FTSE World ex UK	16.46%

You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

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Tracking Error	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
-	55.68	-	-	-	-	-	Blend / Large

Volatility Measurements	
3-Yr Std Dev (volatility)	-
3-Yr Mean Return (average)	-

Investment Style Details	
Giant	17.90%
Large	59.57%
Medium	21.16%
Small	0.00%
Micro	0.00%

Top 5 Holdings – 40 holdings		
NextEra Energy Inc	Utilities	6.90%
American Tower Corp	Real Estate	5.35%
Aena SME SA	Industrials	4.15%
Union Pacific Corp	Industrials	4.06%
Transurban Group	Industrials	3.99%

Top 5 Sectors	
Utilities	48.11%
Industrials	29.11%
Energy	10.35%
Real Estate	9.47%
Communication Services	2.96%

Top 5 Regions	
United States	53.60%
Spain	12.22%
Canada	10.82%
Australia	6.04%
Denmark	3.68%

UPDATE....

The strategy is fairly new and is managed by Duff and Phelps. The main four sub sectors are communications, utilities, transportation, and energy. They look to invest in companies with high barriers to entry and predictable returns. They believe listed infrastructure is a better investment and provides better liquidity.

As an idea of where it invests, this includes US railroads which is likely to benefit from higher oil prices as companies switch away from trucks to cheaper means of moving goods. Cell towers are a good inflation trade, with 3% annual increases in the US and CPI in Europe. Other areas they like are toll roads, airports, and utilities.

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We discussed the potential for stranded assets, and they explained that in the US most utilities are regulated and if closed then they would be compensated. In terms of mid-stream assets, they think the transition will take time and therefore the risk in the short term is small. They believe the bigger risk is that individuals believe the change will happen faster than it actually does.

The fund was launched last year but the heritage behind Duff and Phelps goes back to 1935 and this strategy is at the heart of what they have always done. It looks to hold between 40 to 60 holdings and has a yield of around 3%. ESG is part of the process and this is an article 8 fund. This means that it is a fund that promotes environmental and social characteristics. This does not mean it is a sustainable investment, but it does include some elements of good practice within the process.

In summary, this is a new fund but clearly the link with Duff and Phelps ensures that the manager has a proven skillset in investing in infrastructure. At a time when clients are looking for diversification, infrastructure is a natural alternative option to consider. This would be a fund we would add to our watchlist to monitor performance and compare to other funds in the sector.

The source of information in this note has been provided by Vontobel and is correct as at April 2021. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.