

### Investment objective

The Fund aims to generate long-term total returns by investing in hedge funds and other absolute return funds (Underlying Funds).

The Underlying Funds can include funds managed or operated by members of Macquarie Group (Macquarie Underlying Funds) and select external funds managed and operated by non-Macquarie Group companies (External Funds).

The Fund offers the potential for attractive long-term total returns with low correlation to traditional asset classes. We believe that each Underlying Fund has an investment strategy that is complementary to the other Underlying Funds in the Fund. By combining complementary investment styles, the Fund aims to produce consistent risk-adjusted returns from a diversified and well-balanced liquid alternatives portfolio.

### Key information

Fund details	
APIR code	MAQ7578AU
Inception date	16 August 2017
Fund size	\$49.5m
Distribution frequency	Semi-annually
Management fee*	0.97% pa
Indirect costs*	Although the Fund does not charge a performance fee, please note that a performance fee is charged by each Underlying Fund
Minimum investment (Direct)	\$20,000
Unit prices and spreads	<a href="http://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 May 2021

	Total Fund return (net)
1 month (%)	-0.07
3 months (%)	0.72
1 year (%)	-7.64
3 years (% pa)	-3.26
Since inception (% pa)	-1.66

#### 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.

### Weight of each Underlying Fund (as at date of report)

Underlying Fund	Weight (% of Fund)
P/E Global FX Alpha Fund	30.28
Winton Global Alpha Fund	38.76
Cash	30.96

### Post fees monthly returns (%)

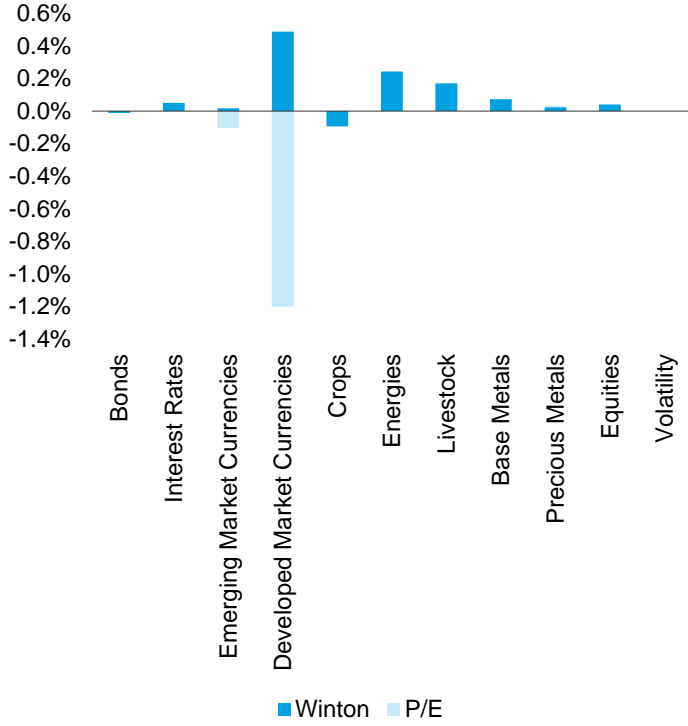
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017								-1.23	0.66	3.20	-1.65	-0.55	0.36
2018	-1.11	0.56	0.59	2.91	0.32	1.82	-0.36	-0.18	-0.16	1.68	-0.53	-0.55	5.02
2019	-1.00	0.78	1.06	2.14	-1.95	-1.39	1.87	2.09	-0.06	-1.12	-0.25	-0.60	1.47
2020	-0.11	-1.12	-0.23	-1.45	-2.19	-2.61	-0.05	-2.49	-0.01	0.09	-1.51	-0.55	-11.62
2021	-0.51	-0.93	0.33	0.46	-0.07								-0.72

# Macquarie Professional Series Global Alternatives Fund

Macquarie Professional Series

Monthly report – 31 May 2021

## Sector performance by Underlying Funds



## Risk indicators



# Macquarie Professional Series Global Alternatives Fund

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### Performance summary

- The Fund returned -0.07% in May 2021.
- The Winton Global Alpha Fund, whose primary exposure is price-based momentum, returned +2.25%, contributing +1.25% to the Fund. These gains were offset by the P/E Global FX Alpha Fund, which operates as a dynamic currency allocation (-2.93%, contributing -1.32% to the Fund).
- Trend following on currencies and commodities accounted for most of the gains for the Winton Global Alpha Fund in May. Currencies were the largest performance driver over the month, with the US dollar trending downwards against most major currencies. Furthermore, Winton continued to make money in commodities, with gains led by more novel exposures, such as alternative energy markets and livestock. Rotterdam coal was the top contributor in energies, while live hogs led the gains in agriculture. Metals were another source of profits, largely due to long silver and aluminium positions.
- While the downward trend in the US dollar helped Winton's returns, fundamentally the P/E Global FX Alpha Fund remained contrarian. P/E's fundamental factors, focussed on the short end of the yield curve and economic surprise, indicated stronger growth in the US versus other parts of the world and were positioned long. Furthermore, P/E noted significant crowding in the long Australian dollar and long euro positions, citing this as a short-term risk.
- Additionally, during the month we announced that the Wells Fargo Global Long/Short Equity Fund will replace IPM's allocation within the portfolio. As part of this announcement, the investment universe of the Fund was expanded to include select external funds outside of Macquarie Professional Series, and we also reduced the management fee permanently from 1.38% to 0.97% p.a. The Fund's investment into the Global Long/Short Equity Fund took place at the beginning of June.
- Through the Global Long/Short Equity Fund, the Fund receives exposure to a new asset class (cash equities). Wells Fargo utilises a dynamic multi-factor stock selection model, combined with risk and position sizing considerations to allocate to high alpha opportunities. Furthermore, the strategy has the ability to short high-risk stocks with poor fundamental factor exposures. We believe that by allocating to this investment, the Fund increases its potential to produce stronger and more consistent absolute returns while seeking a low correlation with equities.
- We continue to have conviction in our process of selecting and combining active managers with differentiated styles, who aim to generate absolute returns independent of one another.

Please click on the links below to view the report for each Underlying Fund.

- [P/E Global FX Alpha Fund](#), and
- [Winton Global Alpha Fund](#).

### Fund changes

During the month, it was communicated that:

- The Fund has expanded the investment universe to include select external funds outside of Macquarie Professional Series
- Macquarie Professional Series has selected to invest into the Wells Fargo Global Long/Short Equity Fund (GLS)
- The reduced management fee from 1.38% to 0.97% pa will remain after the investment into GLS
- Furthermore, Jason Koo was added to the offer document as an individual playing a key role in making the investment decisions for the Fund.

## Macquarie Professional Series Global Alternatives Fund

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**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**

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