

Investment objective

Aims to outperform the S&P Global Infrastructure Index (Net Total Return in \$A) 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	MAQ0825AU
Inception date	29 January 2014
Fund size	\$336.4m
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 30 November 2021

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	1.27	1.18	0.21	0.97
3 months (%)	-1.05	-1.31	-0.36	-0.95
1 year (%)	13.09	11.97	11.47	0.50
3 years (% pa)	10.03	8.94	6.90	2.04
5 years (% pa)	9.65	8.56	6.97	1.59
Since inception (% pa)	9.66	8.57	7.74	0.83

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

	%
Sempra Energy	5.9
TC Energy Corp	5.9
Transurban Group	5.4
National Grid plc	5.1
Aena SME SA	4.8
American Electric Power	4.6
Nextera Energy Inc	4.1
Enbridge Inc	3.9
ENAV Spa	3.4
Sydney Airport	3.1

Top sectors

	%
Electric Utility	28.6
Energy Infrastructure	19.5
Airports	14.5
Toll Roads	14.1
Electricity and Gas Distribution	8.9

Top countries

	%
United States	32.1
Canada	13.2
Australia	11.2
United Kingdom	9.7
Italy	9.2

Macquarie International Infrastructure Securities Fund (Unhedged)

Monthly report – 30 November 2021

Fund highlights

The Fund returned 1.18% (after fees), outperforming the benchmark which returned 0.21%.

The major contributors to the strategy's return were the Water and Electricity Transmission sectors. The major detractors from the strategy's return were the Energy Infrastructure, Airports and Electricity and Gas Distribution sectors. Relative to the S&P Global Infrastructure Index and in local currency terms, major stock contributors to the Fund's return included National Grid, Severn Trent and Aleatica. TC Energy, Vinci and Sempra Energy were among the significant detractors. Relative to the S&P Global Infrastructure Index, the major positive contributors were positions in the Airports, Water and Electricity Transmission Sectors. Positions in the Rail/Other Transportation and Toll Roads sector detracted.

Key Contributors to Outperformance

1. **National Grid** performed strongly during the month as the market focused on higher current and potential inflation (which benefits the company through their remuneration methodology in the UK as set by its regulator, OFGEM) as well as continued interest in the role their transmission networks will play in the ongoing energy transition.
2. **Severn Trent** performed strongly during the month as the market focused on higher current and potential inflation (which benefits the company through their remuneration methodology as set by its regulator, OFWAT). The company also continues to execute strongly in generating ODIs according to their targeted regulatory framework.
3. **Aleatica** performed strongly during the month, reversing weakness in prior recent periods. The company continues to benefit from a recovery in Mexican economic activity and the resulting increase in toll road traffic.

Key Contributors to Underperformance

1. **TC Energy** fell during the month after they guided to lower future distribution growth as they will retain more capital internally to fund their prodigious capital spending program. We view the market's reaction as short-sighted and overreactive and maintain high confidence in the future outlook of the company.
2. **Vinci** fell after a new variant of COVID began to spread around the world, leading to quick declines in some names exposed to airports, such as Vinci. We have high confidence in Vinci's future outlook given its attractive business mix and relatively strong balance sheet.
3. **Sempra Energy** fell during the month amidst a relatively weak environment for energy infrastructure stocks. While the majority of the company's assets are utility assets, sentiment was impacted negatively by the company's exposure to its LNG export and pipeline businesses. We retain high confidence in Sempra's future outlook.

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

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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