

Macquarie Global Infrastructure Total Return Fund Inc.  
Form N-CSRS  
August 07, 2006

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-21765

Macquarie Global Infrastructure Total Return Fund Inc.  
(Exact name of registrant as specified in charter)

125 West 55<sup>th</sup> Street, New York, NY  
(Address of principal executive offices)

10019  
(Zip code)

Tane T. Tyler  
ALPS Mutual Fund Services, Inc.  
1625 Broadway, Suite 2200  
Denver, Colorado 80202  
(Name and address of agent for service)

Registrant's telephone number, including area code: (303) 623-2577

Date of fiscal year end: November 30

Date of reporting period: May 31, 2006

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW,

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Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

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Item 1. **Reports to Stockholders.**



**MACQUARIE GLOBAL INFRASTRUCTURE TOTAL RETURN FUND, INC. (MGU)**  
SEMI-ANNUAL REPORT 2006

**MGU/06**

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**Shareholder Letter**

May 31, 2006 (Unaudited)

**INTRODUCTION**

We are pleased to provide the following report to shareholders of the Macquarie Global Infrastructure Total Return Fund Inc. ( MGU or the Fund ) for the six months ended May 31, 2006.

The net asset value ( NAV ) of the Fund increased by 7.0% from \$22.93 on November 30, 2005 to \$24.53 on May 31, 2006. During this period the Fund paid two quarterly distributions to its shareholders. The first quarterly distribution of \$0.375 per share was paid on December 20, 2005 and the second quarterly distribution of \$0.375 per share was paid on March 31, 2006. MGU s NAV increased 10.7% on a total return basis over the period from November 30, 2005 to May 31, 2006 after including these total distribution payments of \$0.75.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund s investment objective is to provide investors with a high level of total return consisting of dividends and other income, and capital appreciation. The Fund seeks to achieve its objective by investing at least 80% of its total assets in equity and equity-like securities issued by U.S. and non-U.S. issuers that own or operate infrastructure assets ( Infrastructure Issuers ).

It is anticipated that most of the Infrastructure Issuers in which the Fund will invest will be public companies listed on national or regional stock exchanges.

In pursuit of the Fund s investment objective, MGU will seek to manage its investments so that at least 25% of its distributions may qualify as tax-advantaged qualified dividend income for U.S. federal income tax purposes.

We believe that infrastructure assets have a number of features that make this an appealing asset class for investors:

Essential Services: Many infrastructure issuers are the sole providers of an essential product or service to a segment of the population;

Competitive Advantage: Often these businesses have a strategic competitive advantage;

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Inelastic Demand: Demand for infrastructure-related products or services is often linked to underlying economic or demographic growth, which makes demand for infrastructure

products or services more stable, and less sensitive to changes when compared to other products and services;

Long-Life, Inflation-Linked Assets: Typically infrastructure assets are long-life assets and may operate under long-term concessions/agreements. The underlying revenue of infrastructure assets may be linked to inflation, sometimes directly through a regulatory framework or through contracts/concession agreements linking price/tariff growth to inflation;

Leverage on Fixed-Cost Basis: Once developed, on-going operational costs for many infrastructure assets are relatively low and stable. Increases in revenue generated by such infrastructure assets may not result in a proportionate increase in operating costs, thereby increasing cash flow.

**FUND COMMENTARY**

The NAV total return for the Fund and comparative benchmarks from December 1, 2005 to May 31, 2006 are summarized in the table below:

**Total NAV Return: December 1, 2005 - May 31, 2006**

Macquarie Global Infrastructure Total Return Fund (MGU)	10.7%
Macquarie Global Infrastructure Index (1)	13.9%
S&P U.S. Utilities Accumulation Index (2)	3.1%

Both MGU and the Macquarie Global Infrastructure Index (the Benchmark ) benefited from favorable equity market conditions during this period, including merger and acquisition activities in the European infrastructure/utility sector.

Macquarie Fund Adviser (the Manager ), investment advisor to MGU, believes that the major difference relative to the Benchmark can be attributed to the Fund s relatively limited exposure to competitive utility-type businesses that in part

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(1) The Macquarie Global Infrastructure Index consists of 255 infrastructure/utilities stocks in the FTSE Global All-Cap Index, and has a combined market capitalization of approximately \$1.8 trillion as of May 31, 2006.

(2) The Standard & Poor s Utilities Index is an unmanaged, capitalization-weighted index representing 31 of the largest utility companies listed on the NYSE.





have benefited more directly from energy price movements.

General weakness of the U.S Dollar also contributed to positive returns to the Fund's NAV. For example, during the six months ended May 31, 2006, the U.S. Dollar depreciated in excess of 7% against both the British Pound and the Euro. As of May 31, 2006, approximately 36% of the MGU portfolio was denominated in these two currencies.

MGU's share price appreciated from \$20.69 on November 30, 2005 to \$21.34 on May 31, 2006, an increase of 3.1%. Including paid distributions of \$0.75 during the period, MGU's share price increased 6.8% on a total return basis. As of May 31, 2006, the MGU share price of the Fund was at a 13.0% discount to NAV.

The Fund has continued to invest the proceeds from the Fund's IPO and the Fund's \$150 million revolving credit facility. As of May 31, 2006, approximately 97% of the proceeds available to the Fund had been invested in the securities of Infrastructure Issuers. The Manager has been able to establish a broad portfolio of investments based on the Fund's investment criteria and the Fund has been able to pay its first two distributions from returns generated by the investments.

A summary of the geographic and industry diversification of the portfolio as of May 31, 2006, is illustrated in the charts below:

**Portfolio Diversification by  
Geographic Region (1)**

**Portfolio Diversification by  
Industry Sector (1)**

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(1) Diversification of the Fund based on Total Assets as defined by the Fund's prospectus.

Consistent with the overall investment strategy of the Fund, the Manager has focused on securities of Infrastructure Issuers that the Manager believes have strong strategic positions in their respective businesses and are able to generate sustainable and growing cash flow streams. As illustrated in the charts above, the top three concentration of Infrastructure Issuers in the MGU portfolio are in the U.S. (23%), U.K. (20%) and Australia (16%).

In the U.S., MGU has focused on pipeline infrastructure with a high component of fee-based income and utilities with predominantly regulated earnings. In the U.K., investments have reflected a combination of airport, port, energy infrastructure (including gas/electricity transmission and distribution networks) and water utilities. In Australia, the Fund has invested in energy infrastructure as well as toll road and diversified infrastructure businesses. MGU's investments in Australia have materially increased with the participation in initial public offerings of Spark Infrastructure and SP AusNet in December 2005.

Going forward, the Manager expects that overall exposure to the U.S. will remain below 30% of the portfolio while the rest of the portfolio would be invested in securities of infrastructure issuers located outside of the U.S.

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A summary of the top 10 holdings as of May 31, 2006 is included in the following table:

### TOP TEN HOLDINGS

Company	Description of Business	% Total Assets
British Airport Authority Plc	Airports Owner (U.K.)	4.92%
Magellan Midstream Partners, LP	Pipeline Infrastructure and Bulk Storage (USA)	4.83%
Transurban Group	Toll Roads (Australia)	4.43%
Kinder Morgan Energy Partners, LP	Pipeline Infrastructure and Bulk Storage (USA)	4.29%
Enbridge Energy Partners, LP	Petroleum Transportation (USA)	4.22%
AmeriGas Partners, LP	Propane Marketer (USA)	3.85%
Severn Trent Plc	Water and Wastewater Utility Services (U.K.)	3.78%
Pembina Pipeline Income Fund	Petroleum Transportation (Canada)	3.70%
Terna S.p.A.	Electricity Transmission (Italy)	3.64%
SP AusNet	Electricity and Gas (Australia)	3.62%

The top performer in terms of share prices movement in the MGU portfolio over the six months ended May 31, 2006, was Beijing Capital International Airport the share price of which has appreciated 44% during that period. The manager believes the two main factors contributing to the significant increase in the stock's share price are robust passenger growth and heightened demand for China-related investments.

Strong performers during the six months ended May 31, 2006 included Electricite De France ( EDF ) and also British Airport Authority Plc ( BAA Plc ); share prices of both companies appreciated in excess of 37%. High wholesale electricity prices during the period contributed to the strong performance of the EDF share price, while the BAA Plc share price increased dramatically due to a takeover bid. In June 2006

the Board of BAA Plc confirmed that it had accepted, subject to final documentation, a revised definitive proposal from a consortium led by Grupo Ferrovial SA, a Spanish construction group.

The manager believes weakness in the portfolio can be largely attributed to concerns about rising interest rate and inflation fears. Positions in U.S., Canada and Australia have been particularly affected and have consequently underperformed the rest of the portfolio. Kinder Morgan Energy Partners (pipes), Northland Power (contracted generation) and Spark Infrastructure Group (energy distribution) are examples of stocks whose price performance has been impacted by interest rate concerns during the period. Zhejiang Expressway (Chinese toll roads) was also weak, reflecting market concerns with respect to underlying short term business fundamentals.

## **LEVERAGE**

In December 2005 the Fund entered into a \$150 million revolving credit facility. As of May 31, 2006, this credit facility had been fully drawn down.

It is important to point out that the overall level of leverage (26% of total assets) is well within the limits outlined in the Fund's prospectus. The Manager believes the prudent application of leverage can be instrumental in maximizing total returns generated by the Fund.

To limit exposure to potentially adverse interest rate movements, MGU has locked in interest rates for the whole \$150 million borrowing through a number of 3-5 year swaps.

## **DISTRIBUTIONS**

The Fund's first regularly scheduled quarterly distribution payment of \$0.375 per share was declared on November 2, 2005, and paid on December 20, 2005. MGU's second regularly scheduled quarterly distribution payment of \$0.375 per share was declared on March 3, 2006 and paid on March 31, 2006.

On June 2, 2006, MGU declared a regular distribution for the period ending June 30, 2006 of \$0.40 per share, representing an increase of \$0.025 per share, (6.7%) from the previous quarterly distribution of \$0.375 per share. Based on the Fund's NAV of \$24.53 and closing price of \$21.34 on May 31, 2006, the \$0.40 per share distribution is equal to an annualized distribution rate of 6.5% at NAV and 7.5% at market price, respectively. This distribution was paid on June 30, 2006.

## MARKET OUTLOOK

The Manager believes renewed interest rate uncertainties are likely to prevail in the short term. With respect to interest rate concerns, the Manager believes that while the Fund will not be immune to broader market uncertainties, two factors should mitigate concerns with respect to the underlying MGU portfolio. First, the MGU portfolio has exposure across both a number of countries (reducing the exposure of the portfolio to the interest rate environment of any one particular country) and a number of different infrastructure businesses (providing exposure to businesses exposed to different dynamics and growth rates). Second, the investment process followed by the Manager specifically examines the sustainability of a company's cash flow stream, including the impact of higher interest rates on underlying fundamentals.

The Manager expects that a number of the themes highlighted in the MGU Annual Report on November 30, 2005 will continue to provide an attractive investment environment for MGU. These themes include industry consolidation and increased investment in gas and electricity transmission infrastructure in the U.S. resulting from legislative changes; new energy infrastructure projects in Canada; sector consolidation, regulatory reform, new asset privatizations and capital management initiatives in the U.K. and Europe; further new listings in Australia and New Zealand; and increasing demand for basic infrastructure services in emerging markets such as China and India.

The Manager remains optimistic about the growth potential for the infrastructure sector and the range of current and potential investment opportunities that the sector presents.

**CONCLUSION**

The Fund has performed well during the six months ending May 31, 2006. There are a number of global trends that make the current environment attractive for the Fund to invest in infrastructure stocks and assist the Fund in delivering a high level of total return consisting of dividends and other income and capital appreciation. The Manager believes that MGU continues to provide U.S. investors with an attractive vehicle to access the expanding global universe of infrastructure securities.

We appreciate your investment in the Fund. For any questions or comments you may have, please call 1-800-910-1434, e-mail us at [MGU-Questions@macquarie.com](mailto:MGU-Questions@macquarie.com), or visit us at [www.macquarie.com/mgu](http://www.macquarie.com/mgu).

Yours sincerely,

**Jon Fitch**

President

Portfolio Manager

**CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

This Semi-Annual Report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933. Forward-looking statements include statements regarding the goals, beliefs, plans or current expectations of Macquarie Fund Adviser, LLC and its respective representatives, taking into account the information currently available to them. Forward-looking statements include all statements that do not relate solely to current or historical fact. For example, forward-looking statements include the use of words such as anticipate, estimate, intend, expect, believe, plan, may, should, would, or other words that convey uncertainty of future events or outcomes. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Fund's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. When evaluating the information included in this Semi-Annual Report, you are cautioned not to place undue reliance on these forward-looking statements, which reflect the judgment of Macquarie Fund Adviser, LLC and its respective representatives only as of the date hereof. We undertake no obligation to publicly revise or update these forward-looking statements to reflect events and circumstances that arise after the date hereof.

Capitalized terms, used but not defined herein, have the meaning assigned to them in the Fund's prospectus.

Investments in the Fund are not deposits with or other liabilities of Macquarie Bank Limited ABN 46 008 583 542, or any entity in the Macquarie group, and are subject to investment risk, including possible delays in repayment and loss of income and capital invested. None of Macquarie Bank Limited, Macquarie Fund Adviser, LLC, or any member company of the Macquarie group guarantees any particular rate of return or the performance of the Fund, nor do they guarantee the repayment of capital from the Fund or any tax treatment of any distribution by the Fund.



**Statement of Investments**

May 31, 2006 (Unaudited)

	Shares	Value \$
<b>COMMON STOCK - 94.91%</b>		
<b>Australia - 22.38%</b>		
Australian Infrastructure Fund	3,038,065	\$ 4,777,083
Babcock & Brown Infrastructure Group	10,205,149	11,862,256
Envestra, Ltd.	14,556,370	12,156,135
Hastings Diversified Utilities Fund	1,059,005	2,127,300
Spark Infrastructure	20,791,365	16,737,333
SP AusNet	21,943,231	20,553,671
Transurban Group	5,000,000	25,128,464
		93,342,242
<b>France - 1.90%</b>		
Electricite de France	145,520	7,937,963
		7,937,963
<b>Hong Kong - 8.72%</b>		
Beijing Capital International Airport, Ltd.	5,724,000	3,523,063
Cheung Kong Infrastructure Holdings, Ltd.	2,861,000	8,463,460
China Light & Power Holdings, Ltd.	1,500,000	8,603,966
HongKong Electric Holdings, Ltd.	2,894,500	12,778,549
Zhejiang Expressway Co., Ltd.	5,580,000	3,020,862
		36,389,900
<b>Italy - 13.41%</b>		
Enel S.p.A	2,300,000	20,497,822
Snam Rete Gas S.p.A	3,361,954	14,787,170
Terna S.p.A	7,625,000	20,640,457
		55,925,449
<b>Malaysia - 0.53%</b>		
Plus Expressways Berhad	3,000,000	2,214,266
		2,214,266
<b>New Zealand - 3.67%</b>		
Auckland International Airport, Ltd.	11,614,694	15,292,035
		15,292,035

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	Shares	Value \$
<b>South Korea - 2.67%</b>		
Korea Electric Power Corp.	125,000	\$ 5,181,347
Korea Gas Corp.	175,000	5,958,549
		11,139,896
<b>Spain - 5.98%</b>		
Enagas, S.A.	250,000	5,324,193
Iberdrola, S.A.	72,500	2,327,172
Red Electrica de Espana, S.A.	500,000	17,298,821
		24,950,186
<b>United Kingdom - 27.41%</b>		
AWG Plc	592,700	12,104,062
British Airport Authority Plc	1,710,000	27,901,986
Kelda Group Plc	300,000	4,224,641
National Grid Plc	1,300,000	14,745,100
Pennon Group Plc	609,295	14,448,423
Severn Trent Plc	1,018,801	21,453,657
United Utilities Plc	1,575,000	19,454,808
		114,332,677
<b>United States - 8.24%</b>		
Ameren Corp.	347,300	17,187,877
Consolidated Edison, Inc.	390,000	17,199,000
		34,386,877
<b>Total Common Stock (Cost - \$389,086,780)</b>		<b>395,911,491</b>
<b>MASTER LIMITED PARTNERSHIPS - 23.36%</b>		
AmeriGas Partners, LP	752,000	21,808,000
Enbridge Energy Partners, LP*	550,200	23,944,704
Kinder Morgan Energy Partners, LP	515,000	24,308,000
Magellan Midstream Partners, LP	790,200	27,372,528
<b>Total Master Limited Partnerships</b> (Cost - \$105,599,185)		<b>97,433,232</b>
<b>CANADIAN INCOME TRUSTS - 13.24%</b>		
Enbridge Income Fund	478,800	5,776,897
Northland Power Income Fund	918,100	11,660,662

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	Shares		Value \$
Pembina Pipeline Income Fund	1,424,300	\$	21,012,143
UE Waterheater Income Fund	1,212,500		16,786,768
<b>Total Income Trust (Cost - \$52,970,049)</b>			<b>55,236,470</b>
<b>SHORT TERM INVESTMENTS - 4.14%</b>			
<b>Mutual Funds - 0.14%</b>			
Bank of New York Cash Reserve Money Market Fund	571,275		571,275
<b>Total Mutual Funds (Cost - \$571,275)</b>			<b>571,275</b>
<b>Repurchase Agreements - 4.00%</b>			
Agreement with Deutsche Bank , 4.98%, dated 5/31/06 and maturing 6/01/2006 with a repurchase amount of \$16,702,310, 102% collateralized by Federal National Mortgage Association, 5.67% due 4/26/2011 with a value of \$17,034,000.		\$	16,700,000
<b>Total Repurchase Agreements (Cost - \$16,700,000)</b>			<b>16,700,000</b>
<b>Total Short Term Investments (Cost - \$17,271,275)</b>			<b>17,271,275</b>
<b>Total Investments (Cost - \$564,927,289)</b>	<b>135.65%</b>		<b>565,852,468</b>
Other Assets in Excess of Liabilities	0.31%		1,304,703
Leverage Facility (1)	-35.96%		(150,000,000)
<b>Net Assets</b>	<b>100.00%</b>	<b>\$</b>	<b>417,157,171</b>

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Represents an Initial Public Offering.

\* Security, or portion of security, is segregated as collateral for the Interest Rate Swaps.

(1) Analysis for leverage is based on Total Assets.

A portion of the securities are pledged as collateral for the Revolving Credit Facility.

See Notes to Financial Statements.

**SWAP AGREEMENT:**

As of May 31, 2006 , the Fund had entered into the following interest rate swap agreements:

Swap Counterparty	Paid Notional Amount	Fixed Rate Received by the Fund	Floating Rate Floating by the Fund	Rate Index	Termination Date	Unrealized Appreciation/Depreciation