



Argo Global Listed Infrastructure Limited (AGLI) is a listed investment company which was established in 2015 to provide investors with exposure to a diversified portfolio of securities in the global listed infrastructure sector, contained within the simple and easily tradeable structure of an ASX-listed investment company. The investment objective is to provide a total return for long-term investors, consisting of capital growth and dividend income, and to provide important diversification benefits for Australian investors.



Overview

Global equities climbed to all-time highs in 2017, aided by synchronized global growth, low interest rates and the prospect of U.S. tax cuts. The U.S. economy accelerated toward 3% annualized growth and consumer confidence neared a 20-year high. Europe grew at its fastest pace in a decade following years of moderate recovery. China's GDP growth continued to moderate, although it remained near 7% and the country's industrial sector showed steady expansion. Growth in Japan picked up from lacklustre levels, with improvements in both manufacturing and services.

Global listed infrastructure achieved strong returns in this environment, but as a relatively defensive sector, lagged the broad equity market. Transportation sectors performed especially well, including airports, marine ports, toll roads and railways. The more defensive and interest rate sensitive utilities sectors underperformed.

AGLI's NTA reached a high of \$2.20 in early December, although recent progress has been hampered by the strength in the A\$, which moved up sharply from 75 to 81 US cents during December and January.

AGLI's portfolio manager Cohen & Steers has recorded strong outperformance over the 2017 calendar year, with the portfolio returning +11.1% over the last 12 months, well ahead of the benchmark index return of +9.2%.

Highlights

Communications tower companies delivered sizable returns for the period, in both the U.S. and Europe, as they continue to benefit from a strong secular tailwind of demand from wireless carrier tenants, derived from the explosive growth in mobile data usage.

Railways rose 6.8% over the quarter, led higher by U.S. freight carriers, which benefited from improving economic growth and the move toward tax reform. Lower corporate taxes should give freight rail companies a large earnings boost, as they pay some of the highest effective tax rates among infrastructure businesses. In addition, full expensing of capital investment would allow rail companies to fully write off spending, reducing their up-front tax burden.

With this in mind, AGLI has been increasing its portfolio weighting in Union Pacific, which is now our 5th largest holding. Further information on this famous railroad company follows.

Argo Global Listed Infrastructure Limited

Website www.argoinfrastructure.com.au
Email invest@argoinfrastructure.com.au
Telephone 08 8210 9555
Postal Address GPO Box 2692 Adelaide SA 5001
Registered Address 19 Grenfell Street Adelaide SA 5000

ACN 604 986 914

Share Registry
Website www.investorcentre.com
Telephone 1300 389 922 (in Australia)
+61 3 9415 4610 (outside Australia)
Postal Address GPO Box 2975 Melbourne VIC 3001



Stock Snapshot - Union Pacific



- Iconic US railway company which was founded during the American Civil War when Abraham Lincoln signed the Pacific Railway Act to build the first transcontinental railroad to the western states
- Now a leading US freight railway company covering 23 states, including all major West Coast and Gulf Coast ports and eastern gateways, and connecting with Canada's rail systems and all major Mexican gateways
- Should benefit from improving economic growth and Trump's recent tax cuts which lower the effective tax rate for freight carriers from 37.5% to 25%
- AGLI's fifth largest portfolio holding
- www.up.com

Outlook comments

We continue to view prospects for the infrastructure sector favourably, as we see a continuation of broadly accommodative monetary policy (despite tightening in key developed markets) and strong economic conditions, and we expect upward pressure on valuations as private capital is deployed into infrastructure.

We remain particularly constructive toward Continental Europe, where strengthening labor market conditions are bolstering consumer confidence. We are somewhat more cautious toward the U.S., as it stands at a later stage in the economic and monetary cycles than other markets. We look for interest rates to climb gradually in developed markets worldwide in response to sustained economic growth, reduced monetary stimulus, and in light of modestly rising inflation.

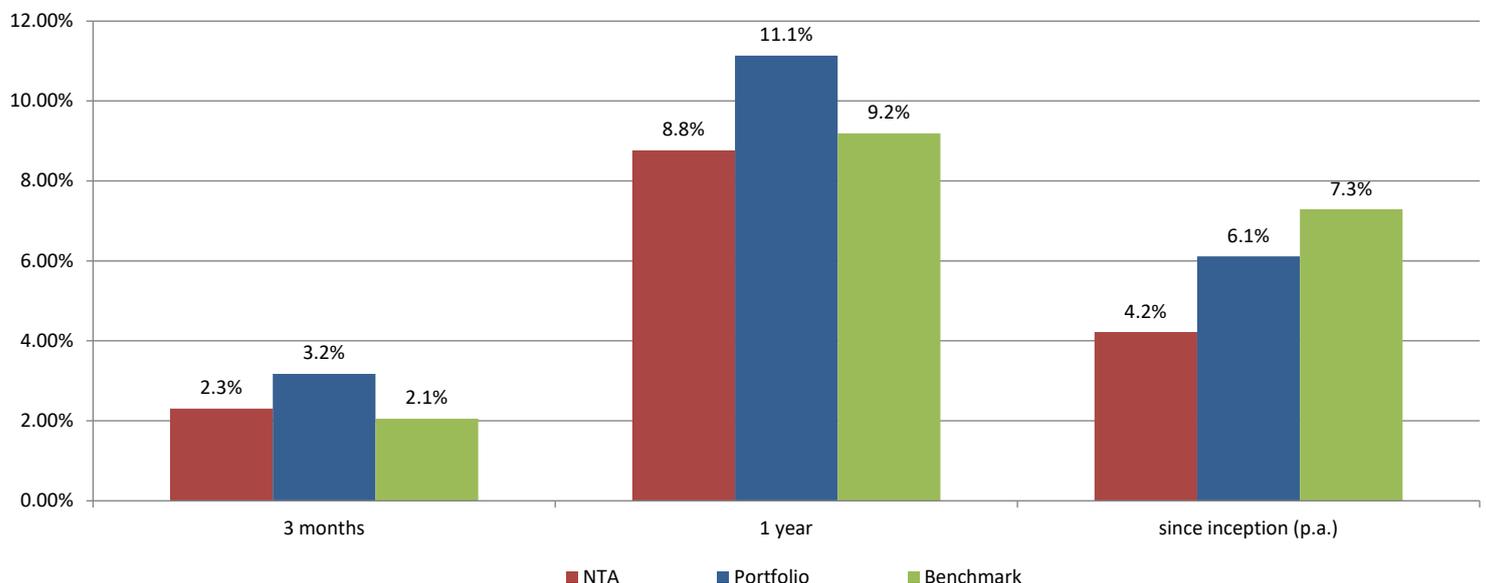
Considering the significant backlog of capital, we expect investors and private infrastructure funds may increasingly look to listed companies as a way to gain access to infrastructure at better prices, providing potential support to listed company valuations. Additionally, the premiums paid by private investors may provide an uplift to listed company valuations.

AGLI will release its half-year financial results on Monday 19 February 2018.

Total Returns

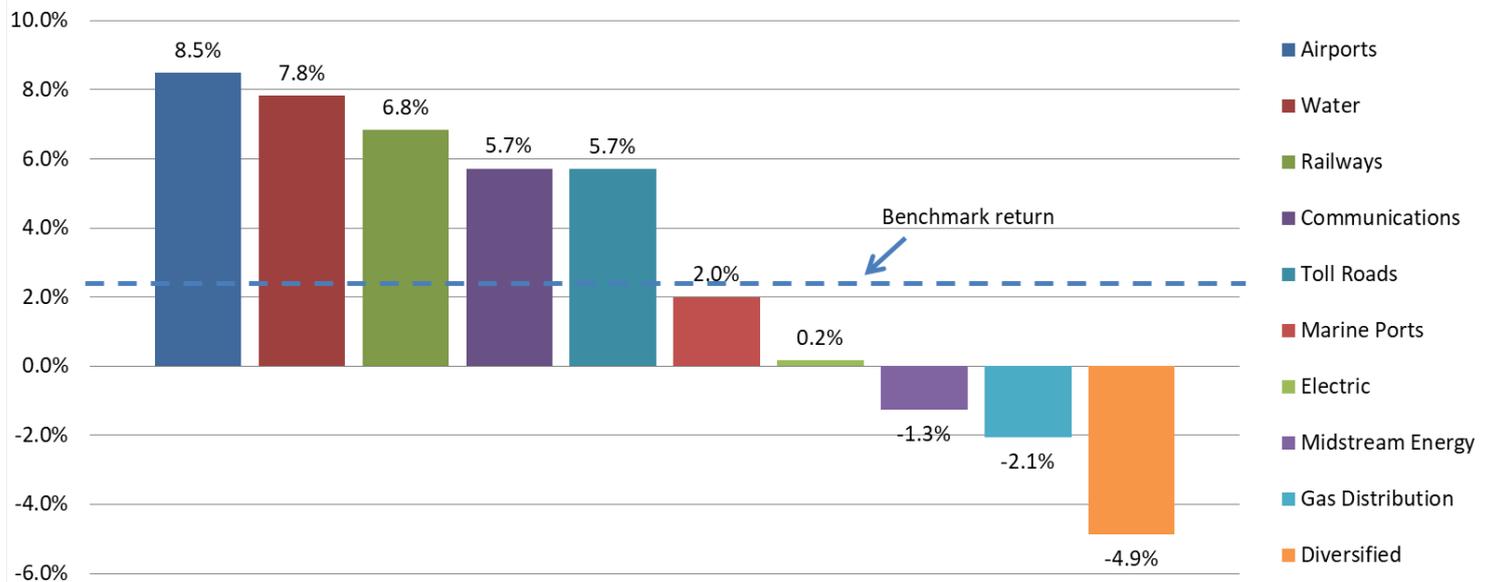
The chart below shows that AGLI's NTA rose by 2.3% over the quarter, slightly outperforming the benchmark. For the year to date the NTA has returned +8.8% to close at \$2.10 on 31 December. The share price closed at \$1.90.

AGLI's investment performance is updated as part of the monthly NTA release to the ASX and on the website www.argostructure.com.au, which remains the best source for information on the company.



Index performance by subsector (A\$)

for the quarter ended 31 December 2017



Index: The FTSE Global Core Infrastructure 50/50 (net total return AUD)

Source: BI-SAM Technologies, Inc. This analysis is to provide insight into the various factors contributing to the total return against results of the index. These are not the official results of the index. The information presented above does not represent the performance of any fund or other account managed or serviced by Cohen & Steers, and there is no guarantee that investors will experience the type of performance listed above. An investor cannot invest directly in an index, and index performance does not reflect the deduction of fees, expenses or taxes. Data quoted represents past performance, which is no guarantee of future results.

Top 10 portfolio holdings

as at 31 December 2017

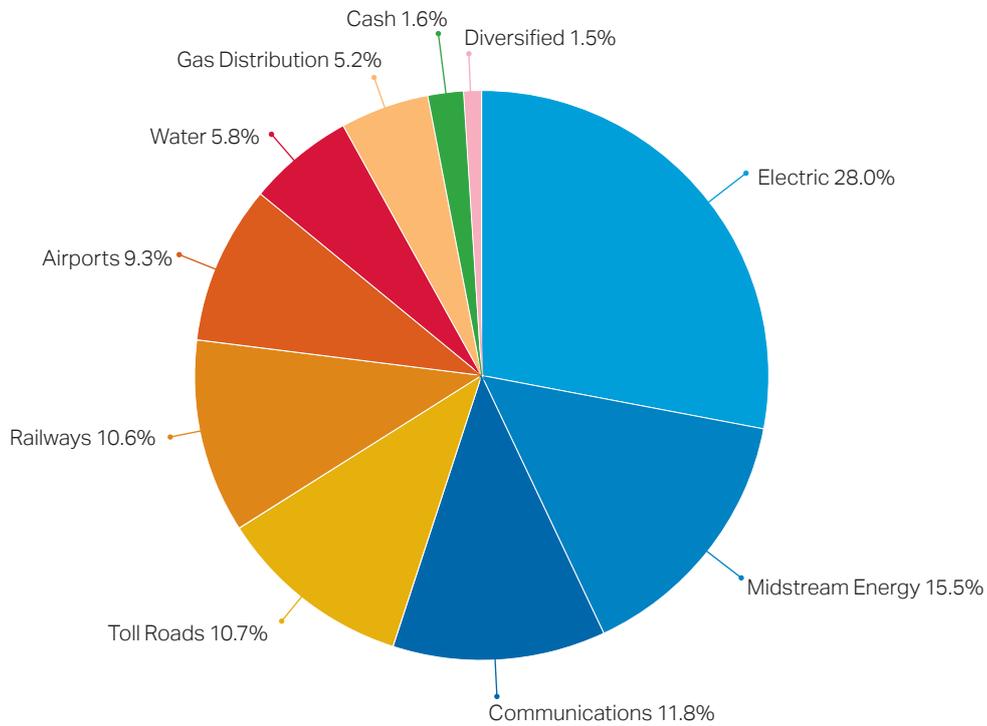
| Security Name | Country of listing | Subsector | Portfolio % | Index % |
|------------------------------|--------------------|----------------------|-------------|-------------|
| Crown Castle International | US | Communication Towers | 5.6 | 2.5 |
| NextEra Energy | US | Integrated Electric | 5.0 | 3.3 |
| American Tower | US | Communication Towers | 4.2 | 3.4 |
| Enbridge | CAN | Midstream- C Corp | 4.1 | 3.6 |
| Union Pacific | US | Freight Rails | 3.1 | 2.2 |
| Xcel Energy | US | Regulated Electric | 3.0 | 1.1 |
| Kinder Morgan | US | Midstream- C Corp | 2.6 | 1.9 |
| Atlantia SPA | ITALY | Toll Roads | 2.4 | 2.4 |
| CLP Holdings | HK | Regulated Electric | 2.4 | 0.8 |
| American Water Works Company | US | Water | 2.3 | 0.7 |
| | | | 34.7 | 21.9 |

Past performance is no guarantee of future results. The views and opinions in the preceding commentary are as of the date of publication and are subject to change. There is no guarantee that any market forecast set forth in this presentation will be realized. This material should not be relied upon as investment advice, does not constitute a recommendation to buy or sell a security or other investment and is not intended to predict the performance of any investment.

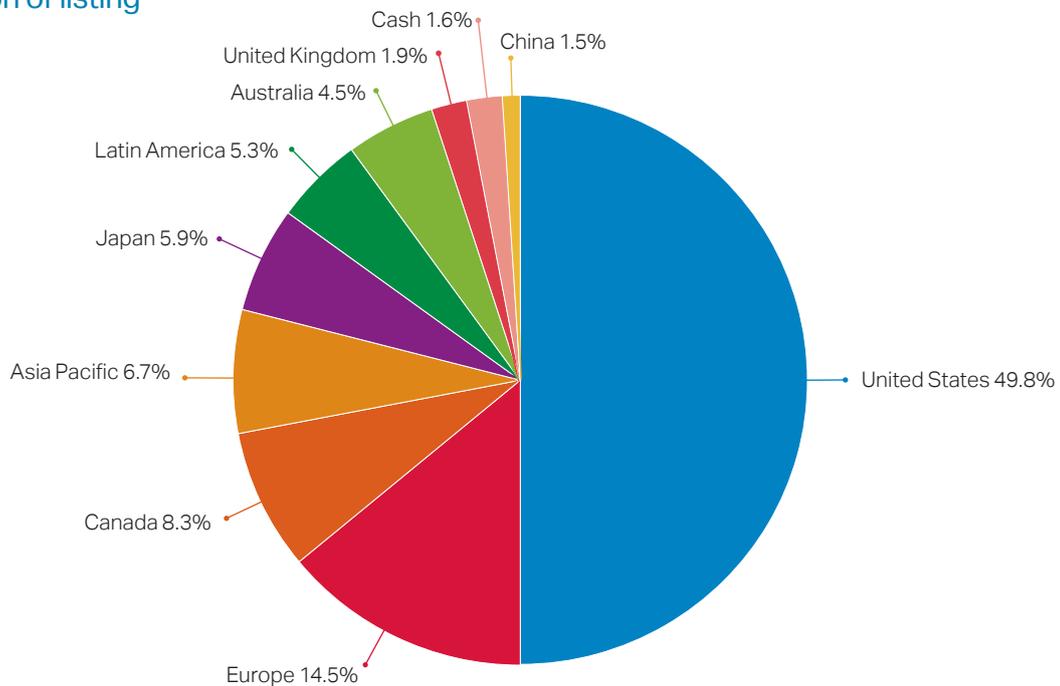
Sector classification of securities in the index determined by the investment advisor.

This index information is not representative of any Cohen & Steers account and no such account will seek to replicate an index. You cannot invest directly in an index.

Subsector diversification



Geographic diversification by country/region of listing



These views have been prepared by Cohen & Steers Capital Management, Inc. (Cohen & Steers), the portfolio manager to Argo Global Listed Infrastructure Limited (AGLI), solely for the information of shareholders in AGLI. This is not investment advice and may not be construed as sales or marketing material for any financial product or service sponsored or provided by Cohen & Steers or any of its affiliates or agents. Cohen & Steers' views are current as of the date hereof and are based in part on third-party sources it believes to be reliable, but Cohen & Steers makes no representation or warranty concerning the accuracy of any data and does not guarantee that any forecast or opinion in these materials will be realized.

This report has been prepared by Argo Service Company Pty Ltd (ACN 603 367 479; AFSL 470477), as general information only and is not intended to provide financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances before making any investment decisions. Past performance is no guarantee of future results.

