

# FP Foresight Global Real Infrastructure (Lux) Fund

## Management Commentary

Foresight

30 September 2024

The Fund invests in developed market “real infrastructure” companies that own or operate critical infrastructure assets which ensure the smooth functioning of economies, and that provide a net social or environmental benefit. The Manager takes an active approach to investing in infrastructure companies with high quality, predictable and often inflation linked cash flows from strong counterparties. The Fund seeks to grow, over any 5-year period, by more than 3% per annum above the rate of UK inflation (as measured by the UK Consumer Prices Index).

5.06%

Monthly Performance

(17.00%)

Total Return Since Inception\*

€22.92m

Fund Size at 30/09/2024

Class A Acc (EUR). Past performance is not a reliable indicator of future results. \*The Fund's inception date is 29 October 2021.

## Market Update

- Inflation continues to moderate in major economies, with US Consumer Pricing Index (“CPI”) slowing for a fifth consecutive month to 2.5% in August 2024 from 2.9% in July 2024. Core inflation persists due to elevated service sector costs, but both the Federal Reserve and the European Central Bank undertook cuts in line with sustained evidence of current inflation trajectories.
- The Federal Reserve cut the Fed Funds policy rate by 50bps in September and the European Central Bank cut rates by a further 25bps. Markets were divided over the size of the US cut, as concerns regarding growth and labour market resiliency mounted. The reduction in rates bodes well for listed infrastructure equities, reducing borrowing costs and improving asset valuations.

## Portfolio News

- Infratil Ltd (“IFT”), a New Zealand-based investor of diverse infrastructure assets, announced its support for Contact Energy's proposed acquisition of Manawa Energy. Infratil currently holds a 51% stake in Manawa, which has now entered into a Scheme Implementation Agreement that will allow Contact to acquire full ownership (100%). Since 1994, Infratil has played a pivotal role in facilitating Manawa's growth through multiple transformative transactions, and this acquisition is seen as the logical next step in that journey. Should the deal proceed successfully, it will generate a substantial return on Infratil's initial investment while providing the company with capital to invest in other accretive opportunities.
- During the period, Cordiant Digital Infrastructure (“CORD”), a UK-based investor in digital infrastructure, hosted an investor site visit in Prague to explore the assets of České Radiokomunikace (“CRA”). The visit included a tour of CRA's flagship asset, the 216-meter Žižkov Tower, which supports FM and radio broadcasting, telecommunication services, and a data centre at its base. The visit showcased the significant value of CRA's extensive broadcast tower portfolio, highlighting the strong cash generation potential, which underpins CORD's strategy to invest capital into high-growth data centre opportunities. The visit reaffirmed CORD's strength as a high-quality manager, demonstrating its expertise in acquiring assets at attractive multiples, while delivering strong returns.
- Greencoat Renewables (“GRP”), an Ireland based owner of renewable energy assets, also posted healthy 1H24 results with strong cash generation resulting in a 2.9x dividend cover. GRP continues to demonstrate disciplined capital allocation, progressing with the buyback program and expecting over €400m of excess cash generation over the next five years.



Foresight

## Portfolio Changes

- During the month, the Managers completed building a position in National Grid Plc ("NG"). NG is the first investment in grid networks for the Fund and importantly meets all of the Fund's infrastructure investment principles. As governments pursue decarbonisation targets, grid infrastructure must modernise to accommodate a more diverse energy mix, including renewable sources, while adapting to decentralised electricity networks.

## For further information about the Fund, contact:

Matt Morris  
Fund Sales – Foresight Capital Management  
mmorris@foresightgroup.eu  
+44 (0)7792 842 316

Nick Brown  
Fund Sales – Foresight Capital Management  
nbrown@foresightgroup.eu  
+44 (0)20 3911 1323

Charlie Evans  
Fund Sales – Foresight Capital Management  
cevens@foresightgroup.eu  
+44 (0)20 3667 8116

## Important Marketing Notice

For the following additional information on the Foresight SICAV Fund, please refer to the Fund's product page available [here](#).

- A summary of investor rights in connection with your investment; and
- Further information about the sustainability-related aspects of the sub-fund.

The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus. Either Foresight Group LLP or FundRock Management Company S.A. may terminate arrangements for marketing under the denotification process in the new Cross-border Distribution Directive (Directive EU) 2019/1160.

## Important Notice

The issue or circulation of this factsheet pursuant to this disclaimer is for investors in the Channel Islands only, being those residents in the Bailiwick of Guernsey and/or the Bailiwick of Jersey.

Guernsey: Neither the Guernsey Financial Services Commission nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it in the factsheet or otherwise. If you are in any doubt about the contents of the factsheet you should consult your accountant, legal or professional adviser or financial adviser. It should be remembered that the price of securities and the income from them can go down as well as up. The promotion of shares in the Company by Foresight Group Promoter LLP (FCA reference: 806061) may only be offered or sold in or from within the Bailiwick of Guernsey to persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 2020, the Banking Supervision (Bailiwick of Guernsey) Law, 2020, the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020. Foresight Group Promoter LLP has provided written notice to the Guernsey Financial Services Commission of the date from which it intends to carry out the promotional activity noted above.

Jersey: This factsheet is a financial service advertisement for the purposes of the Financial Services (Advertising) (Jersey) Order 2008, as amended from time to time. This factsheet does not constitute a prospectus or admission document relating to the FP Foresight Global Real Infrastructure (Lux) Fund and should not be relied on by any person for any purpose. It is not required to, and does not, contain all the information which would be required in a prospectus. This document may not be used for, nor does it constitute or form part of any offer or invitation to purchase or subscribe for or to make any commitments for or in respect of any investment in any securities in the FP Foresight Global Real Infrastructure (Lux) Fund.

Isle of Man: The Company is an unregulated collective investment scheme for the purposes of Isle of Man law. Accordingly, the promotion in the Isle of Man of the Fund or the issue or distribution of promotional material in relation to the Fund is restricted by Section 3(1) of the Collective Investment Schemes Act 2008 and, pursuant to Section 3(2) of that Act, may only be issued or promoted in the Isle of Man to certain categories of licence holder under the Financial Services Act 2008, an authorised insurer within the meaning of section 8 of the Insurance Act 2008, or to a person whose ordinary business involves the acquisition or disposal of property of the same kind as the property, or a substantial part of the property, to which the Company relates. The Fund is not subject to approval in the Isle of Man and investors are not protected by any statutory compensation arrangements in the event of the Fund's failure. The Isle of Man Financial Services Authority does not vouch for the financial soundness of the Fund or the correctness of any statements made or opinions expressed with regard to it in this Prospectus. Furthermore, pursuant to Regulation 5 of the Collective Investment Schemes (Promotion of Schemes other than Authorised and Recognised Schemes) (Exemptions) Regulations 2010, the Fund may also be promoted in the Isle of Man by an appropriate licence holder (namely the holder of a licence under Section 7 of the Financial Services Act 2008 which allows it to undertake Class 2 or Class 3 regulated activities) to, amongst others, a person who is not a retail investor.



The value of an investment in the Fund, and any income from it, can fall as well as rise. Investors may not get back the full amount they invest. Past performance is not a reliable indicator of future results. We recommend investors seek professional advice before deciding to invest. Investors must read the Fund Prospectus ("Prospectus"), dated July 2023 and Key Investor Information Document ("KIID"), dated February 2024, before making an investment decision. The opportunity described in this document may not be suitable for all investors. Attention should be paid to the risk factors set out in the Prospectus. Words and expressions defined in the Prospectus shall have the same meaning in this Investor Factsheet. Foresight Group does not offer investment or tax advice. There are a number of other risks connected to an investment in the Fund, including (but not limited to) counterparty risk, liquidity risk and volatility. These risks are explained in the Fund Prospectus. This has been approved as a financial promotion for the purposes of Section 21 of the Financial Services and Markets Act 2000 by Foresight Group LLP ("Foresight Group"). Foresight Group is authorised and regulated by the Financial Conduct Authority (FRN 198020). Its registered office is The Shard, London SE1 9SG. FundRock Partners Limited is regulated by the FCA and is the authorised corporate director of the Fund and Foresight Group is the investment manager. Unless stated otherwise any opinions expressed are those of Foresight Group and may change. They should not be viewed as indicating any guarantee of return from an investment managed by Foresight Group nor as personalised advice or recommendation of any nature. This document should not be taken as a recommendation or offer by anyone in any jurisdiction in which such an offer is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. Portfolio holdings are subject to change at any time without notice and information about specific securities should not be construed as a recommendation to buy or sell any securities. We respect your privacy and are committed to protecting your personal data. If you would like to find out more about the measures we take in processing your personal information, please refer to our privacy policy, which can be found at <http://www.foresightgroup.eu/privacy-cookies>.

