

MACQUARIE ASSET MANAGEMENT

Macquarie Global Yield Maximiser Fund

Seeking to maximise yield via an active, global and yield focused strategy

Using a multi-sector credit approach, the Macquarie Global Yield Maximiser Fund (Fund) provides exposure to high yielding credit opportunities, seeking to boost portfolio yield and deliver higher levels of distributions than cash and traditional fixed income investments.

**Higher yield**

Seeking to deliver higher levels of yield than traditional fixed income assets by investing in higher yielding credit opportunities

**Highly flexible**

Aiming to generate yield via a diverse global range of fixed income investments

**High conviction**

A highly selective approach aiming to capture the best opportunities

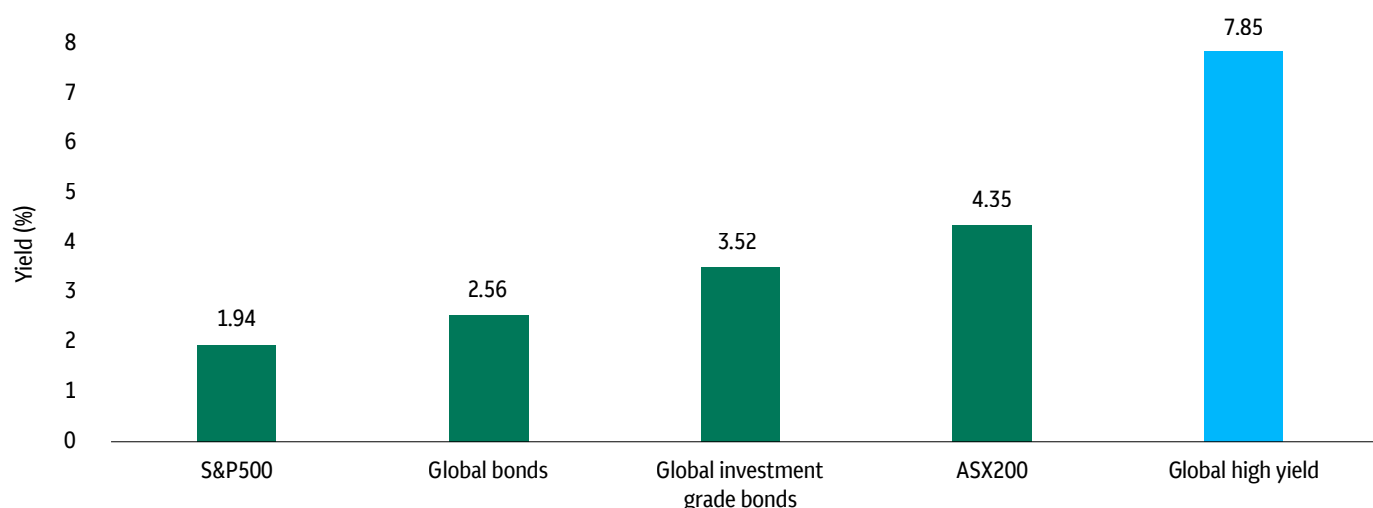
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Macquarie Asset Management

Higher yield

As shown in the graph below, the average yield generated by the global high yield market has been notably higher over the past 20 years than other traditional asset classes, including both traditional fixed income and equities. Importantly, this higher level of yield can be accessed in an easily tradable ASX ETF, unlike other higher yielding credit segments, such as private credit vehicles, which often feature capital lock up periods and limited liquidity windows. In addition, the Fund aims to provide monthly distributions.

Average yield-to-maturity or dividend yield over the past 20 years



Source: Bloomberg, as of 31 January 2025. The following indices have been used to represent the different parts of the fixed income investment universe above: Global bonds – Bloomberg Global Aggregate Index; Global investment grade corporate – Bloomberg Global Aggregate Credit Total Return Index; Global high yield – Bloomberg Global High Yield Index. Yield-to-maturity is the return that would be earned over the next year if there were no changes to interest rates and assuming there are no changes to the underlying investments. The number which is quoted is before fees. Yield-to-maturity is not the actual return that an investor can expect to receive by investing in these indices. Average yield-to-maturity has been calculated as the average of the daily yield-to-maturity over the last 20 years or since inception of the relevant index. Dividend yield is the annual dividend income on an equity position divided by the current market price of that equity position and has been calculated as the average of the daily dividend yield over the last 20 years.

High yield securities may provide access to higher earning companies

Did you know?

- The global high yield and loan market is US\$2.7tn, making it larger than the ASX300
- The high yield market has funded now blue-chip companies such as Ford, Tesla, Netflix, Twitter/X and Uber during their initial growth phase
- Current high yield issuers include Hilton, United Airlines and News Corp
- Approximately 30% of the US high yield market is secured debt¹

Nothing in this document constitutes a recommendation to buy, sell or hold any particular security and securities listed may or may not be held by the Fund.

Highly flexible

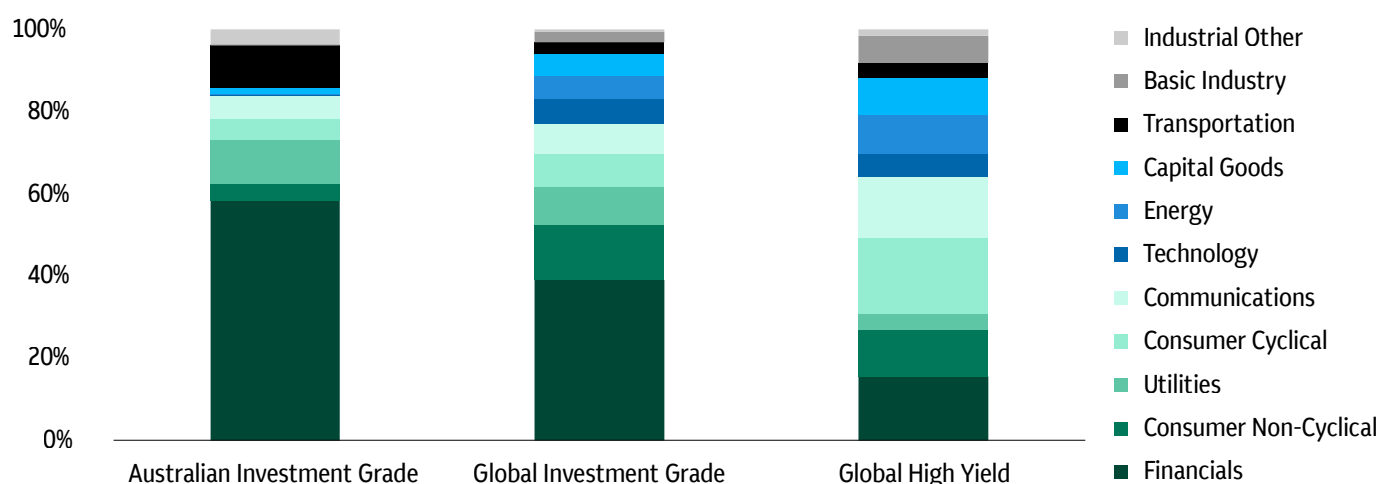
Importantly, the Fund is actively managed, with the ability to access a diverse and global investment universe, seeking to maximise yield while having regard to risk management and based on prevailing market conditions. By implementing an agile and dynamic approach, the strategy aims to capture the best opportunities available across the spectrum of higher yielding credit. This includes potential investments in high yield credit, bank loans, collateralised loan obligations (CLOs), emerging markets debt, structured securities, subordinated securities and investment grade credit.

1. Information is current as at 30 September 2024 and is subject to change.

Greater diversification, greater opportunities

Did you know?

- The global high yield market is a highly diversified market
- Unlike Australian or global investment grade credit, which are typically dominated by a single industry, global high yield provides investment opportunities across a broad range of industries
- Accordingly, an allocation to high yield may enable investors to enhance portfolio yield, whilst also improving portfolio diversification.



Source: Bloomberg, as at 30 September 2024. Aus IG: Bloomberg AusBond Credit 0+ Yr Index, Global IG: BBG Global Aggregate Credit 100% AUD Hedged Index, Global HY: ICE BofA Global HY Constrained HWOC 100% AUD Hedge Index, Foreign agencies, Foreign local government and sovereign Bloomberg industries have been removed.

High conviction

As is the case with all fixed income investing, 'avoiding the losers' is a critical component in delivering attractive returns. When investing in higher yielding segments of the fixed income market, this is even more important, given the potential for higher levels of default. Accordingly, we adopt a highly selective approach to populating the holdings of the portfolio through a robust investment process, seeking to identify issuers with improving credit profiles and proactively identifying those with the potential for credit deterioration. This process also deliberately excludes the purchase of CCC and below rated securities, aiming to minimise downside risk and lowering the risk of defaults. Our experienced research analysts meticulously evaluate every individual security seeking to capture opportunities which we believe provide the greatest yield potential, while also seeking to protect investors from negative (and long tailed) event risk.



About Macquarie Asset Management

Macquarie Asset Management has been managing cash and fixed income portfolios since 1980. Macquarie Fixed Income has grown to be one of Australia's largest, active fixed income managers, with a team of over 100 dedicated investment professionals globally.

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Target investors

The Target Market Determination (**TMD**), available at macquarie.com/mam/TMD, includes a description of the class of consumers for whom the Fund is likely to be consistent with their objectives, financial situation and needs.

Risks

All investments carry risk. Different investments carry different levels of risk, depending on the investment strategy and the underlying investments. Generally, the higher the potential return of an investment, the greater the risk (including the potential for loss and unit price variability over the short term). The risks of investing in this fund include:

Investment risk: The Fund seeks to generate higher income returns than traditional cash investments. The risk of an investment in the Fund is higher than an investment in a typical bank account or term deposit. Amounts distributed to unitholders may fluctuate, as may the Fund's NAV unit price, by material amounts over short periods.

Manager risk: There is no guarantee that the Fund will achieve its performance objectives, produce returns that are positive, or compare favourably against its peers, or that the strategies or models used by the Investment Manager will produce favourable outcomes.

Income securities risk: The Fund may have exposure to a range of income securities. The value of these securities may fall, for example due to market volatility, interest rate movements, perceptions of credit quality, supply and demand pressures, a change to the reference rate used to set the value of interest payments, market sentiment, or issuer default.

More information on the risks of investing in the Fund is contained in the Product Disclosure Statements for each class of units in the Fund, which should be considered before deciding to invest in the Fund.

Investing in the Fund

The Macquarie Global Yield Maximiser Fund has different classes of units;

1. **an unquoted class** (Macquarie Global Yield Maximiser Fund). Investors can apply for units in the unquoted class by sending an application form to Macquarie
2. **a quoted class** (Macquarie Global Yield Maximiser Active ETF). Investors can buy units in the quoted unit class on the ASX using the ASX ticker: MQYM.

There is a separate product disclosure statement for each class of units in the Fund, which should be considered before deciding to invest in the Fund. For more information, please visit macquarie.com/mam/pds

For more information, call us on 1800 814 523,
email mam.clientservice@macquarie.com, or visit macquarie.com/mam

Important information

The Fund(s) mentioned above may have multiple classes of units on issue. A separate class of units is not a separate managed investment scheme.

This information has been prepared by Macquarie Investment Management Australia Limited (ABN 55 092 552 611 AFSL 238321) the issuer and responsible entity of the Fund(s) referred to above. This is general information only and does not take account of investment objectives, financial situation or needs of any person and before acting on this information, you should consider whether this information is appropriate for you. In deciding whether to acquire or continue to hold an investment in a Fund, an investor should consider the product disclosure statement for the relevant class of units in a Fund, if any, and the Website Disclosure Information available at macquarie.com/mam or by contacting us on 1800 814 523.

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