



# Ninepoint Global Infrastructure Fund

## February 2019 Commentary

Year-to-date to February 28, the Ninepoint Global Infrastructure Fund generated a total return of 8.59% compared to the MSCI World Core Infrastructure Index which generated a total return of 7.88%. For the month, the Fund generated a total return of 3.06% while the Index generated a total return of 3.04%. After the worst stock market performance in December since 1931, markets rebounded sharply in January and continued to move higher in February.

Year-to-date, the broad market rally has been primarily driven by multiple expansion as sentiment continued to improve and fear continued to dissipate. The Q4 earnings reports were reasonably positive and, with almost all the constituents of the S&P 500 having released results, earnings growth looks to have reached approximately 13% on a year-over-year basis. Expectations for the first quarter of 2019 are more muted, with earnings growth forecasted to decline slightly but investors will likely be more interested in the forward outlooks. Perhaps more importantly, global central banks have clearly pivoted to a more dovish monetary stance in response to slowing economic data and further rate hikes will be highly dependent on evidence that growth is reaccelerating. Finally, trade negotiations between the US and China seem to be progressing well, incremental tariffs have been postponed and most expect some sort of deal to be announced shortly.

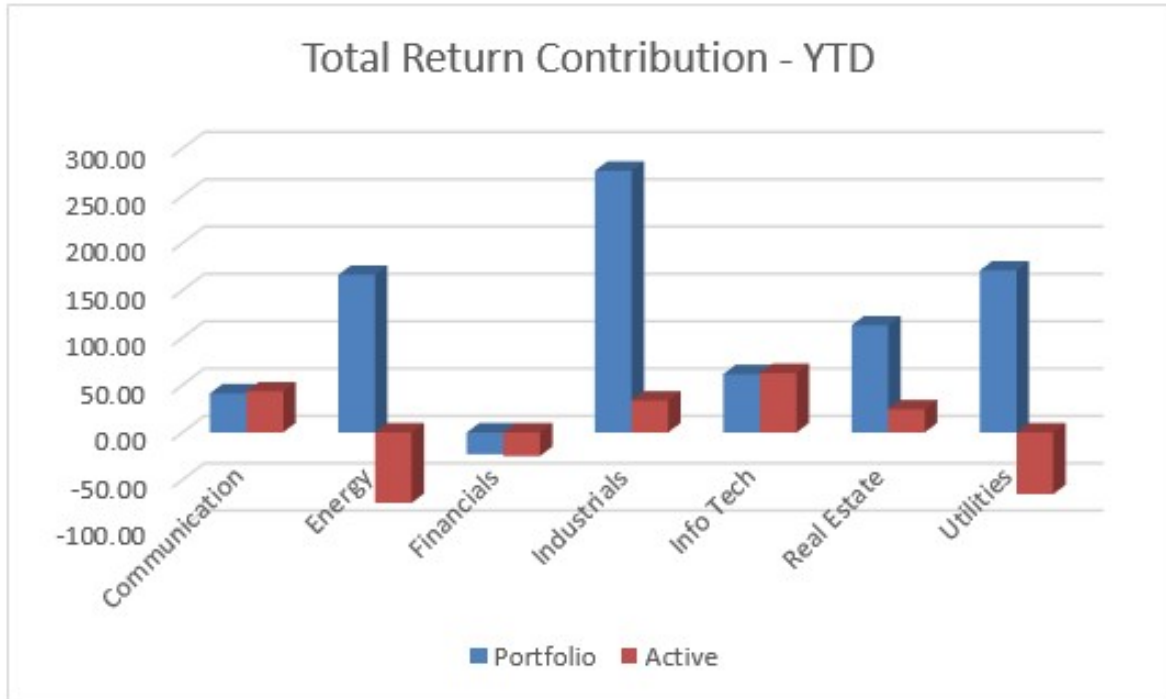
Top contributors to the year-to-date performance of the Ninepoint Global Infrastructure Fund by sector included Industrials (+277 bps), Utilities (+171 bps) and Energy (+167 bps) while top detractors by sector were limited to the Financials (-23 bps).

### Investment Team

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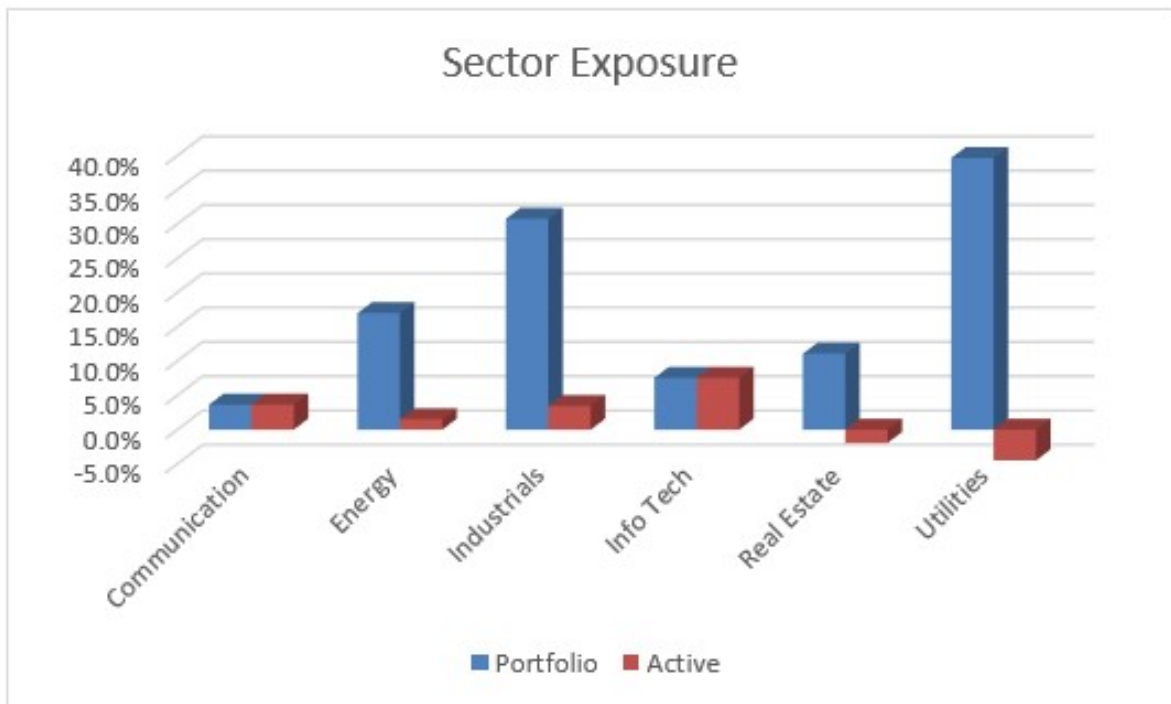


**Jeff Sayer, CFA**  
Vice President, Portfolio  
Manager



Source: Ninepoint Partners

We remain underweight the Utilities and Real Estate sectors and have allocated capital to the Information Technology, Communication and Industrials sectors in line with our “total-infrastructure” approach. As global growth reaccelerates, we expect infrastructure assets that are more tightly tied to GDP growth to outperform more defensive investments, some of which are currently trading at elevated valuations (on both an absolute and relative basis).



Source: Ninepoint Partners

At the stock specific level, top contributors to the year-to-date performance included Pembina Pipeline (+78 bps), Union Pacific (+69 bps) and ONEOK (+53 bps). Top detractors year-to-date included Intercontinental Exchange (-23 bps), Engie (-22 bps) and Plains GP Holdings (-10 bps).

In February, top performers included Public Service Enterprise Group (a multi-utility with operations located primarily in the Northeastern and Mid-Atlantic United States) after reporting solid results and bumping the dividend by 4.4%, Equinix (the world's largest data center and colocation provider) after guiding to revenue growth of 9% to 10% and AFFO per share growth of 10% to 13% in 2019 and Vinci (the France-based engineering, construction and concession operator) after disclosing that French motorway traffic showed a clear improvement in Q1 after declining in Q4 due to the "yellow vest" protests.

The Ninepoint Global Infrastructure Fund was concentrated in 29 positions as at February 28, 2019 with the top 10 holdings accounting for approximately 43.8% of the fund. Over the prior fiscal year, 25 out of our 29 holdings have announced a dividend increase, with an average hike of 10.6%. Using a total infrastructure approach, we will continue to apply a disciplined investment process, balancing valuation, growth and yield in an effort to generate solid risk-adjusted returns.

## Jeffrey Sayer, CFA

### NINEPOINT GLOBAL INFRASTRUCTURE FUND - COMPOUNDED RETURNS<sup>1</sup> AS OF AUGUST 31, 2022 (SERIES F NPP356) | INCEPTION DATE: SEPTEMBER 1, 2011

	1M	YTD	3M	6M	1YR	3YR	5YR	10YR	IN
Fund	1.8%	4.6%	3.0%	8.5%	9.0%	8.6%	8.5%	8.7%	
MSCI World Core Infrastructure NR (CAD)	-1.0%	0.2%	-0.7%	3.8%	4.5%	5.1%	8.0%	11.8%	

<sup>1</sup> All returns and fund details are a) based on Series F units; b) net of fees; c) annualized if period is greater than one year; d) as at February 28, 2019; e) 2011 annual returns are from 09/01/11 to 12/31/11. The index is 100% MSCI World Core Infrastructure NR (CAD) and is computed by Ninepoint Partners LP based on publicly available index information.

**The Fund is generally exposed to the following risks. See the prospectus of the Fund for a description of these risks: capital depletion risk; concentration risk; credit risk; currency risk; cybersecurity risk; derivatives risk; exchange traded funds risk; foreign investment risk; income trust risk; inflation risk; interest rate risk; liquidity risk; market risk; regulatory risk; series risk; short selling risk; small company risk; specific issuer risk; tax risk.**

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Ninepoint Partners LP: Toll Free: 1.866.299.9906. DEALER SERVICES: CIBC Mellon GSSC Record Keeping Services:  
Toll Free: 1.877.358.0540