Fund Summary

OnePath Global Listed Infrastructure Index

OneAnswer Frontier Personal Super

31 March 2025

Fund details

Investment manager	**OnePath Funds Management Limited**
Fund code	MMF8431AU
Asset type	Equity Global Infrastructure - Currency Hedged
Region	Global
Fund size	$9.23 million as at 31 Mar 2025
Commencement date	20 Sep 2021
Distributions	Retained

Investment objective

The fund seeks to track the returns of the FTSE Developed Core Infrastructure 50/50 Net Hedged to AUD Index (including income and capital appreciation) before taking into account fees, charges and taxes.

Investment strategy

The fund will have exposure to global listed infrastructure securities. The weightings relative to the index may vary from the index from time to time. This fund may invest in infrastructure securities that have been or are expected to be included in the indices. Derivatives are not utilised to leverage the portfolio.

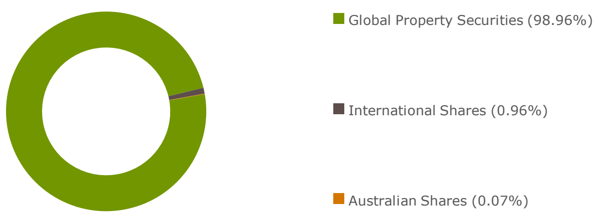
Minimum time horizon

5 years

Standard Risk Measure*

The Standard Risk Measure (SRM) is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20 year period. The SRM for this fund is shown below:

Asset allocation



Fund performance

As at 31 Mar 2025

	1 mth %	3 mth %	1 yr %	3 yr % pa	5 yr % pa	7 yr % pa	10 yr % pa
Total Return †	1.12	4.47	14.39	2.78	-	-	-
Benchmark ‡	1.28	5.05	15.25	2.84	-	-	-
Excess Return	-0.16	-0.58	-0.86	-0.06	-	-	-

Calender year returns	YTD	2024	2023	2022	2021
Total Return †	4.47	11.44	0.39	-3.43	-
Benchmark ‡	5.05	11.87	0.02	-4.15	-
Excess Return	-0.58	-0.43	0.37	0.72	-

* For further information on Standard Risk Measures and the calculation methodology used, go to onepath.com.au/personal/performance/product-updates.aspx

† Returns quoted use the unit price which is calculated using the net asset values for the relevant month end. The prices shown may differ from the actual unit price if an investor is applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction on an investor's investment. Please note that all returns are after the deduction of management fees and expenses and assumes all distributions are re-invested. Where applicable, management fees have been deducted at the highest entry fee option rate. No allowance has been made for entry or exit fees.

‡ Benchmark (FTSE Dvlp Core Infra 50/50 NR Hdg AUD) returns should be used for indicative purposes only. These returns may not be a true indication of this Fund's performance against its investment objective.

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Market and portfolio review

Another month of policy volatility and dampening sentiment has shattered the US exceptionalism narrative that was all but consensus at the start of the year. Rather than deregulation and tax cuts, the policy impetus has instead been on reducing the size of the federal government, instituting broad tariffs, and deporting workers – all measures that will hit growth adversely. US stocks saw steep declines over the month, with the S&P 500, Nasdaq Composite, and Russell 2000 all in negative territory for the year. The S&P 500 was briefly in correction territory. Stocks wavered as Trump administration officials warned of a "period of transition" in response to tariff policy and DOGE-related cuts. A variety of tariffs were imposed through March that helped to keep policy uncertainty significantly elevated, most notably a 25% additional tariff on imports of automobiles and components. In Asia, China's National People's Congress released its growth target for 2025 of 5.0%. China also unveiled plans to 'vigorously boost' consumption through its 30 point "Special Action Plan to Boost Consumption". Trade tensions and general uncertainty may be with us for some time to come. US and global trade fears have converged, with resulting market volatility expected. Trump's tariffs may trigger a wider trade war - hopefully other countries will negotiate even if Trump doesn't. If tariff uncertainties persist for an extended period of time, then there could be downwards pressure on consumption and capex investment, especially in the US. Corporate earnings in the US could also face headwinds. This may explain why there has been a recent pullback to US assets. However, volatility has not risen to levels that are usually consistent with major market bottoms. We would expect markets to remain volatile until there is greater clarity on trade, fiscal, and monetary policy. It may take some time for markets to adjust to a new world trade order. It's important to recognize that the US economy is starting from a comfortable base in terms of growth and we're far from a contraction. Still, the risk of recession rises with each additional impulse of policy uncertainties that are negative for the economy. Geopolitical and economic change may also be creating opportunities elsewhere. There is optimism in Europe due to a generational shift in the willingness and ability to increase defense spending, leading to substantial fiscal stimulus. China is still riding high on DeepSeek's AI success and a broader policy pivot to support private sector entrepreneurs.

Future investment strategy

If we were debating the extent of US slowdown or inflation lift before 'Liberation Day', there seems very little debate about that now. While we clearly have no better idea than anyone else as to where final tariffs end up or what else gets done, retaliation-wise or deal-wise, the administration's intent is very clear, and anyone expecting some material backdown in the short term is likely to be disappointed. Whilst the end-game may also be to reduce not only the US fiscal deficit but also its elevated debt level, the path chosen comes with a potentially fundamental and lasting change to global trade. Pushing the Fed to lower interest rates, and extending consumer and or business tax cuts to cushion the downturn may be the silver bullet Trump and the market is looking for (in the US anyway), but quite a few things have to go his way for that to ultimately play out and work as intended. In the meantime, this period of 'adjustment', to put it mildly, is likely to be disruptive to markets and the economy for some time. Valuations have come down here but are still elevated compared to history. While down from a high of around 20x a few months ago, the overall market multiple of ~17x, against the historical average of ~15x, is still elevated. Given the extent of uncertainty created globally, and that we are only at the start of this cycle where we haven't seen the earnings impacts yet, it would not be a stretch to assume PEs may have to get below long term averages to be considered cheap (in the absence of large interest rate or liquidity responses from central banks). Companies are still on average having earnings downgrades. This is not a great backdrop for stellar market returns or stability near term you would think. So the risk is that the market is trying to price in what we know today, but there could be more to come tomorrow and it could be good or bad. However, we are stressing patience here as volatility is likely to remain for some time. Great opportunities will arise, but for now quality and earnings certainty will be even more important going forward we believe.