

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	\$45.0m
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	macquarie.com.au/unit_prices

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

Fund performance to 31 December 2021

	Total Fund return (net)
1 month (%)	0.26
3 months (%)	1.82
1 year (%)	7.23
3 years (% pa)	-1.30
Since inception (% pa)	0.31

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	20.4
Wells Fargo Global Long/Short Equity Fund	28.7
FORT Global Trend Fund	29.8
PGIM QMAW Keynes Systematic Absolute Return Fund	21.0

Post fees monthly returns (%)

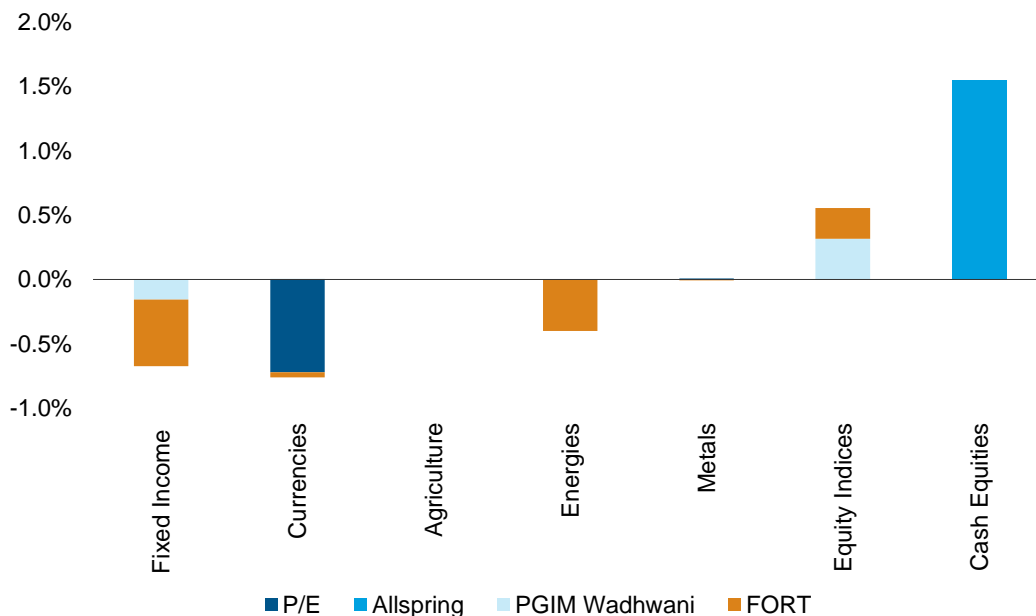
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017								-1.23	0.66	3.20	-1.65	-0.55	0.36
2018	-1.11	0.56	0.59	2.91	0.32	1.82	-0.36	-0.18	-0.16	1.68	-0.53	-0.55	5.02
2019	-1.00	0.78	1.06	2.14	-1.95	-1.39	1.87	2.09	-0.06	-1.12	-0.25	-0.60	1.47
2020	-0.11	-1.12	-0.23	-1.45	-2.19	-2.61	-0.05	-2.49	-0.01	0.09	-1.51	-0.55	-11.62
2021	-0.51	-0.93	0.33	0.46	-0.07	1.47	1.73	1.10	1.66	-0.87	2.45	0.26	7.23

Macquarie Professional Series Global Alternatives Fund

Macquarie Professional Series

Monthly report – 31 December 2021

Sector performance by Underlying Funds



Performance summary

- The Fund returned 0.26% in December 2021, taking the 2021 calendar year performance to +7.23%.
- The best performing underlying fund was the Allspring Global Long/Short Equities Fund, which seeks to exploit equity market inefficiencies through fundamental factor exposures (+5.9%; contributing +1.6% to the Fund). The largest detractor was the FORT Global Trend Fund, whose exposure is price-based momentum (-2.4%; contributing -0.7% to the Fund).
- From a sector perspective, the largest impact on the portfolio came from cash equities. Allspring was the beneficiary of multiple market activities across December. Firstly, Allspring was able to pick up positive sentiment from the US bipartisan infrastructure bill being signed into law and the debt ceiling being raised by US\$2.5 trillion. Secondly, Allspring was able to outstrip market returns and their benchmark through low-risk securities outperforming higher risk peers (an integral part of their investment philosophy). Furthermore, long valuation factors such as sales-to-price and forward-looking earnings yield were also accretive. Supplementing Allspring's cash equity gains were equity index positions from FORT and PGIM Wadhvani, particularly long US markets.
- Offsetting some of the gains were currencies and fixed income. Despite P/E's currency strategy posting strong positive returns for 2021, their long US dollar position experienced a bit of pull-back in December. In fixed income, PGIM Wadhvani and FORT's long positioning in longer-duration European bonds, particularly the German Buxl and Bund, detracted from performance.
- Looking ahead at 2022, the unfolding inflation narrative relative to consensus expectations looks to be a key determinant of overall market performance. Regardless of how this narrative plays out, we continue to have conviction in our process of selecting and combining active managers with complementary styles, with the aim of providing an absolute return stream that is independent of equity market performance.

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

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

Macquarie Professional Series Global Alternatives Fund

Macquarie Professional Series

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Fund changes

One of the underlying funds, the Wells Fargo Global Long/Short Equity Fund, was renamed as the Allspring Global Long/Short Equity Fund, after Wells Fargo completed the sale of their asset management division to new owners.

There have been no material changes to the following since the last performance report:

- Fund's risk profile
- Fund's strategy
- Fund's key service providers or related party status
- Individuals playing a key role in making the investment decisions for the Fund.

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

Important information

Information in this report has been sourced from the investment managers of the Underlying Funds and Macquarie.

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