

**MACQUARIE ASSET MANAGEMENT**

# Macquarie Core Equity Active ETFs

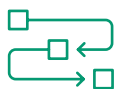
## Active management, powered by data

Macquarie Systematic Investments has pioneered innovative, resilient institutional investment solutions for over 30 years. And now, we're providing everyday access to this disciplined quantitative strategy through a range of new active ETFs.



### The systematic advantage

Aiming to identify companies with desirable characteristics, while reducing the risks of emotional biases



### Broad range of factors - consistency of outcomes

Our approach is repeatable, aiming for carefully delivered and consistent excess returns



### Cost efficient access

An attractive management fee, plus a performance fee only when we beat the index.

Refer to the Product Disclosure Statement for further information on the fees and costs

# Macquarie Core Equity Active ETFs

Macquarie Asset Management



## Macquarie Core Australian Equity Active ETF (ASX:MQAE)

Giving investors access to a finely-tuned portfolio of around 100 - 200 ASX shares.

Management fee: **0.03%**

Performance fee: 20% of the cumulative outperformance of the Fund (after the management fee and expenses) above the return of the Index, subject to a high watermark.



## Macquarie Core Global Equity Active ETF (ASX:MQEG)

Comprises of around 200 - 500 systematically selected global shares.

Management fee: **0.08%**

Performance fee: 20% of the cumulative outperformance of the Fund (after the management fee and expenses) above the return of the Index, subject to a high watermark.

The Core Active ETFs are designed to be portfolio building blocks and offer an enhanced outcome for investors by aiming to provide consistent active returns above the benchmark.

## Systematically exploiting opportunities

Over three decades, our robust systematic process has delivered long-term, consistent, index-plus returns across a range of strategies for leading super funds, institutions and everyday investors. And now, we have launched active ETFs which are listed on the ASX – making it even easier to invest in a systematic strategy.

Our quantitative process sifts through mountains of data: prices, volumes, earnings, expenses, trends, valuations, ratios, carbon footprints and even the ‘tone’ of a company’s announcement. Through a range of proprietary tools, we synthesise this immense volume of data into unique insights to construct a fine-tuned portfolio. Our process aims to identify companies with the best chance of outperformance, while reducing the risks of emotional biases and avoiding unrewarded tilts such as style, sector and country bets.

## Our investment process in 3 steps:

We analyse over 100m data points that drive company performance every week

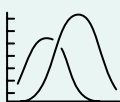
With our proprietary tools we synthesise this data into multiple signals that can be used to predict alpha and risk



Deep data analysis

Distil complex insights into diverse and investible themes

Our process aims to identify companies with desirable characteristics and takes larger positions in stocks the model prefers



Identify preferred companies

Construct a portfolio with a risk-aware approach, aiming for consistent excess returns

We ensure no single style, like value or growth, dominates across the range of stocks helping build a finely tuned diversified portfolio.



Carefully constructed portfolio

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## Aiming to achieve consistent active returns

Our investment approach has been developed with the aim of delivering consistent active returns above the Funds' benchmark throughout the market cycle. To achieve this, we use a broad range of investment themes combined in a risk-controlled framework to drive performance.

Different investment styles perform well at different points in the market cycle; generally speaking, Quality performs well in volatile markets, Value performs well in market rebounds and Sentiment tends to perform well in Australia across most market conditions.

## A deep focus on risk

Our focus is on striking the right balance between generating returns and managing risks. In other words, it is just as important to us to try to avoid the negative surprises as it is to find winners.

To help protect from downside risk, diversification across stocks and sectors is key. Large, oversized positions in single names are a big risk.

By leveraging a number of in-house tools, our portfolio managers can effectively monitor the risk exposures of the portfolio. This includes proprietary ways of viewing sector and macroeconomic exposures within the portfolio.



### Macquarie Asset Management

Macquarie Asset Management is one of Australia's largest asset managers with over 30 years' experience managing equities portfolios.

Our experienced global team has over 130 investment professionals across Australia, the US, Asia and Europe

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## Target investors

The Macquarie Core Australian Equity Active ETF and Macquarie Core Global Equity Active ETF are designed for consumers who:

- are seeking capital growth and income distribution
- are intending to use the Fund as a core component, minor allocation or satellite allocation within a portfolio
- have a minimum investment timeframe of five years
- have a high or very high risk/return profile for that portion of their investment portfolio, and
- require the ability to have access to capital within one week of request.\*

The Target Market Determination (**TMD**), available at [macquarie.com/mam/tmd](https://www.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.

\* Sales proceeds, for units in exchange traded funds admitted to trading on the ASX, are normally available two ASX trading days after the sales date on the ASX.

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## Risks

All investments carry risk. Different investments carry different levels of risk, depending on the investment strategy and the underlying assets. Generally, the higher the potential return of an investment, the greater the risk. The risks of investing in the Funds include:

**Investment risk:** The Funds have exposure to share markets. The risk of an investment in the Funds is higher than an investment in a typical bank account or fixed income investment. Amounts distributed to unitholders may fluctuate, as may the Funds' unit price. The unit price may vary by material amounts, even over short periods of time, including during the period between a redemption request being made and the time the redemption unit price is calculated.

**Market risk:** The investments that the Funds have exposure to are likely to have a broad correlation with share markets in general. Share markets can be volatile and have the potential to fall by large amounts over short periods of time. Poor performance or losses in domestic and/or global share markets are likely to negatively impact the overall performance of the Funds.

**Security specific risk:** Securities and the companies that issue them are exposed to a range of factors that affect their individual performance. These factors may cause an investment's return to differ from that of the broader market. The Funds may therefore underperform the market and/or its peers due to their security specific exposures.

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

**More information on the risks of investing in the Funds is contained in the Product Disclosure Statement, which should be considered before deciding to invest in the Funds.**

For more information, call us on 1800 814 523,  
email [mam.clientservice@macquarie.com](mailto:mam.clientservice@macquarie.com) or visit [macquarie.com/mam](http://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](http://macquarie.com/mam) or by contacting us on 1800 814 523.

Past performance information is for illustrative purposes only and is not a reliable indicator of future performance. Current performance information for each class of units in the Fund(s) is available on our website at [macquarie.com/mam/performance-reports](http://macquarie.com/mam/performance-reports).

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