



Pie Property & Infrastructure Fund

Monthly Update as at 31 August 2024

PORTFOLIO MANAGER(S)



MIKE TAYLOR

Founder and Chief Investment Officer



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Senior Investment Analyst for Global and UK & Europe Funds



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Investment Analyst - Global

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

FUND COMMENTARY

The Property & Infrastructure Fund returned 2.4% during the month, bringing the return since its inception in December 2023 to 10.0%.

August saw a significant uptick in market volatility after a relatively quiet 12 months. Last month, we noted that the Volatility Index (VIX) rose to its third-highest level, comparable to the spikes during the GFC and COVID. This marked the fastest rise and, equally important, the fastest fall in history. In hindsight, some crowded trades, like Japan (where the Nikkei initially crashed around 25% before recovering), were not enough to undermine the solid economic fundamentals. This serves as a gentle reminder to never take anything for granted as an investor!

The good news for Property & Infrastructure Fund investors is that this environment was a net positive for the Fund, which reached another new all-time high during the month. As a reminder, the Fund benefits when interest rates fall and is also a beneficiary during times of uncertainty, with most infrastructure assets seen as safe havens.

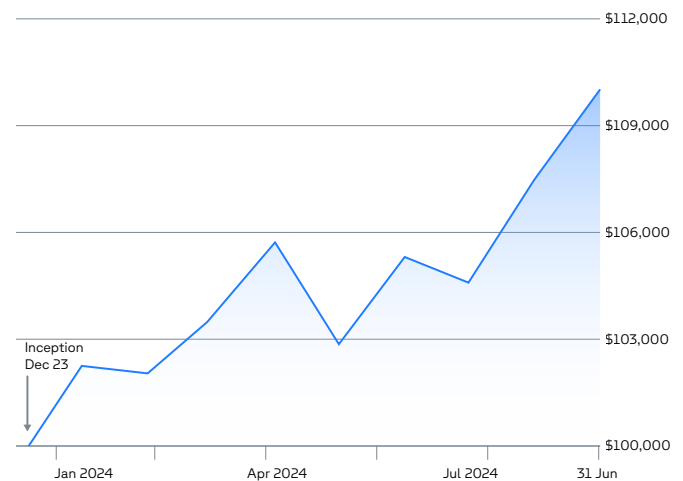
Almost half of our companies reported this month, and results were broadly positive, with three-quarters showing gains. A recent addition that was reported was E.ON, which owns the largest electricity grid in Europe and is on track to invest €42 billion over the next five years.

Over the past 20 years, energy transition policies across Europe have largely focused on renewable energy, while investment in power grids has lagged. However, this is changing, with policymakers now focusing on modernising and expanding power grids. The grid has to cope with growing demand but is also ageing, with nearly half of EU power grids being more than 40 years old. This dynamic is similar in many regions of the world, and we believe there may be bottlenecks in the build-out of grids. We were pleased to hear about E.ON's efforts to future-proof its supply chain, such as increasing its workforce by 2,000 people, standardising key components like high voltage pylons and transformers, and securing certain suppliers for critical materials up to 2033. We view E.ON as a core holding and believe it can compound regulated earnings at an attractive rate for many years to come.

Looking ahead to the next three months, it's likely that volatility will remain elevated. We expect the market to become increasingly focused on the US election as we approach November. However, interest rate cuts from central banks and positive GDP growth should provide the markets with enough resilience to navigate the political uncertainty, serving as a tailwind for this Fund. We remain very bullish on the Fund's prospects.

CUMULATIVE FUND PERFORMANCE

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



● Property & Infrastructure Fund

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	<div style="display: flex; justify-content: space-between; align-items: center;"> Potentially Lower Returns Potentially Higher Returns </div> <div style="display: flex; justify-content: space-around; align-items: center;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; align-items: center;"> Lower Risk Higher Risk </div>

For more information on our funds, please visit www.piefunds.co.nz/Investor-Documents



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PERFORMANCE

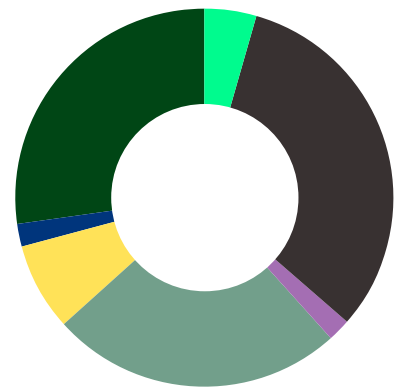
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	Since inception
Property & Infrastructure Fund	2.4%				10.0%
MARKET INDEX*	3.7%				16.9%

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)	4.5%
European Equities	31.7%
UK Equities	1.8%
US and Canadian Equities	24.7%
New Zealand Equities	7.4%
Australian Equities	2.0%
Listed Property	26.7%



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

TOP FIVE HOLDINGS (EXCLUDING CASH)

- E.ON SE
- Infratil Ltd
- Morrison & Co High Conviction Infrastructure Fund
- Talen Energy Corp
- Vonovia Se

Holdings are listed in alphabetical order and exclude cash.

UNIT PRICE

\$1.10

RETURN SINCE INCEPTION

10.0%

after fees and before tax

FUND STATUS

CLOSED

OPEN



Information is current as at 31 August 2024. Pie Funds Management Limited is the manager and issuer of the funds in the Pie Funds Management Scheme. Any advice given by Pie Funds Management Limited is general only. Our advice relates only to the specific financial products mentioned and does not account for personal circumstances or financial goals. Please see a financial adviser for tailored advice. You may have to pay product or other fees, like brokerage, if you act on any advice. As manager of the Pie Funds Management Scheme investment funds, we receive fees determined by your balance, and we benefit financially if you invest in our products. We manage this conflict of interest via an internal compliance framework designed to help us meet our duties to you. For information about how we can help you, our duties and complaint process and how disputes can be resolved, or to see our product disclosure statement, please visit www.piefunds.co.nz. Please let us know if you would like a hard copy of this disclosure information. Past performance is not a reliable indicator of future returns. Returns can be negative as well as positive, and returns over different periods may vary.