



# Pie Property & Infrastructure Fund

Monthly Update as at 29 February 2024

## PORTFOLIO MANAGER(S)



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\*Toby Woods and Matt Young are responsible for research and analysis.

## FUND COMMENTARY

The Property & Infrastructure Fund returned 1.4% in February, bringing it to a return since inception of 3.5%.

After a quiet start to the year for the fund, we've seen the AI theme broaden out in 2024 to include a number of the sectors we have invested in. US-listed Constellation Energy benefited from this, increasing 38% off the back of solid results and improving outlook due to increased electricity demand from data centres and favourable government policy that sets a price floor for nuclear energy.

Major tech companies are expected to invest \$1 trillion in data centres in the next five years off the back of demand for AI. This will also require more electricity, so data centres in the United States are expected to consume 7.5% of the grid by 2030 versus 2% today. Therefore, we expect our holdings in data centres (Equinix, Next DC, Digital Realty Trust, Goodman Group) and electricity generation (Constellation Energy, WEC Energy) will continue to benefit from these trends.

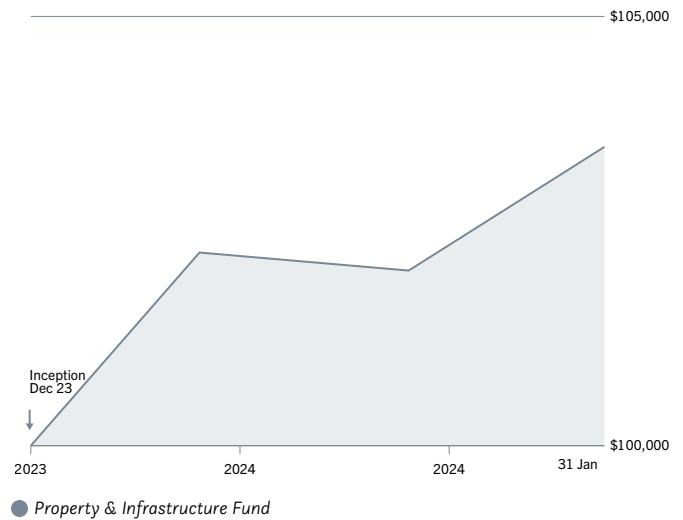
Goodman Group was +17% off the back of an improved earnings outlook as it expects strong demand for its logistics properties and data centres to continue. Aena, up 7% for the month, is the world's largest airport operator. The company is skewed towards Spain, which has benefited from an increased demand for leisure travel post-pandemic, which is expected to continue.

During the month, we exited Auckland Airport. Although the airport is a unique and high-quality asset, it may face headwinds after Air New Zealand's official request to the Minister of Commerce for an inquiry into the regulation of Auckland Airport. The rebound of Chinese tourism has also been sluggish, and therefore, we felt there were better opportunities abroad.

I'll finish with a great quote I read in a research report this week: "If I think about Infrastructure spending in terms of a baseball innings. We haven't even got to the innings. We are tailgating in the parking lot before the game."

## CUMULATIVE FUND PERFORMANCE

If you had invested \$100,000 at inception, the graph below shows what it would be worth today.



## FUND DETAILS

Recommended minimum investment period	7 years
Objective	Capital growth over a period exceeding seven years.
Description	Invests predominantly in listed property and infrastructure securities, directly and/or through externally managed funds.
Inception date	5 December 2023
Standard withdrawal period	5 working days
Risk indicator	<p>Potentially Lower Returns</p> <p>1 2 3 4 5 6 7</p> <p>Potentially Higher Returns</p> <p>Lower Risk Higher Risk</p>

For more information on our funds, please visit [www.piefunds.co.nz/Investor-Documents](http://www.piefunds.co.nz/Investor-Documents)



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## PERFORMANCE

	1 month	3 yrs	5 yrs	10yrs	Since inception
<b>Property &amp; Infrastructure Fund</b>	1.4%				3.5%
<b>MARKET INDEX*</b>	0.6%				1.5%

Returns after fees but before individual PIR tax applied

\*The market index is a composite index (70% S&P Global Infrastructure Fund Net Total Return Index (100% Hedged to NZD), 30% S&P Global REIT Total Return Index (100% Hedged to NZD))

## INVESTMENT MIX

Cash (including Derivatives)	3.6%
European Equities	28.1%
UK Equities	4.1%
US and Canadian Equities	21.9%
New Zealand Equities	9.0%
Australian Equities	7.1%
Listed Property	26.2%



Asset allocation is rounded to the nearest tenth of a percent; therefore, the aggregate may not equal 100%.

## TOP FIVE HOLDINGS (EXCLUDING CASH)

Alexandria Real Estate Equit
Constellation Energy Corp
Contact Energy Ltd
Equinix Inc
Morrison & Co High Conviction Infrastructure Fund

Holdings are listed in alphabetical order and exclude cash.

### UNIT PRICE

# \$1.03

### RETURN SINCE INCEPTION

# 3.5%

after fees and before tax



## Pie Funds

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