

Macquarie International Infrastructure Securities Fund (Hedged)

Monthly report – 31 July 2022

Investment objective

Aims to outperform the S&P Global Infrastructure Index (Net Total Return \$A Hedged) over the medium to long term (before fees). It aims to provide a return comprising both income and capital growth.

Key information

Fund details

APIR code	MAQ0432AU
Inception date	29 September 2005
Fund size	\$231.0m
Distribution frequency	Quarterly
Management fee*	1.00% pa
Minimum investment (Direct)	\$20,000
Unit prices and spreads	macquarie.com.au/unit_prices

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

Fund performance to 31 July 2022

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	4.91	4.83	4.26	0.57
3 months (%)	0.34	0.09	0.18	-0.09
1 year (%)	13.62	12.50	12.70	-0.20
3 years (% pa)	8.34	7.27	4.22	3.05
5 years (% pa)	7.98	6.92	4.78	2.14
Since inception (% pa)	8.94	7.81	7.64	0.17

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.

Top 10 stocks

	%
Nextera Energy Inc	5.4
Transurban Group	5.4
Aena SME Sa	5.1
Enbridge Inc	4.7
American Electric Power	3.7
National Grid Plc	3.7
ENAV Spa	3.5
TC Energy Corp	3.2
Sempra Energy	3.2
East Japan Railway Co	3.1

Top sectors

	%
Electric Utility	30.8
Energy Infrastructure	19.7
Toll Roads	13.3
Airports	11.2
Rail/Other Transportation	5.7

Top countries

	%
United States	32.8
Canada	10.4
United Kingdom	9.9
Italy	8.5
Spain	8.5

Macquarie International Infrastructure Securities Fund (Hedged)

Monthly report – 31 July 2022

Fund Highlights

The Fund returned 4.83% (after fees), outperforming the benchmark which returned 4.26%.

The major contributors to the strategy's return were Electric Utilities, Energy Infrastructure and Water. The detractors from the strategy's return were the Seaports, Electricity Transmission and Airports. Relative to the S&P Global Infrastructure Index and in local currency terms, major stock contributors to the Fund's return included SSE, Vinci, and Cellnex Telecom. Getlink, West Japan Railway and East Japan Railway were among the significant detractors. Relative to the S&P Global Infrastructure Index, the major positive contributors were positions in the Airports, Toll Roads and Water sectors. Positions in the Seaports, Electricity Transmission and Airports detracted.

Key Contributors to Outperformance

1. **SSE**, an operator of electric networks and renewable power generation, rose as the market recognised the company's attractive collection of assets and its attractive valuation.
2. **Vinci**, an operator of toll road and airport concessions around the world, rose amidst continued improvements in mobility post the COVID disruptions.
3. **Cellnex**, an operator of European cell phone towers, rose as the market appreciated the company's discipline in walking away from a potentially expensive and dilutive transaction for a competitor's assets.

Key Detractors to Outperformance

1. **Getlink**, the operator of the Channel Tunnel, rose as the market recognised the extraordinary profits that its Elec link asset (a transmission cable that runs through the tunnel) would generate given the power volatility in Europe.
2. **West Japan Rail**, an operator of Japanese rail assets, fell slightly as the market continues to focus on short-term momentum amidst the slow recovery of post-COVID mobility in Japan.
3. **East Japan Rail**, an operator of Japanese rail assets, rose slightly but lagged the benchmark as the market continues to focus on short-term momentum amidst the slow recovery of post-COVID mobility in Japan.

For more information speak to your financial adviser, call us on 1800 814 523, email mam.clientservice@macquarie.com or visit macquarieim.com

Important information

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. Macquarie Investment Management Global Limited ABN 90 086 159 060 AFSL 237843 is the investment manager of the Fund.

The above information is not personal advice and does not take into account the investment objectives, financial situation or needs of any person. The Fund is designed for investors who are seeking capital growth and regular income, are intending to use the Fund as a satellite within a portfolio, have a medium to long-term investment timeframe, have a high or very high risk/return profile and require the ability to have daily access to capital. Please review the Target Market Determination available at macquarieim.com/TMD and consider if the Fund may be suitable for you. Investors should consider the offer document relating to the Fund in deciding whether to acquire or continue to hold units in the Fund. The offer document is available by contacting us on 1800 814 523. Past performance is not a reliable indicator of future performance. Future results are impossible to predict. This report includes opinions, estimates and other forward-looking statements which are, by their very nature, subject to various risks and uncertainties. Actual events or results may differ materially, positively or negatively, from those reflected or contemplated in such forward-looking statements. Forward-looking statements constitute the investment manager's judgement as at the date of preparation of this report and are subject to change without notice.

In preparing this document, reliance may have been placed, without independent verification, on the accuracy and completeness of information available from external sources. To the maximum extent permitted by law, no member of the Macquarie Group nor its directors, employees or agents accept any liability for any loss arising from the use of this document, its contents or otherwise arising in connection with it.

Other than Macquarie Bank Limited ABN 46 008 583 542 ("Macquarie Bank"), any Macquarie Group entity noted in this material is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these other Macquarie Group entities do not represent deposits or other liabilities of Macquarie Bank. Macquarie Bank does not guarantee or otherwise provide assurance in respect of the obligations of these other Macquarie Group entities. In addition, if this document relates to an investment, (a) the investor is subject to investment risk including possible delays in repayment and loss of income and principal invested and (b) none of Macquarie Bank or any other Macquarie Group entity guarantees any particular rate of return on or the performance of the investment, nor do they guarantee repayment of capital in respect of the investment.