

Macquarie Investment Management Australia Limited

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Dear Investor

Macquarie Capital Stable Fund (ARSN 091 491 100) – Changes to the neutral strategic asset allocation weights

Macquarie Investment Management Australia Limited (**Macquarie**), the responsible entity of the Fund, wishes to inform you that, with effect from 1 July 2023 (**Effective Date**), the Fund's neutral strategic asset allocation weights will be updated as per the table below.

There are no changes to the strategic asset allocation ranges nor any other changes to the way the strategy is managed.

How does this change impact the Fund?

The Fund provides access to a diversified portfolio of cash and fixed interest investments with limited exposure to growth assets.

As part of the Fund's strategy, the asset allocation of the portfolio is actively managed depending on the prevailing market conditions within set ranges.

Following a review of the current neutral asset allocation exposure in light of the prevailing market environment and the outlook going forward, the investment manager will implement changes to the neutral asset allocation as detailed in the table below from the Effective Date.

The allocations will be updated to reflect below changes:

1. Neutral defensive asset allocations

- a. Decrease exposure to cash and inflation linked bonds.
- b. Increase exposure to Australian fixed interest.

2. Neutral growth asset allocations

- a. Decrease exposure to Australian shares and developed markets within global shares.
- b. Increase exposure to emerging markets within global shares.

- 3. Specify a global listed property asset allocation within global shares with a neutral asset allocation weight of 2.5%.

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Asset allocation ¹		Current (%)		Asset allocation ¹		From Effective Date (%)	
Asset class	Minimum	Maximum	Neutral ²	Asset class	Minimum	Maximum	Neutral ²
Cash	0	60	15.0	Cash	0	60	14.0
Strategic income ³	0	60	17.5	Strategic income ³	0	60	17.5
Fixed interest	0	80	35.0	Fixed interest	0	80	36.5
• <i>Australian</i>			22.5	• <i>Australian</i>			24.0
• <i>Global⁴</i>			12.5	• <i>Global⁴</i>			12.5
Inflation linked bonds	0	10	5.0	Inflation linked bonds	0	10	3.0
Australian shares ⁵	0	20	10.0	Australian shares ⁵	0	20	9.5
Global shares ⁵	0	30	10.0	Global shares	0	30	12.0
• <i>Developed markets</i>			5.5	• <i>Developed markets</i>			4.5
• <i>Emerging markets</i>			4.5	• <i>Emerging markets</i>			5.0
				• <i>Global listed property</i>			2.5
Alternative assets ⁶	0	10	7.5	Alternative assets ⁶	0	10	7.5

1 The above ranges are indicative only. The Fund will be rebalanced within a reasonable period of time should the exposure move outside these ranges.
2 Mix of investments which the Investment Manager believes has the highest likelihood of achieving the Fund's longer-term objective. The asset allocation may vary over short-time periods where there are opportunities to exploit shorter-term market inefficiencies.
3 Invests predominantly in high quality Australian and global credit securities.
4 May include exposure to emerging markets.
5 May include exposure to real estate securities.
6 May include exposure to private equity, infrastructure, property or hedge funds.

We believe that these changes will allow the Fund to continue to be managed in line with its investment objective.

More information

As a result, we issued a Supplementary Information Memorandum (**Supplementary IM**) for the Fund, dated 6 June 2023, which supplements and amends the Information Memorandum for the Fund. You can request a copy of the Supplementary IM by contacting us.

Please contact Macquarie Asset Management Public Investments Client Service on 1800 814 523 (8.30am to 5.30pm Sydney time, Monday to Friday) or email mam.clientservice@macquarie.com if you have any questions about the changes or would like more information about the Fund.

Yours sincerely



Graham Maiden
Head of Client Service
Macquarie Asset Management