

Macquarie International Infrastructure Securities Fund (Unhedged)

Monthly report – 30 April 2022

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	\$348.1m
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 April 2022

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	1.88	1.80	2.17	-0.37
3 months (%)	4.05	3.80	3.92	-0.12
1 year (%)	18.71	17.54	17.64	-0.10
3 years (% pa)	8.89	7.82	5.21	2.61
5 years (% pa)	9.45	8.37	6.78	1.59
Since inception (% pa)	10.56	9.47	8.62	0.85

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

	%
Transurban Group	5.8
Enbridge Inc	5.4
Aena SME SA	5.1
American Electric Power	4.6
Sempra Energy	4.6
TC Energy Corp	4.6
National Grid Plc	3.9
NextEra Energy Inc	3.6
ENAV Spa	3.5
Vinci Sa	3.2

Top sectors

	%
Electric Utility	31.5
Energy Infrastructure	20.6
Toll Roads	17.0
Airports	10.6
Electricity and Gas Distribution	5.8

Top countries

	%
United States	31.2
Canada	13.2
Italy	11.1
United Kingdom	9.7
Australia	9.0

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Fund Highlights

The Fund returned 1.80% (after fees), underperforming the benchmark which returned 2.17%.

The major contributors to the strategy's return were Electric Utilities, Energy infrastructure and the Toll roads sector. The detractors from the strategy's return were the Airports, Rail and seaports sectors. Relative to the S&P Global Infrastructure Index and in local currency terms, major stock contributors to the Fund's return included SSE, NextEra Energy and Vinci. Atlantia, Getlink and Aleatica were among the significant detractors. Relative to the S&P Global Infrastructure Index, the major positive contributors were positions in the Electric Utilities, Airports and Water sectors. Positions in the Rail/ Other Transportation, Toll Roads and Electricity and Gas Distribution sectors detracted.

Key Contributors to Outperformance

1. **SSE** outperformed due to higher inflation in the UK and greater focus by investors on energy independence. SSE owns electricity networks that have CPI-linked revenues, and a significant pipeline of offshore wind projects that may benefit from accelerated development.
2. **NextEra** fell as concerns around the supply of renewables projects components increased due to both higher inflation and an investigation by the US Department of Commerce into tariffs on imported solar panels.
3. **Vinci** outperformed as political risk declined as the presidential election in France resulted in a clear victory for incumbent Macron. The challenger, Le Pen had suggested greater intervention in the French economy including the toll road sector.

Key Contributors to Underperformance

1. **Atlantia** outperformed as the stock was subject to a bid from Blackstone alongside family founders of the company. The bid at EUR23 per share represented a 22% premium to the share price at the start of the month. The portfolio held an underweight position.
2. **Getlink** rose as the recovery from Covid was reflected in passenger volumes through the Channel Tunnel. The buyout of Atlantia also gave rise to expectations that Atlantia's shareholding in Getlink may inspire corporate action to take Getlink private. The portfolio did not hold Getlink.
3. **Aleatica** lagged during the month despite there being limited company specific news flows. The fund held an overweight position.

For more information speak to your financial adviser, call us on 1800 814 523, email mim.clientservice@macquarie.com or visit macquarieim.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. Macquarie Investment Management Global Limited ABN 90 086 159 060 AFSL 237843 is the investment manager of the Fund.

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