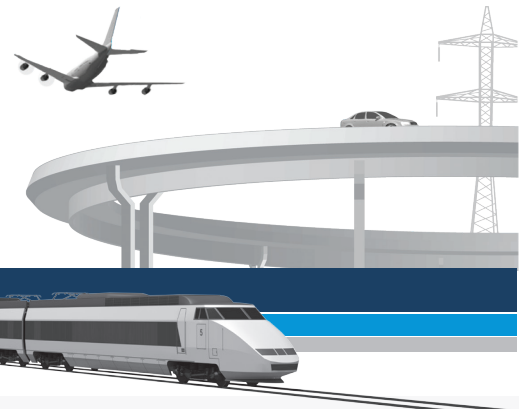


First State Global Listed Infrastructure Fund

Monthly Review and Outlook

November 2017



- The Fund invests in global listed infrastructure and infrastructure-related securities.
- Investing in shares in a single sector may expose the Fund to greater volatility than investing in multiple sectors. The value of the Fund may be impacted by risks associated with listed infrastructure including changes in environmental regulations. It is possible that the entire value of your investment could be lost.
- All or part of the Fund's fees and expenses may be paid out of capital resulting in an increase in distributable income and effectively a distribution out of capital. Similarly in certain circumstances dividends may be paid out of capital. This amounts to a partial return of an investor's original investment, or from any capital gains attributable to that original investment, and may result in an immediate decrease of the Net Asset Value per share.
- You should not base your investment decision solely on this document. You should not invest unless the intermediary who sells it to you has advised you that the Fund is suitable for you and explained how it is consistent with your investment objectives.

Market Review

Global listed infrastructure gained in November as healthy economic data continued to buoy investor confidence. The FTSE Global Core Infrastructure 50/50 index (USD, Net TR) rose +1.7% during the month, while global equities returned +2.2%.

The best performing infrastructure sectors were Railroads, Water Utilities and Airports. US railroads gained as momentum built on legislation to cut corporate taxes; while US September quarter GDP was revised up to a three-year high of 3.3%. Water utilities were helped by solid returns for US-listed operators. Airport gains were led by European operators, on robust passenger volumes and airline capacity increases.

The worst performing sector was Ports, which gave up some of their strong ytd returns after plans were announced to reduce container handling tariffs at several Chinese ports in order to reduce logistics costs for export industries.

The best performing region was Australia / NZ, whose utilities, toll roads and airports were lifted by a robust domestic economy and lower local bond yields. The worst performing region for a third consecutive month was United Kingdom, where the precarious political situation continued to weigh on infrastructure stocks.

Performance Review

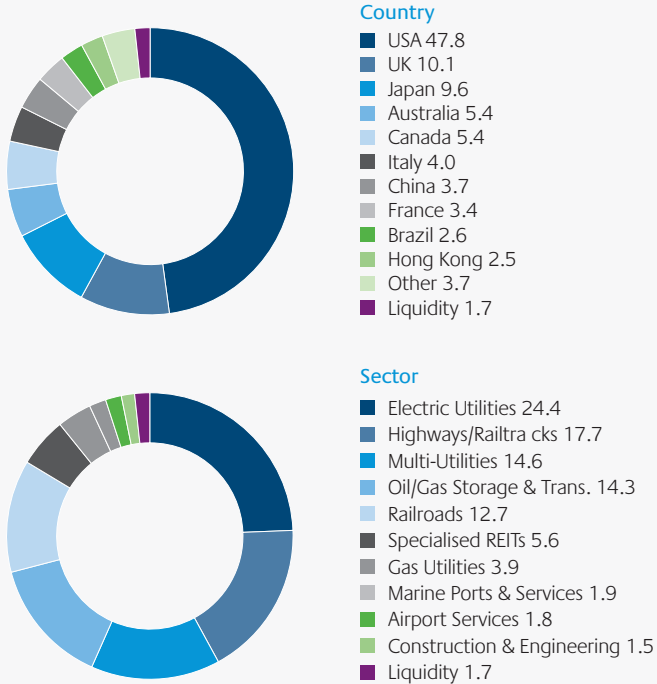
The Fund returned -0.2% in November¹, 187 basis points behind the FTSE Global Core Infrastructure 50/50 Index (USD, Net TR). The best performing stock in the portfolio was US freight rail operator CSX, closely followed by Union Pacific and Norfolk Southern. These stocks rallied on growing hopes for corporate tax cuts; freight rail's strong pricing power reducing the risk that the resulting benefit to earnings would be competed away.

	Cumulative Performance in USD (%) ¹					
	3 mths	YTD	1yr	3yrs	5yrs	Since inception
Class I (USD - H Dist)	-0.5	17.0	18.7	23.6	64.4	70.0
Benchmark*	1.3	20.0	23.2	24.8	72.3	68.4

	Calendar Year Performance in USD (%) ¹				
	2016	2015	2014	2013	2012
Class I (USD - H Dist)	11.7	-5.7	12.3	17.3	10.4
Benchmark*	11.3	-6.0	13.6	17.9	12.7

¹ Source: Lipper & First State Investments, Nav-Nav (USD total return) as at 30 November, 2017. Since inception date: 27 June 2008. Performance is based on First State Global Listed Infrastructure Fund Class I (USD - H-Dist). This is the semi-annually dividend distribution class of the fund. The performance quoted are based on USD total return (with dividend reinvested). Dividends are not guaranteed and may be paid out of capital. *The benchmark displayed is the FTSE Global Core Infrastructure 50/50 Index.

Asset Allocation (%) ²



Top 10 holdings (%) ²

Stock name	Sector	%
National Grid plc	(Multi-Utilities)	8.3
Kinder Morgan Inc Class P	(Oil/Gas Storage & Trans.)	6.1
Transurban Group Ltd.	(Highways/Railtracks)	5.4
Dominion Energy Inc COM	(Multi-Utilities)	5.2
East Japan Railway Co	(Railroads)	4.6
NextEra Energy, Inc.	(Electric Utilities)	4.4
American Tower Corporation	(Specialised REITs)	4.3
Atlantia S.p.A	(Highways/Railtracks)	4.0
Southern Company	(Electric Utilities)	3.7
PG&E Corporation	(Electric Utilities)	3.6

The portfolio's airports holdings also delivered consistently positive returns. Spanish operator AENA rose as passenger volumes continued to beat expectations and concerns about Catalonia's recent independence drive receded. Japan Airport Terminal rallied as earnings for the six months to the end of September were buoyed by robust inbound tourism numbers, helped by a weaker yen and political tensions that drew Chinese tourists to Tokyo rather than to Seoul.

The portfolio's highways & railtracks stocks delivered positive returns – as long as they were in developed markets. European operators including Getlink [the new name for Eurotunnel], Vinci and Atlantia fared relatively well as healthy volumes remained supportive of earnings growth.

However, Brazil's CCR fell as October's robust +4.4% increase in Brazil's toll road traffic was overshadowed by uncertainty over the trajectory of Brazil's economic recovery. Jiangsu Expressway also underperformed as investor appetite for emerging markets assets waned.

China ports were affected by the National Development and Reform Commission (NDRC) announcement of tariff cuts. COSCO Shipping Ports reflected the surprise in the market,

given operators had recently noted the potential for tariffs to be raised at key hub ports. Rounding off a disappointing month for port stocks, Japanese peer Kamigumi fell as higher than expected costs weighed on its September quarter earnings.

The fund initiated a position in freight rail operator Canadian Pacific Railway. The company owns and operates a 12,400 mile rail network which connects business centres across Canada and extends into the US Midwest and Northeast regions. The company operates alongside larger peer Canadian National Railway as an effective duopoly in many markets. Although Canadian Pacific's market share has been under pressure, indications that it may now have scope to recover market share (slipping customer service metrics at Canadian National) and its relatively appealing valuation caused us to establish a position in the stock.

Holdings in US electric utility Eversource Energy, which delivered strong gains to investors during the Fund's extended holding period, were completely sold as concerns grew about potential delays to its Northern Pass transmission line project. We also exited tower company SBA Communications. Substantial outperformance this year, driven by investor enthusiasm for the tower sector's structural growth and improving earnings outlook, reduced mispricing and moved the stock lower within our value and quality stock ranking process.

Market Outlook and Fund Positioning

The Fund invests in a range of global listed infrastructure assets including toll roads, airports, ports, railroads, utilities, pipelines and mobile towers. These sectors share common characteristics, like barriers to entry and pricing power, which can provide investors with inflation-protected income and strong capital growth over the medium-term.

Toll Roads represent the Fund's largest overweight sector exposure. These are high quality, low risk companies with robust cash flow generation, high operating margins and effective barriers to entry. The scope to negotiate with governments to secure additional compensation in exchange for capital expenditure gives the sector a growth optionality that is consistently under-estimated by the market. European toll roads are currently going through an earnings upgrade cycle, as improving economic conditions support consistent volume growth in France, Spain and Italy.

The Fund is also overweight Railroads. Japanese passenger rail stocks such as East Japan Railway and Central Japan Railway are run by experienced management teams; and own stable, large-scale assets. These companies have been somewhat overlooked in 2017 as investors have focussed on higher beta areas of the market; and are now trading on appealing valuation multiples, despite robust commuter volumes on their trains. The Fund also holds several North American freight rail companies. A robust US economy is expected to translate into stronger volume growth and improved pricing over the coming quarters; the Trump administration's proposed corporate tax changes represent an additional potential tailwind.

² Source: First State Investments as at 30 November, 2017.

On a more cautious note, global listed infrastructure has delivered pleasing absolute returns to investors over several years. We would be wary of extrapolating previous years' performance numbers into the future. A number of sectors, particularly airports and some US utilities, have now traded up to valuations that we find difficult to justify on fundamentals.

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