

### Investment objective

Aims to achieve a long-term total return (before fees and expenses) that exceeds the MSCI Emerging Markets Index, in \$A unhedged with net dividends reinvested (**Benchmark**).

### Key information

#### Fund details

APIR code	MAQ0651AU
Inception date	23 June 2011
Investment manager	Walter Scott & Partners Limited (Edinburgh, UK)
Fund size	\$15.0m
Distribution frequency	Annually
Management fee*	1.28% pa
Minimum investment (Direct)	\$5,000
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 August 2021

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	0.62	0.50	3.21	-2.71
3 months (%)	2.43	2.08	1.54	0.54
1 year (%)	20.62	18.99	22.56	-3.57
3 years (% pa)	9.52	8.03	9.47	-1.44
5 years (% pa)	9.49	8.00	11.02	-3.02
7 years (% pa)	9.10	7.61	8.83	-1.22
Since inception (% pa)	8.85	7.37	7.87	-0.50

#### 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.

The management fee was reduced to 1.28% pa from 14 May 2021.

### Top 10 stocks

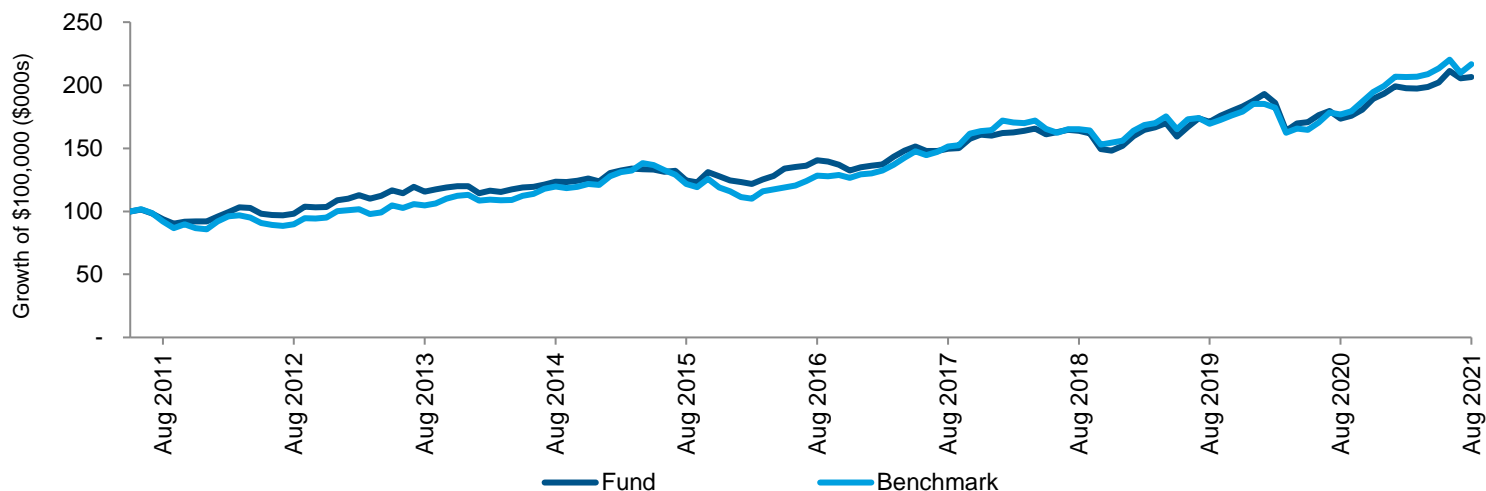
Stock	Sector	Industry	Holding (%)
Tencent Holdings Ltd	Communication services	Interactive Media & Services	4.62
Taiwan Semiconductor Manufacturing	Information technology	Semiconductors & Semiconductor Equipment	4.10
Aia Group Ltd	Financials	Insurance	4.01
Alibaba Group Holding Ltd	Consumer discretionary	Internet & Direct Marketing Retail	3.79
Samsung Electronics	Information technology	Technology Hardware Storage & Peripherals	3.67
Naver Corp	Communication services	Interactive Media & Services	3.57
Sarana Menara Nusa	Communication services	Diversified Telecommunication Services	2.76
Silergy Corp	Information technology	Semiconductors & Semiconductor Equipment	2.62
Advantech Co Ltd	Information technology	Technology Hardware Storage & Peripherals	2.57
Lg Household & Health Care	Consumer staples	Personal Products	2.54
<b>Total number of stocks</b>			<b>44</b>

## Walter Scott Emerging Markets Fund

Macquarie Professional Series

Monthly report – 31 August 2021

### Growth of \$100,000 since inception

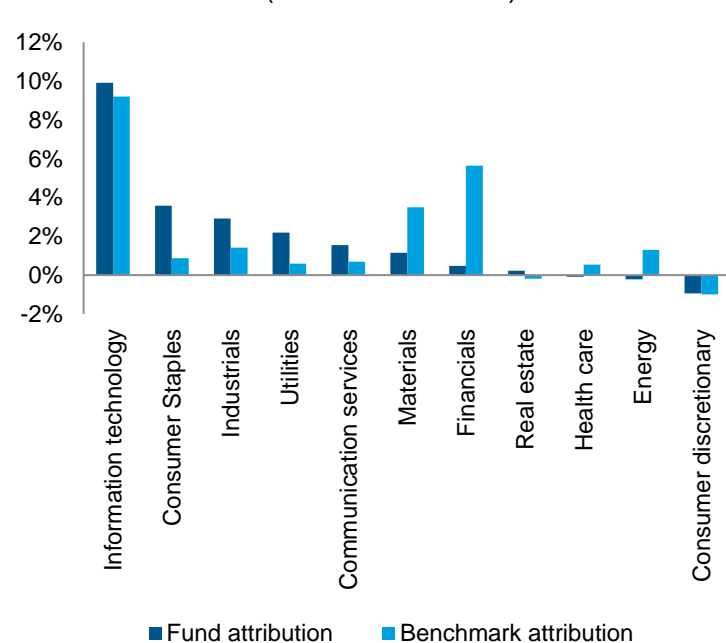


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### Sector weights

Sector	Fund (%)	Benchmark (%)
Information technology	25.49	21.31
Communication services	15.15	10.62
Consumer staples	11.98	5.76
Industrials	11.91	4.78
Consumer discretionary	8.79	15.22
Financials	7.61	19.19
Utilities	6.00	2.18
Health care	4.07	4.74
Materials	1.73	8.91
Energy	1.55	5.28
Real estate	1.40	2.01
Cash	4.30	0.00
<b>Total</b>	<b>100</b>	<b>100</b>

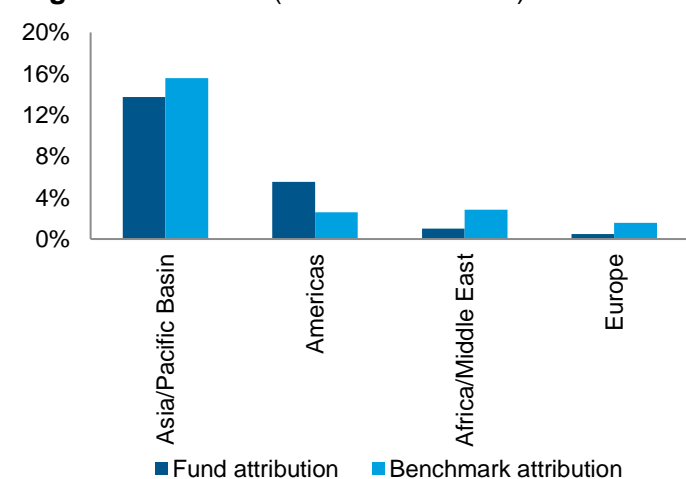
### Sector attribution (12 months to date)



### Region weights

Region	Fund (%)	Benchmark (%)
Asia/Pacific Basin	76.40	78.36
Americas	14.30	7.91
Europe	2.72	5.01
Africa/Middle East	2.27	8.73
Cash	4.30	0.00
<b>Total</b>	<b>100</b>	<b>100</b>

### Region attribution (12 months to date)



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### Performance summary

- The Fund returned 0.50% in August 2021, compared with a return for the Benchmark of 3.21%, with emerging markets moving higher despite concerns around rising cases of the Delta variant and China's regulatory onslaught.
- The Financials and IT sectors led the market higher in August. The largest relative detractors from Fund performance were holdings in Financials, namely Ping An Insurance, and an underweight to the sector. These results were partially offset by holdings in Health Care, such as Kalbe Farma, and an underweight to Materials.
- August saw an increase in portfolio activity, with Walter Scott completing the initial purchase of AirTAC International and the final sales of Hengan International and Kimberly-Clark de Mexico. AirTAC is a Taiwanese manufacturer of pneumatic components. Growth of the pneumatics industry is underpinned by the ongoing shift towards greater automation of production equipment across a wide array of industries. This trend is particularly apparent in China, AirTAC's primary market of focus, where it has a dominant market share second only to SMC. In terms of the final sales, Hengan was sold as its growth outlook has deteriorated in recent years, and an aggressive shift towards online sales in China, away from Hengan's favoured traditional channel, has eroded its key competitive advantage and introduced new competitors. Hengan has struggled to adapt to these fast-moving changes. The position in Kimberly-Clark de Mexico was sold to make way for a new position in AirTAC international.
- While acknowledging that some of the headwinds facing emerging markets may persist in the near term, the longer-term tailwinds of positive demographics, rising disposable incomes and generally lower debt levels relative to developed markets are still firmly in place. Through ongoing engagement with portfolio companies, Walter Scott continues to be highly encouraged by their prospects of capturing these enduring growth trends.

**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

Weights and attribution breakdown for sector, stocks and region are sourced from Macquarie and Factset.

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.

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