

Macquarie Professional Series Global Alternatives Fund

Macquarie Professional Series

Monthly report – 31 May 2023

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	\$66.8m
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
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Unit prices and spreads [macquarie.com.au/unit_prices](https://www.macquarie.com.au/unit_prices)

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

Fund performance to 31 May 2023

	Total Fund return (net)
1 month (%)	1.23
3 months (%)	-0.88
1 year (%)	-0.41
3 years (% pa)	0.28
5 years (% pa)	-0.23
Since inception (% pa)	0.42

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	25.40
Allspring (Lux) Global Long/ Short Equity Fund	24.30
PGIM Wadhvani Keynes Systematic Absolute Return Fund	30.00
Winton Trend Fund	20.30

Post-fee monthly returns (%)

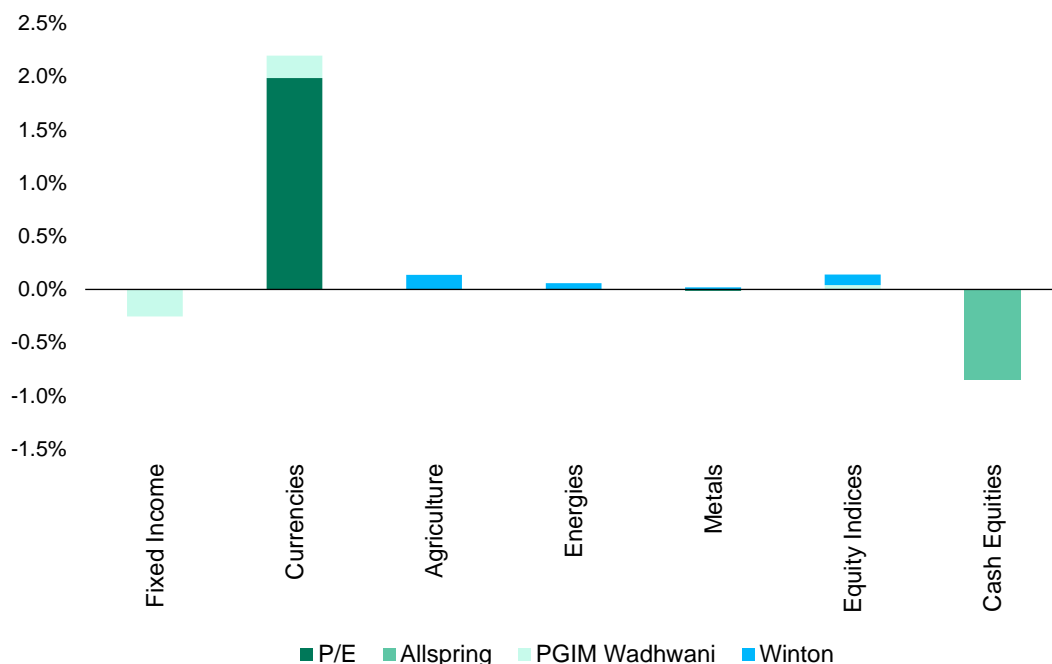
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017								-1.23	0.66	3.20	-1.65	-0.55	0.36
2018	-1.11	0.56	0.59	2.91	0.32	1.82	-0.36	-0.18	-0.16	1.68	-0.53	-0.55	5.02
2019	-1.00	0.78	1.06	2.14	-1.95	-1.39	1.87	2.09	-0.06	-1.12	-0.25	-0.60	1.47
2020	-0.11	-1.12	-0.23	-1.45	-2.19	-2.61	-0.05	-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
2022	-0.15	-1.44	-0.10	4.04	-0.77	-0.35	0.32	1.81	2.53	0.51	-2.60	-1.40	2.24
2023	-2.16	1.95	-2.58	0.51	1.23								-1.13

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Sector performance by Underlying Funds



Performance summary

- The Fund returned 1.23%, net of fees, in May 2023, while global equities (MSCI World Index in US dollar terms) fell -1.0%, with markets focused on the US debt ceiling and the risk of default on its sovereign debt. The best performing underlying fund was the P/E Global FX Alpha Fund, which delivers the strategy's dynamic currency allocation, contributing +1.8% to the Fund. The largest detractor was the Allspring Global Long/Short Equity Fund, which seeks to exploit equity market inefficiencies through fundamental factor exposures, contributing -0.9% to the Fund.
- The most impactful sector throughout the month was currencies, with positive contributions from P/E and PGIM Wadhvani. Notably, strong employment and inflation data in the US, combined with slowing growth in both core Europe and China, supported P/E's long US dollar position. From PGIM Wadhvani's perspective, fears over the US debt ceiling also led to a long US dollar rally.
- Further contributing to Fund gains were Winton's commodities positions, specifically the agricultural subsector where they had short positioning in hogs and capitalised on a US pork industry that is experiencing a glut after expanding too quickly in recent years.
- Lastly, there was much dispersion in equity markets during the month. Winton capitalised on index trends with long Japanese indices and Nasdaq, and short Chinese indices. However, these gains were more than offset by Allspring's cash equities positions which generated losses due to a high-beta rally in mega-cap tech names (with Allspring having a natural bias to low-beta securities due to their investment philosophy).
- The Fund continues to pursue a smoother alternatives experience for investors, through our high conviction process of selecting and combining active managers with differentiated styles who are able to generate absolute returns independent of one another.
- During the month, the decision was taken to terminate the Fund, effective 26 June 2023. As such, the Fund has ceased accepting applications. The Fund remains open for redemptions until 1pm (Sydney time) on Friday, 23 June 2023.

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

- [P/E Global FX Alpha Fund](#)

Fund changes

The Fund is terminating effective 26 June 2023 as communicated to unitholders.

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.

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Monthly report – 31 May 2023

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

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

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