

### Investment objective

Aims to achieve a long-term total return (before fees and expenses) that exceeds the MSCI World ex Australia Index, in \$A unhedged with net dividends reinvested (**Benchmark**).

### Key information

#### Fund details

APIR code	MAQ0404AU
mFund code	MPS03
Inception date	17 November 2004
Investment manager	Independent Franchise Partners LLP (London, UK)
Fund size	\$1,876.7m
Distribution frequency	Annually
Management fee*	1.28% pa
Minimum investment (Direct)	\$5,000
Unit prices and spreads	<a href="https://www.macquarie.com.au/unit_prices">macquarie.com.au/unit_prices</a>

\*Read the Product Disclosure Statement for more details on fees and costs.

### Fund performance to 31 July 2021

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
<b>1 month (%)</b>	3.11	3.01	4.03	-1.02
<b>3 months (%)</b>	8.48	8.14	10.23	-2.09
<b>1 year (%)</b>	28.75	27.05	31.85	-4.80
<b>3 years (% pa)</b>	15.51	13.96	15.05	-1.09
<b>5 years (% pa)</b>	13.72	12.19	15.17	-2.98
<b>7 years (% pa)</b>	16.24	14.67	14.65	0.02
<b>Since inception (% pa)</b>	12.74	11.21	8.69	2.52

#### Past performance is not a reliable indicator of future performance.

Total returns are calculated based on changes in net asset values and assumes the reinvestment of distributions.

Total net Fund returns are quoted after the deduction of fees and expenses. Due to individual circumstances, your net returns may differ from the net returns quoted above.

The management fee was reduced to 1.28% pa from 14 May 2021.

### Top 10 stocks\*

Stock	Sector	Industry	Holding (%)
Philip Morris International	Consumer Staples	Tobacco	6.27
British American Tobacco	Consumer Staples	Tobacco	5.50
News Corp	Communication Services	Media	5.00
Corteva Inc	Materials	Chemicals	4.69
Fox Corp	Communication Services	Media	4.68
Novartis AG	Health Care	Pharmaceuticals	4.55
Nintendo Co Ltd	Communication Services	Entertainment	4.55
Oracle Corp	Information Technology	Software	4.28
Richemont (Cie Fin)	Consumer Discretionary	Textiles Apparel & Luxury Goods	4.22
Aon Plc	Financials	Insurance	4.17
<b>Total number of stocks</b>			<b>30</b>

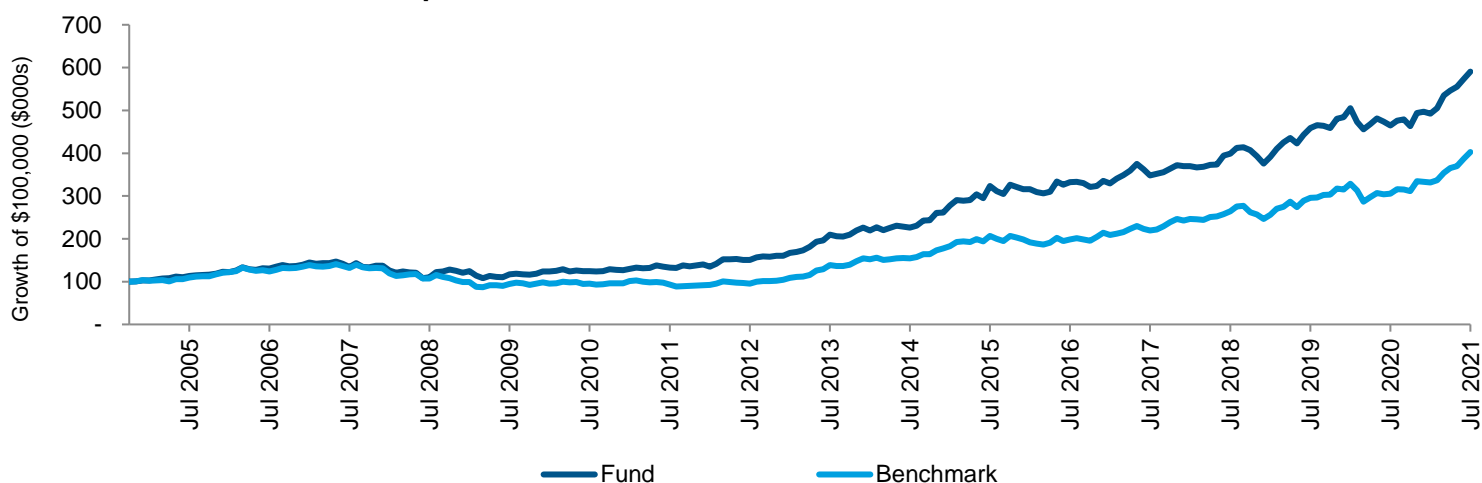
\*The information in this table is as at end of month, three months prior to the date of this report.

## IFP Global Franchise Fund

Macquarie Professional Series

Monthly report – 31 July 2021

### Growth of \$100,000 since inception

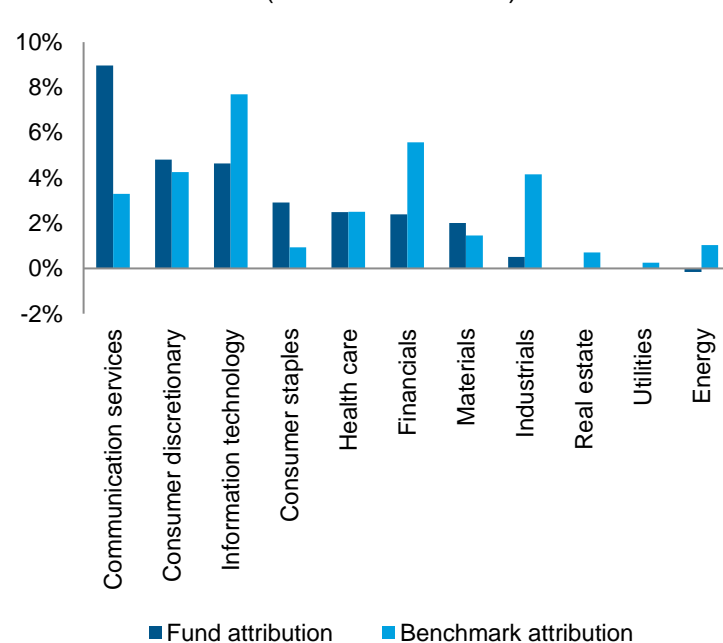


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### Sector weights

Sector	Fund (%)	Benchmark (%)
Communication Services	20.79	9.28
Consumer Staples	19.21	7.04
Health Care	16.66	12.81
Information Technology	13.13	22.90
Financials	12.89	12.84
Consumer Discretionary	9.93	11.98
Materials	3.93	4.11
Industrials	1.29	10.67
Energy	0.68	2.90
Utilities	0.00	2.79
Real Estate	0.00	2.68
Cash	1.50	0.00
<b>Total</b>	<b>100</b>	<b>100</b>

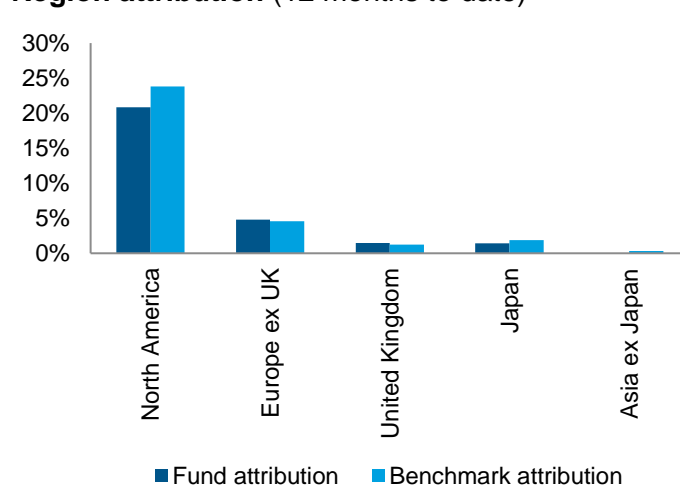
### Sector attribution (12 months to date)



### Region weights

Region	Fund (%)	Benchmark (%)
North America	65.06	72.45
Europe ex UK	17.86	15.20
United Kingdom	11.81	4.31
Japan	3.77	6.73
Asia ex Japan	0.00	1.32
Cash	1.50	0.00
<b>Total</b>	<b>100</b>	<b>100</b>

### Region attribution (12 months to date)



## IFP Global Franchise Fund

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### Performance summary

- The Fund returned 3.01% in July 2021, compared with a return for the Benchmark of 4.03%, as the growth-oriented technology and health care sectors saw further gains following on from the prior month.
- All market sectors moved higher in July with the exception of Energy. For the Fund, the largest relative detractors were holdings in Communication Services, including Nintendo, and in Consumer Staples, notably Reckitt Benckiser. The largest relative contributors were holdings in Financials, including Aon and S&P Global, and holdings in IT, including Oracle and Microsoft, though the latter was partially offset by the Fund's underweight positioning to IT.
- Alphabet was among the top individual contributors to performance in July. The company reported another strong set of quarterly results with impressive growth in each of its core business segments. Margins continued to expand significantly, although management flagged that this will partially reverse over the next few quarters as they continue to invest in headcount to drive future revenue growth. Franchise Partners continue to think Google Search, YouTube and Google Cloud are extremely high-quality businesses.
- Reckitt Benckiser was among the top individual detractors from performance in July. The company reported disappointing quarterly results and guided to margin pressure in the second half of this year due to raw material cost inflation. Organic revenue growth was lower than the market had expected, due to a challenging comparator period for Reckitt's hygiene business, inventory disruption in its China infant formula business, and weak sales of cold and flu products due to COVID-19 mobility restrictions and the prevalence of face coverings.
- During the month, Franchise Partners completed the initial purchase of Intercontinental Exchange ("ICE"). ICE has three businesses that generate the bulk of its revenue and profit: its market-leading global energy derivatives exchange; the dominant US mortgage workflow software tool that it acquired with Ellie Mae in 2020; and must-have fixed income pricing data that it acquired with IDC in 2015. These three businesses enjoy strong network effects, high switching costs and proprietary data.

**For more information speak to your financial adviser, call us on 1800 814 523, email [mim.clientservice@macquarie.com](mailto:mim.clientservice@macquarie.com) or visit [macquarie.com](http://macquarie.com)**

### Important information

Weights and attribution breakdown for sector, stocks and region are sourced from Macquarie and FactSet.

Macquarie Investment Management Australia Limited ABN 55 092 552 611 AFS Licence 238321 is the issuer of units in, and responsible entity of the Fund.

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