



## Hornet Infrastructure - Water Fund (EUR)

26th October 2017

### Investment style

The investment aim of the Hornet Infrastructure - Water Fund is to **achieve long-term capital appreciation** with lower volatility compared to equity markets.

The investment strategy pursues an active, **value-oriented style** without tracking a benchmark.

The fund invests **worldwide in infrastructure** companies with **stable cash flows**.

The fund is a "long only" structure and continually realizes and secures capital gains. The currency exposure is actively managed.

### Investment focus

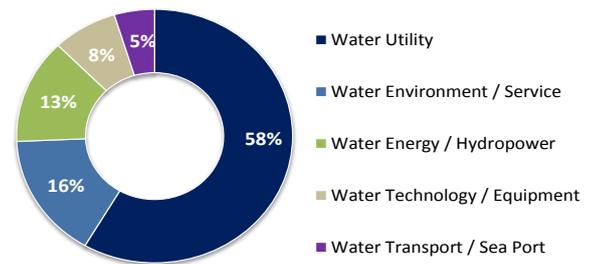
The fund invests its assets **solely in equity** of companies which are **active in the infrastructure sector**, such as water utilities, transportation, communication and social infrastructure facilities.

The focus is on **operational, regulated water utilities, which own the infrastructure facilities** and for example **treat and distribute drinking water regionally** or which are active in energy production (hydro power) or water technology as well as in water environment & services.

### Fund details

<b>Net Asset Value (NAV)</b>	<b>EUR 1'004.25</b>
Fund volume / shares	EUR 30'034'105 / 29'907
Security number / ISIN	3.405.337 / LI0034053376
Fund domicile	Liechtenstein
Asset manager	GN Invest AG, FL-9490 Vaduz
Investment advisor	AC Partners AG, CH-6340 Baar
Depository bank	LLB Liechtensteinische Landesbank AG, FL-Vaduz
Administration	IFM Independent Fund Management AG, FL-Vaduz
Revision	Ernst & Young AG, CH-3001 Bern
Launch / Start	11th October 2007
Fund structure / Sales	OGAW / UCITS IV (since 3rd May 2013)
Management fee	1.5% p.a.
Depository bank / Admin.fee	0.15% p.a. / 0.175 % p.a.
Distribution	none (dividends are reinvested)
Subscriptions / Redemptions	weekly, each Thursday (16:00 CET)
Issue / Redemption price	Asset value per share (NAV + / - any commissions)

### Sector allocation



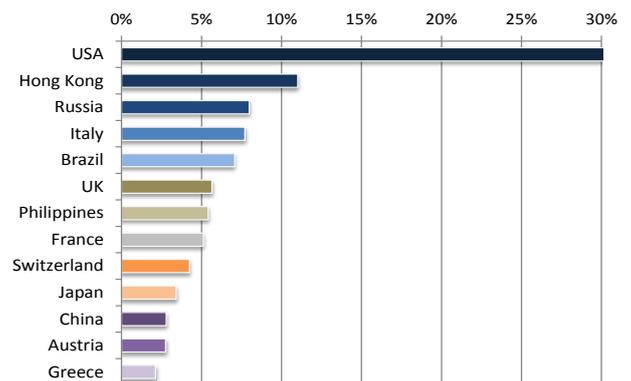
Performance in %	YTD 2017	1 year	2 years	3 years	5 years
Hornet Infrastructure - Water	3.15%	2.69%	13.12%	17.49%	45.85%

Source: IFM / MSCI / Telekurs (fund performance after administrative costs resp. net)

Risk figures	YTD 2017	1 year	2 years	3 years	ince 2007
Volatility p.a.	7.10%	6.86%	10.36%	10.43%	9.33%
Correlation vs. MSCI World	0.70	0.69	0.89	0.82	0.74

Risk profile	Recommended investment horizon
moderate	3 years
<b>medium</b>	<b>5 years</b>
high	7 years

### Country allocation



### Price performance in EUR / NAV



— H Infrastructure - Water Fund (EUR)

### The 10 largest equity positions

Suez	5.12%
ACEA N	4.65%
Novors Sp GDR Reg-S	4.57%
SABESP Sp ADR	4.54%
American Water Works	4.28%
China EB Intl Rg	4.08%
Aqua America Rg	4.08%
American Sts Wat Rg	3.90%
Guangdong Invest Rg	3.64%
SJW Group	3.56%

## General market review

In October 2017, the positive performance of the global equity markets continued. The synchronous economic upswing revived the industry sector in particular. The US Purchasing Manager's Index went up from 53.1 to 54.5 and implies high economic growth rates as it does in Europe. The International Monetary Fund (IMF) estimates that the global economy will grow by +3.7% in 2018. The industrialized countries should grow by +2.0% and the emerging markets by +4.9%. The USD increased slightly against the EUR, although the ECB is using the positive environment to reduce its expanding, monetary volume to some extent.

## Investment portfolio

Our Hornet Infrastructure - Water Fund (EUR) increases by +1.96% to a NAV of EUR 1'004.25 or +3.15% YTD 2017 thanks to the strong water utility sector in the US and Europe. Core positions such as the regionally and organically growing Aqua America, American Water Works or American States Water contributed to the positive performance. In California, for example, not only the constructive regulatory environment does transform into positive performance, but also the sustainably growing and steady investment activity of the water utility companies. In October, we invested the inflow of money into our fund in existing positions, as well as in a new, attractive company from the East Coast in the USA.

## Market review Infrastructure

The infrastructure sector is also picking up on the upward trend in October and is mainly driven by the stable utility companies and the consolidation of the transport sector on high levels. The infrastructure sector reacts less sensitive to short-term market movements or economic cycles. The yield curves in the US continue to reflect a slowing economic upturn, which further improves the relative attractiveness of the infrastructure sector in combination with the increased investment activity.

## Middlesex Water / price USD 44.72

Middlesex Water as a local water utility in New Jersey, Delaware and Pennsylvania is active in regulated as well as in non-regulated businesses. In addition to the operation of regulated water systems, the company serves local communities and private water and sewage systems on a non-regulated contract basis. The company was founded in 1897, has a solid balance sheet and high EBITDA margins of 37-39%. Middlesex Water has been paying dividends since 1912 and announced annual dividend increases since 1973. These are arguments, that convince us and also strengthen our long-term investment case respectively our focused infrastructure portfolio.

## GN Invest AG

Asset Manager  
Tel. +423 239 32 33



## AC Partners AG

Investment Advisor  
Tel. +41 41 711 10 20



This document has been forwarded to you upon request. It is for information purposes only and does not constitute an offer to acquire, any investment advice or recommendation and it is not an independent financial analysis. It does not replace any individual and professional advice from an investment advisor. The information has been compiled with care. However, no guarantee can be given for the correctness and completeness of the information. The prospectus as well as the annual report from the HORNET Infrastructure - Water Fund (EUR) are available for free at GN Invest AG, Vaduz or on the homepage of the IFM Independent Fund Management AG ([www.ifm.li](http://www.ifm.li)). For a detailed risk explanation, please see our fund prospectus.