

# Macquarie International Infrastructure Securities Fund (Unhedged)

Monthly report – 30 November 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	\$319.2m
Distribution frequency	Quarterly
Management fee*	1.00% pa
Minimum investment (Direct)	\$20,000
Unit prices and spreads	<a href="https://www.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 30 November 2022

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
<b>1 month (%)</b>	4.41	4.33	3.12	1.21
<b>3 months (%)</b>	7.65	7.39	2.36	5.03
<b>1 year (%)</b>	20.28	19.10	14.31	4.79
<b>3 years (% pa)</b>	8.26	7.20	3.47	3.73
<b>5 years (% pa)</b>	9.53	8.45	5.89	2.56
<b>Since inception (% pa)</b>	10.80	9.71	8.47	1.24

### 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

	%
Aena Sme Sa	5.28
Nextera Energy Inc	5.22
Transurban Group	5.14
Enbridge Inc	4.75
American Electric Power	3.96
Enav Spa	3.81
Aleatica Sab De Cv	3.44
National Grid Plc	3.27
East Japan Railway Co	3.17
Severn Trent Plc	3.10

## Top sectors

	%
Electric Utility	31.33
Energy Infrastructure	18.32
Toll Roads	14.38
Airports	12.79
Rail/Other Transportation	5.63

## Top countries

	%
United States	32.15
United Kingdom	9.88
Canada	9.68
Spain	9.28
Italy	9.11

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## Fund Highlights

The Fund returned 4.41% (after fees), outperforming the benchmark which returned 3.12%.

- The major contributors to the strategy's return were Electric Utility, Toll Roads and Airports
- There major detractors to the strategy's return were Energy Infrastructure, Rail/Other Transportation and Electric Generation during the month.
- Relative to the S&P Global Infrastructure Index and in local currency terms, major stock contributors to the Fund's return included Dominion Energy Inc, Vopak and Atlantia SPA.
- East Japan Railway Co, West Japan Railway Co and COSCO Shipping Ports Ltd were among the significant detractors.
- Relative to the S&P Global Infrastructure Index, the major positive contributors were positions in the Electricity and Gas Distribution, Electric Utility and Water.
- Positions in the Rail/Other Transportation, Energy Infrastructure and Toll Roads detracted.

During a month of positive performance in global equities and positive performance in listed infrastructure, the strategy outperformed the benchmark.

### Key Contributors to Outperformance

- Dominion Energy Inc, underperformed as during Dominion's 3Q earnings call, management announced plans for a strategic review, to address balance sheet, customer rates and earnings quality. The review could result in material earnings dilution and likely signals a worsening of their regulatory environment in Virginia, which had previously been considered one of the strongest in the country. The fund doesn't hold a position in the stock.
- Vopak, performed well after announcing Q3 2022 results that were better than expected and the company upgraded its FY 2022 guidance, which was a big surprise given the prevailing narrative in the oil market.
- Atlantia SPA, rose as the company headed towards delisting into the ownership of a consortium including Blackstone. Year to date through November the stock has returned +36% on a total return basis.

### Key detractors from Outperformance

- East Japan Railway Co, underperformed as the company reported 2QFY23 results with operating income slightly missing market expectations due to the pick-up in COVID cases in Japan during the quarter.
- COSCO Shipping Ports Ltd: the share price of COSCO Shipping Ports bounced very strongly during the month on market hopes for an easing in COVID-19 restrictions in China and hence a pick-up in port volumes. Market expectations for tariff hikes into 2023 to allow port operators to pass on inflation also boosted market sentiment. The fund doesn't hold a position in the stock.
- West Japan Railway Co underperformed as the company reported 2QFY23 results which were largely in-line with expectations. The company reaffirmed its full year guidance for FY23 which may have disappointed some market participants who were looking for full year guidance to be raised.

**For more information speak to your financial adviser, call us on 1800 814 523, email [mam.clientservice@macquarie.com](mailto:mam.clientservice@macquarie.com) or visit [macquarieim.com](http://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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