

Argo Global Listed Infrastructure Limited (AGLI) is a listed investment company established in 2015 to provide investors with exposure to a diversified portfolio of securities in the global listed infrastructure sector, contained within the simple and easily tradeable structure of an ASX-listed investment company. The investment objectives are to provide a total return for long-term investors, consisting of capital growth and dividend income, and to provide important diversification benefits for Australian investors.



Market overview

Recent sharp falls in global equity markets have highlighted the benefits of diversifying some investment exposure into defensive assets such as infrastructure. Following a prolonged period of steady gains, global equity markets hit turbulence in the latter part of the 2018 calendar year. The MSCI World Index fell sharply to end the December quarter down -11.0% in A\$ terms. Australia's equity market fared only slightly better with the S&P/ASX 200 Index down -8.2% over the period. Market volatility was sparked by various factors, including growing US/China trade tensions, fears of a global economic slowdown and tightening credit conditions.

With these issues weighing on sentiment, investors shifted away from cyclical stocks and toward more defensive assets. Attracted by stable and consistent cash flows, many investors sought refuge from the tumultuous conditions in infrastructure stocks. Although infrastructure stocks declined over the quarter, the shift away from risk assets saw global listed infrastructure companies significantly outperform broader equities.

A feature of global listed infrastructure is its historically low correlation to broader equity markets. In falling markets, the asset class typically provides investors with downside protection, which means it falls much less than general equity markets. In contrast with volatility in broader equities over recent months, global listed infrastructure stocks have delivered steady returns.

Half year result announcement

AGLI's financial result for the half-year ended 31 December 2018 will be released to the ASX on 18 February 2019.

Argo Global Listed Infrastructure Limited

Website www.argoinfrastructure.com.au
Email invest@argoinfrastructure.com.au
Telephone 08 8210 9555
Postal/Registered Address L25, 91 King William Street
Adelaide SA 5000

ACN 604 986 914

Share Registry
Website
Telephone
Postal Address

Computershare Investor Services
www.investorcentre.com
1300 389 922 (in Australia)
+61 3 9415 4610 (outside Australia)
GPO Box 2975 Melbourne VIC 3001



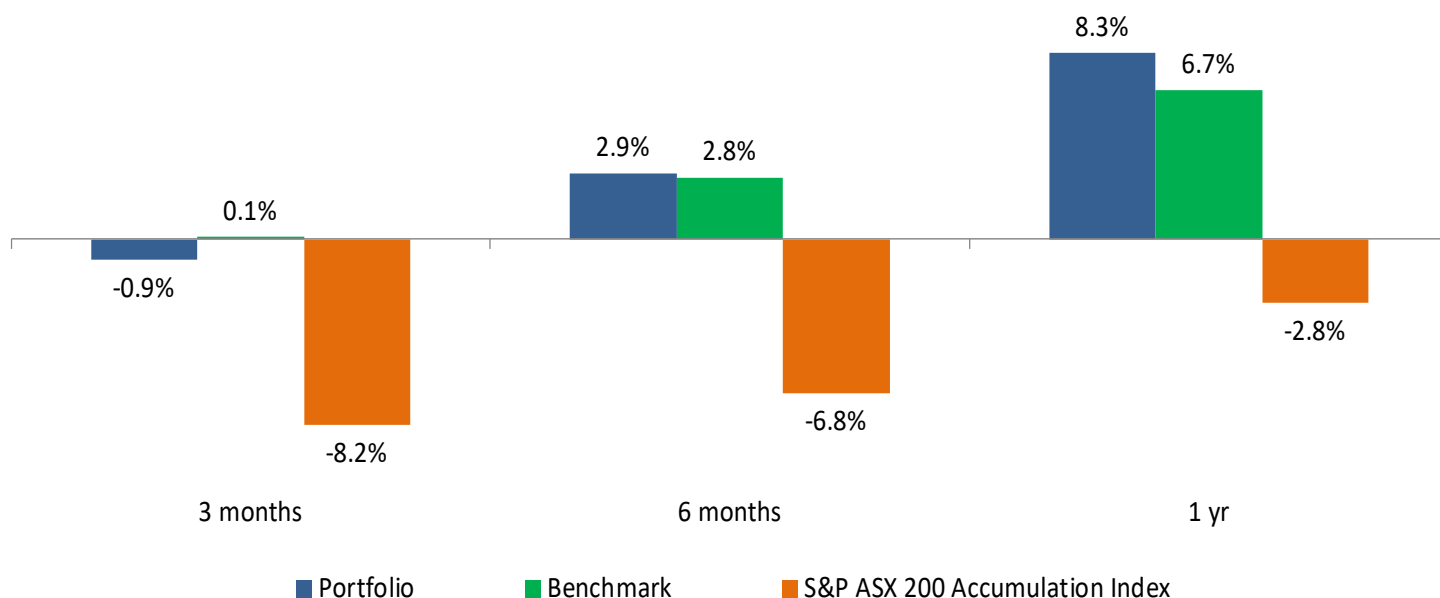
Portfolio performance

Amid considerable market weakness, AGLI's portfolio displayed resilience by declining just -0.9% in the December quarter to outperform the MSCI World Index \$A by +10.1% and the S&P/ASX 200 Index by +7.3%. For the six months to 31 December 2018, AGLI's portfolio rose +2.9%, outperforming broader global equities and Australian shares by +7.5% and +9.7% respectively.

This performance reflects not only the defensive nature of the sector but also the expertise of our specialist portfolio manager, Cohen & Steers. Based in New York and listed on the NYSE, Cohen & Steers is one of the world's leading real asset fund managers. As AGLI is unhedged for currency, the portfolio has also benefited from the weaker Australian dollar.

Total returns

For the periods ended 31 December 2018



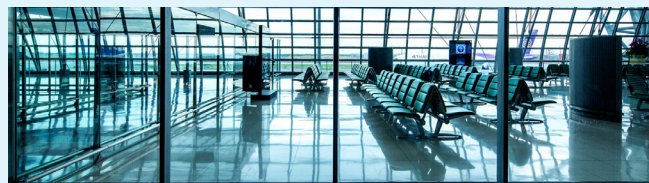
Stock snapshot

Airports of Thailand (AOT)

- Owner of Thailand's six international airports, the company was formed when the Thai government privatised the country's airports in 2002.
- AOT is a beneficiary of increasing tourism in the region and successful government initiatives to attract more visitors from China in particular. Thailand's recently expanded visa waiver program is set to provide a further tailwind to AOT.
- Total passenger numbers grew to almost 40 million in 2018, up 8.0% on the previous year.
- Strong growth in passenger numbers contributed to a 22.0% increase in net profit in FY2018.
- Listed on the Stock Exchange of Thailand (SET), the company's major shareholder is the Ministry of Finance which holds 70% of AOT shares.
- AGLI's eleventh largest holding and largest airport holding.
- Strong outlook with AOT adding capacity through the development of four additional airports this year.



AOT AIRPORTS OF THAILAND PLC.
บริษัท ท่าอากาศยานไทย จำกัด (มหาชน)



Top 10 portfolio holdings

As at 31 December 2018

Security Name	Country of listing	Subsector	Portfolio %	Index %
NextEra Energy	US	Integrated Electric	5.8	4.2
American Tower	US	Communication Towers	4.6	3.4
Enbridge	CAN	Midstream Energy	3.6	3.1
Crown Castle International	US	Communication Towers	3.2	2.2
American Water Works Company	US	Water	2.7	0.8
FirstEnergy	US	Integrated Electric	2.6	0.9
Atmos Energy	US	Gas Distribution	2.6	0.5
Kinder Morgan	US	Midstream Energy	2.5	1.5
Transurban Group	AUS	Toll Roads	2.4	3.8
Duke Energy Corporation	US	Regulated Electric	2.3	3.1
			32.3	23.5

Outlook

Although the global economy continues to expand above-trend, we expect growth will moderate over the coming months. While macroeconomic and political uncertainties persist, AGLI's portfolio is positioned to provide exposure to more defensive assets among the listed infrastructure companies.

If the Australian dollar further weakens, this would provide further upside to AGLI's portfolio.

Overall, recent performance has confirmed our belief in the strong investment characteristics and diversification benefits of global listed infrastructure. We continue to believe that the asset class provides an attractive investment opportunity with defensive qualities and stable, long-term returns. Multiple factors point to a strong, long-term outlook for global listed infrastructure as structural, rather than cyclical, factors drive the continued and increasing need for private sector investment in infrastructure. AGLI provides investors with exposure to the benefits of this asset class and important diversification benefits to Australian equity investors.

Sign up!

To receive email notifications of latest company announcements, videos, articles and research. Subscribe on our website: www.argoinfrastructure.com.au

