

Macquarie International Infrastructure Securities Fund (Hedged)

Monthly report – 28 February 2023

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	\$229.9m
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 28 February 2023

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	-1.65	-1.73	-2.21	0.48
3 months (%)	-2.01	-2.25	-1.91	-0.34
1 year (%)	7.56	6.49	1.12	5.37
3 years (% pa)	8.57	7.49	3.28	4.21
5 years (% pa)	9.38	8.30	5.07	3.23
Since inception (% pa)	8.75	7.62	7.17	0.45

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

	%
Aena SME SA	6.41
Transurban Group	4.90
Enbridge Inc	4.78
Nextera Energy Inc	4.73
American Electric Power	3.87
ENAV SpA	3.85
Aleatica Sab De Cv	3.73
National Grid Plc	3.42
SSE plc	3.05
Kinder Morgan Inc	3.05

Top sectors

	%
Electric Utility	31.50
Energy Infrastructure	16.94
Toll Roads	14.10
Airports	13.98
Rail/Other Transportation	4.53

Top countries

	%
United States	31.32
Spain	11.28
United Kingdom	9.96
Italy	9.22
Canada	8.77

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Fund Highlights

The Fund returned -1.73% (after fees), outperforming the benchmark which returned -2.21%. As the Fund's foreign currency exposure is hedged, Australian dollar movements do not materially affect its return.

- The major contributors to the strategy's return were Airports, Toll Roads and Seaports.
- The major detractors to the strategy's return were Rail/Other Transportation, Energy Infrastructure and Electricity and Gas Distribution.
- Relative to the S&P Global Infrastructure Index and in local currency terms, major stock contributors to the Fund's return included Dominion Energy Inc, Aleatica SAB de CV and Duke Energy Corp.
- Grupo Aeroportuario del Pacifico, PPL Corp and Grupo Aeroportuario del Sureste were among the significant detractors.
- Relative to the S&P Global Infrastructure Index, the major positive contributors were positions in the Toll Roads, Electricity and Gas Distribution and Seaports.
- Positions in Airports, Rail/Other Transportation and Communications Infrastructure detracted.

Key contributors to performance

- Dominion Energy Inc: After a period of strong stability and constructive regulation for Dominion in Virginia, a change in high-level government officials led to uncertainty of Dominion's regulatory construct during 4Q 2022. Uncertainty increased during February 2023, as legislative activity skewed negative during the month.
- Aleatica SAB de CV: The company performed well after it reported FY result that beat market expectations. In addition, during the month IFM submitted its formal takeover proposal to the company and is awaiting regulatory approval.
- Duke Energy Corp: Along with impacts from higher US long-bond yields, Duke was negatively impacted by a write-down and delayed sale of the company's unregulated renewable assets.

Key detractors from performance

- Grupo Aeroportuario del Pacifico: performed well after it reported that for January 2023, passenger numbers at its 12 Mexican airports increased by 30.0% compared to January 2022. The fund did not hold a position in the stock.
- Grupo Aeroportuario del Sureste: performed well after it reported that for January 2023, passenger traffic across its airports in Mexico, Puerto Rico and Colombia reached a total of 6.3 million passengers, which is 29.8% above the levels reported in January 2022. The fund did not hold a position in the stock.
- PPL Corp: the stock underperformed amidst general weakness in US utility stock prices as expectations for more and longer US central bank tightening led to higher US long-bond yields.

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.

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