

APRIL 30, 2009

# Monthly Report



MACQUARIE

## MACQUARIE GLOBAL INFRASTRUCTURE TOTAL RETURN FUND (MGU)

### OVERVIEW

MGU is a closed-end fund that seeks to provide investors with a total return over the medium-to-long term consisting of income and capital growth by investing in a diversified portfolio of equity, debt, preferred or convertible securities and other instruments issued by US and non-US companies that own, operate or manage infrastructure assets, are essential service providers in nature and offer potentially attractive risk/return profiles.

Inception Date	August 26, 2005
Ticker	MGU
CUSIP	55608D101
Portfolio Managers	Jon Fitch & Justin Lannen

### STATISTICS *As of April 30, 2009*

Closing Share Price	\$10.91
NAV	\$13.63
Discount to NAV	(20.0)%
Quarterly Dividend <sup>2</sup>	\$0.16/share
Dividend Yield <sup>2</sup>	5.9%
Leverage Ratio	24.8%
Net Assets	\$236.1 million

### FUND MANAGEMENT

MGU's investment adviser is Macquarie Capital Investment Management LLC (the "Manager"), which is a part of Macquarie Funds Group ("MFG") and a wholly-owned, indirect subsidiary of Macquarie Group Limited ("Macquarie Group").

Macquarie Group is a global provider of banking, financial, advisory, investment and funds management services. Macquarie Group acts on behalf of institutional, corporate and retail clients and counterparties around the world. Founded in 1969, Macquarie operates in more than 27 countries and employs approximately 12,800 people. Assets under management total more than USD 171 billion as of December 31, 2008.

MFG is the full service fund manager of Macquarie Group. MFG has over 25 years of asset management experience, over 600 staff across 19 global locations, and over USD 48 billion in assets under management as of December 31, 2008. MFG offers a diverse range of products including managed funds across a wide range of asset classes, funds-based structured products, hedge funds, and fund of funds.

<sup>2</sup> Based on annualized most recently declared distribution as of March 10, 2009 and closing market price on April 30, 2009.

### PERFORMANCE<sup>1</sup>

*All data in this report is as of April 30, 2009 (unaudited) unless noted otherwise.*

	1 Month	3 Months	YTD	1 Year	3 Years (Annualized)	Since Inception (Annualized)
Net Asset Value (NAV) (%)	13.02	3.60	(5.26)	(50.10)	(8.36)	(5.07)
Share Price (%)	16.06	(11.23)	(7.99)	(57.69)	(12.06)	(11.75)

<sup>1</sup> Past performance is not indicative of future results. Dividends are considered reinvested.

### MARKET REVIEW

Global equity markets continued in April to build on the positive momentum that began in March. There has been a steady increase in risk appetite across most major global markets driven by a mix of more positive news in the headlines and execution of various government initiatives aimed at supporting the financial system. The European Central Bank and the central banks in New Zealand, Brazil, India, Sweden and Canada, among others further lowered their interest rates to counteract their respective slowing economies.

Despite the continued "beta recovery" by cyclical sectors that were oversold, there was further negative macroeconomic news. It included continued weakness in unemployment numbers and a lackluster first quarter earnings season in the United States in which a number of companies met or beat diminished market expectations but were nonetheless generally negative on the near term outlook. Opinions among economists and policy commentators about the current policy initiatives are mixed, with some having concerns about the political fallout if they fail to reinvigorate lending and the economy generally. While a number of issues remain, not least assessing the length and depth of the global recession, forward looking investors have, at least in the near term, been buoyed by any signs that the environment has stopped deteriorating. At the same time, negative news has tended to be regarded as less significant.

Global equities as measured by the MSCI World Index in USD rose 11.3%. The infrastructure sector as measured by the Macquarie Global Infrastructure Index (MGII) also participated in the market's strength, gaining 6.0% in USD. Since this market rally began in March, the MGII in USD has gained 17.4% through April 30.

At the end of the month, governments and companies around the world were reacting swiftly to a new strain of flu that may threaten millions, according to the World Health Organization. There had been little impact on global equity markets by month-end.

### PORTFOLIO REVIEW

As was the case in March, the global listed infrastructure sector was again led in April by some of the more economically sensitive "user demand" transportation subsectors, particularly Seaports and Airports. The more defensive regulated/contracted subsectors underperformed (after having outperformed in prior months) as investors continued to rotate into the higher beta sectors.

The Fund outperformed the Macquarie Global Infrastructure Index (MGII). Relative to the MGII, the major positive contributors to the Fund's performance were the underweight position and stock selection in Electric Utilities, the overweight position and stock selection in Seaports and Pipelines and the overweight position in Airports. The major detractor was stock selection in Electricity Generation. The Fund is managed on a benchmark unaware basis.

The earthquake that struck central Italy early in the month caused widespread damage to residential areas. Italian infrastructure companies announced that no major assets had been damaged in the 6.3 magnitude quake. Of greater impact in Italy has been the recession, as highlighted in power demand data from Terna, the Italian transmission grid owner and operator. Electricity consumption in Italy declined 9% in March 2009 compared to March 2008. Within the generation mix, hydro power production rose 37% whilst thermal power production was down 20%. This is expected to have a significant impact on the 2009 earnings of generators with a high proportion of thermal generation.

Across Europe, electricity demand was down. France's electricity demand in March fell 4.7% year on year (yoy) and industrial demand fell on average by 4.7% in the first quarter of the year. Spanish electricity demand has fallen around 10% year to date, while January electricity demand in Germany was down 2.4% yoy.

Combined with lower electricity prices, the reduction in demand and thus fall in revenue highlights the cyclical nature of generation businesses exposed to competitively determined electricity prices. Relative to the MGII, the Fund is very significantly underweight to these companies (in the Generation and Electric

## PORTFOLIO COMPOSITION<sup>3</sup>

Number of Holdings	45
% in Developed Markets	89.0
% in Emerging Markets	9.2
% in Cash / Other	1.8

## BY INDUSTRY<sup>3</sup> (%)

Pipelines	27.6
Toll Roads / Transportation	19.5
Electric Utility	11.5
Airports	9.5
Electricity Transmission	7.8
Water	7.7
Electricity and Gas Distribution	7.6
Electricity Generation	5.5
Diversified	0.9
Other	0.6
Cash	1.8

## BY COUNTRY<sup>3</sup> (%)

United States	25.3
Spain	11.1
Italy	8.4
Australia	8.0
United Kingdom	7.7
Germany	6.4
Canada	6.2
Japan	5.8
Hong Kong	5.6
France	5.1
Brazil	2.9
New Zealand	1.8
Switzerland	1.8
Mexico	1.4
Thailand	0.7
Cash	1.8

## TOP 10 HOLDINGS (%)

Red Electrica de Espana	4.1
Enagas	4.1
Atlantia SpA	4.0
Magellan Midstream Partners LP	4.0
Enterprise Products Partners LP	3.8
Energy Transfer Partners LP	3.6
Kinder Morgan Partners LP	3.4
Severn Trent Plc	3.4
Spark Infrastructure Group	3.3
Exelon Corp.	3.0

<sup>3</sup> Based on Total Assets.

## PORTFOLIO REVIEW *continued*

Utility sub-sectors), as their greater cyclical nature means these stocks do not typically have the investment characteristics (of stable, predictable cash flows stemming from a defined tariff structure) that we seek in our infrastructure investments.

Examples this month of the operational resilience across the infrastructure subsectors in spite of macroeconomic headwinds included:

- Transurban Group announced that aggregate toll revenue across its Australian assets rose 7.3% in the March quarter, again demonstrating the resilience of its Australian tollroad portfolio. Traffic growth on a normalized basis was delivered on five out of six Australian roads for the March quarter 2009 compared to the March quarter 2008. The timing of Easter in April this year compared to March last year did boost headline traffic growth. Toll revenue on Transurban's US road, the Pocahontas Parkway, fell 2.8% for the quarter, consistent with weakness seen on other US roads.
- Jiangsu Expressway reported 1Q09 results, delivering a 4% yoy increase in net profit. During the quarter average daily traffic volumes on Jiangsu Expressway's main road, the Jiangsu Section of the Shanghai-Nanjing Expressway, increased by 10.6% yoy.
- Enterprise Products Partners L.P. (EPD) announced a 5.9% increase in the quarterly cash distribution rate, compared to 1Q08. This represents the 19th consecutive quarterly increase.
- Enbridge Energy Partners LP (EEP) has completed the installation of the second stage of the Southern Access expansion project on the Lakehead Pipeline crude oil mainline system. The project was completed on time and within budget, and is expected to add approximately USD 80 million in EBITDA annually for the first full year of operations.

In other Pipeline sector news, Energy Transfer Partners LP (ETP) raised approximately USD 319 million in equity. The net proceeds will be used to fund capital expenditures and capital contributions towards its joint venture pipeline construction projects. Management highlighted that the equity raised provides sufficient liquidity for the remainder of 2009 and that, on current projections, ETP does not expect to need to go back to the market for more equity this year.

The share price performance of many of the Fund's holdings remains somewhat disconnected from their resilient operational performance (i.e. earnings), which has generally been in line with our expectations.

## OUTLOOK

While economic conditions may remain very difficult for some time to come and general investor caution about company earnings in a weaker economic (and thus lower demand) environment may thus persist, we expect that many infrastructure companies held by the Fund can continue to deliver sound operational performance.

The Fund aims to balance the attractive long-term opportunities with the shorter-term drivers of return (for example, the impact on transportation infrastructure assets of the economic downturn). As governments have demonstrated a willingness to act to stabilize the financial system and increase spending to stimulate their economies, we believe the highest risk period has most likely passed and that a large defensive tilt is now no longer necessary.

After lagging the more defensive stocks late last year and early this year, the valuation upside for some of the user demand stocks is looking very compelling, and thus we have selectively switched into some high quality user demand transportation infrastructure stocks that would benefit from an improvement in economic and market conditions. This has been funded by trimming exposure to some of the more defensive names.

We continue to monitor the potential impact of the flu outbreak, particularly as it relates to the airport sector. As of month's end, the impact appeared to be largely limited to Mexican air traffic.

The attractive investment characteristics of the underlying infrastructure assets in the portfolio remain in place. It remains our view that the pricing of global listed infrastructure securities should revert more closely, over time, to reflect the fundamentals of their respective underlying infrastructure assets and thus that the Fund will ultimately benefit from owning high quality listed infrastructure securities. We believe the Fund provides investors with an attractive vehicle to access a global portfolio of such stocks and that it can play a diversifying role in a wider portfolio.

## For more information on the Macquarie Global Infrastructure Total Return Fund:

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### DISCLAIMER

This document has been prepared by Macquarie Capital Investment Management LLC ("MCIML") on behalf of the Macquarie Global Infrastructure Total Return Fund Inc ("MGU" or the "Fund"). Neither MCIML nor MGU are authorized deposit-taking institutions for the purposes of the Banking Act 1959 (Commonwealth of Australia), and their obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 ("MBL"). MBL does not guarantee or otherwise provide assurance in respect of the obligations of MCIML or the Fund.

The Fund is not intended to be a complete investment program. An investment in the Fund involves risks, and the Fund may or may not be able to achieve its investment objective for a variety of reasons. The following summarizes some of the Fund's risks but does not purport to be a complete listing of all of the risks. Investors should carefully review the Fund's Prospectus and consult their own advisers. The opinions expressed herein are the opinions of the Fund's advisers as of the date of this document, are based on market conditions as of that date, and are subject to change. The opinions should not be considered advice or recommendations. Past performance is not indicative of future results.

The above commentary and outlook reflects the views of the portfolio managers through April 30, 2009 and may include forward-looking statements. The statements may include projections, estimates and descriptions of future events. These statements are subject

to a variety of risks and uncertainties, which may cause actual results to differ materially from this commentary and outlook. The portfolio managers' views are subject to change as market and other conditions warrant and should not be construed as a recommendation for any securities discussed herein.

Unlike open-end funds, closed-end funds are not continuously offered. After a one-time public offering, shares of closed-end funds are sold in the secondary market and frequently trade at a discount to net asset value.

Specific information on the Fund is provided for informational purposes only and is not intended for purposes of purchasing or selling shares of the Fund.

Adviser Risk. MCIML, the Fund's adviser, is an investment adviser with limited investment history or track record. The Fund is further dependent on Mr. Jon Fitch and Mr. Justin Lannen, portfolio managers for the Fund. There is no guarantee an adequate replacement could be found for MCIML should Mr. Fitch's and/or Mr. Lannen's services no longer be available. The Fund is also subject to risk because it is an actively managed portfolio. Industry Concentration and Infrastructure Industry Risk. The Fund will be concentrated in the infrastructure industry, and will be more susceptible to adverse economic or regulatory occurrences affecting that industry than a fund that is not concentrated in a specific industry.

Non-U.S. Investment Risk. A majority of the Fund's investments will be in non-U.S. issuers and a substantial portion of the trades executed for the Fund will take place on foreign exchanges. Investments in securities and instruments of non-U.S. issuers involve certain considerations and risks not ordinarily associated with investments in those of U.S. issuers.

Emerging Markets Risk. In addition to non-US investment risk, investments in emerging markets may expose the fund to heightened risks that may be more volatile than investments in developed markets.

Use of Derivatives and Hedging. The Fund may use derivatives and a variety of hedging techniques. Derivatives can be illiquid, may disproportionately increase losses and may have a potentially large impact on the Fund's performance. Certain of the investment techniques that the Fund may employ for hedging or to increase income or total return will expose the Fund to additional risks.

Leverage Risk. The Fund expects to employ leverage as part of its investing strategy. The use of leverage will increase the volatility of the Fund and increase risk to investors. Any difficulty in maintaining the Fund's leverage could cause a diversion of cash flow and/or require liquidation of some portion of the Fund's portfolio. Restrictions imposed as a result of any leverage may directly or indirectly inhibit the Fund's ability to take actions that otherwise may be taken in an unleveraged portfolio of similar assets.

Non-Diversified Status. The Fund is non-diversified within the meaning of the Investment Company Act of 1940.