

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	Since inception^ (% p.a.)	Since Inception^ Cumulative (%)
Perennial Global Resources Trust (Net)	2.3	5.1	7.2	28.4	60.9	112.5
Benchmark (Absolute return of +6.50% p.a.)	0.5	1.6	2.1	6.5	6.5	11.1
Value Added	1.8	3.5	5.1	21.9	54.4	101.4
S&P ASX200 Resources Total Return Index*	-1.2	-15.9	-10.4	17.9	27.9	47.7

^ **Since inception:** April 2020. Past performance is not a reliable indicator of future performance.

* S&P ASX200 Resources Total Return Index is used for reference purposes only.

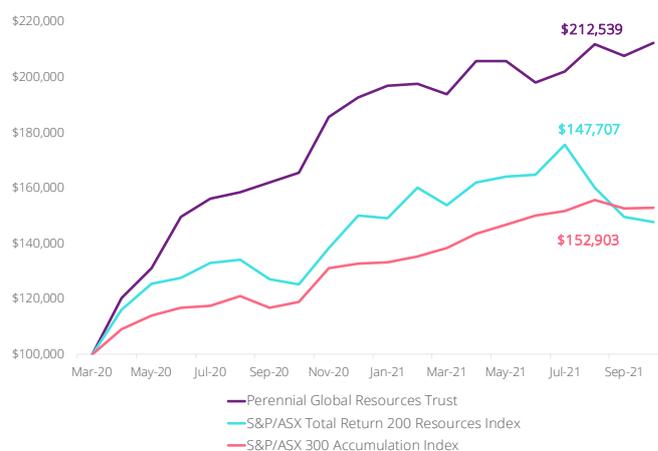
Overview

October was a positive month for commodities, with the Trust finishing up 2.3% net of all fees.

Concerns surrounding energy shortages and implications for a period of higher inflation dominated macro economic discussion in October, putting an interesting slant on discussions taking place at the COP26 Climate conference at month end. Calm wind conditions through the European spring, and the resulting draw down on gas inventories have highlighted the shortcomings of intermittent energy supply, while highlighting the importance of having sufficient power storage. Furthermore, the consequences of a half-decade hiatus in capex from the oil & gas industry have become apparent, with supply struggling to respond to improving demand.

It remains to be seen whether the outcomes of the COP26 conference will have any meaningful impact on current government policies, but we note every prior period of elevated inflation has coincided with some sort of energy crisis. It remains to be seen whether this time around will be any different.

Growth of \$100,000 Since Inception



Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Perennial Global Resources Trust

The aim of the Trust is to grow the value of your investment over the long term by investing in a portfolio of listed and unlisted companies exposed to commodity production.

Portfolio Manager

Sam Berridge

Trust FUM

AUD \$19 million

Distribution Frequency

Annual

Minimum Initial Investment¹

\$25,000

Trust Inception Date

April 2020

Fees

1.20% p.a. + Performance fee

APIR Code

WPC3240AU

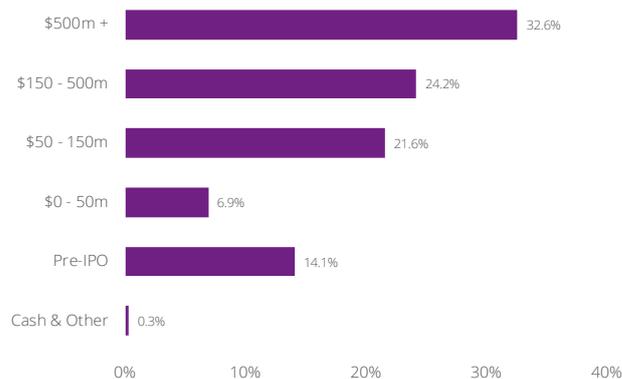
¹ Perennial Global Resources Trust is open to wholesale investors only.

Top 5 Positions	Trust (%)
Green Technology Metals	6.8
Jindalee Resources	4.7
Baraja	3.9
GenusPlus	3.9
Capricorn Metals	3.4

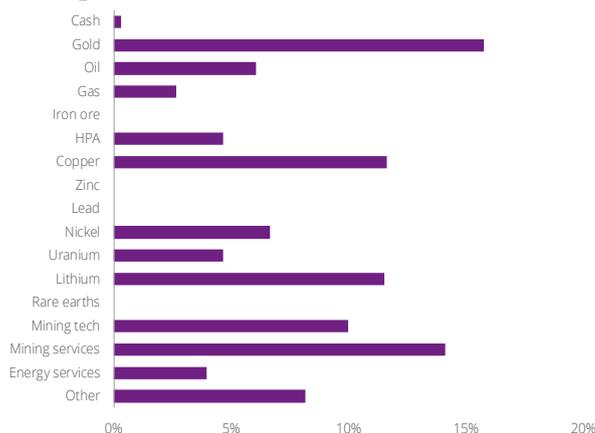
Source: Perennial Value Management. As at 31 March 2021

The above figures are forecasts only. While due care has been used in the preparation of forecast information, actual outcomes may vary in a materially positive or negative manner.

Market Capitalisation Exposure



Sector Exposure



Trust Review

Base metals bounced back strongly in October, driven by supply concerns as several smelters were forced to reduce operations due to high power costs (Europe), or power restrictions (China). Benefitting from this were;

- **Neometals**, up 21.1%, upon announcing the successful commissioning for its lithium battery recycling demonstration plant in Germany.
- **29 Metals**, up 12.7%, on higher metal prices, after bouncing back from a soft quarterly.
- **KGL Resources**, up 20.4%, on a positive exploration update and higher copper prices.

In what may be a sign of early positioning by some investors, gold stocks performed strongly despite a relatively benign month for the gold price (+1.5%);

- **Capricorn Metals**, up 20.7%, reported solid results from its maiden quarter of gold production. Including material free cash flow generation, putting to be concerns of any requirement for additional equity.
- **DeGrey**, up 15.5%, released better-than-expected production and cost numbers for its Mallina scoping study.

Stocks which weighed on performance during the month included;

- **FYI Resources**, down 53.3%, after announcing a JV development agreement with Alcoa. While the agreement materially funds FYI into production of its high-purity-alumina product, the retained equity by FYI was less than expected at 35%.
- **Queensland Pacific Minerals**, down 16.7%, on no news
- **DUG Technology**, down 14.4%, on a soft quarterly report.



Source: Bloomberg. The history of inflation has coincided with periods of outperformance, which in turn have coincided with an energy crisis of one sort or another (oil prices hit \$140/bbl pre GFC).

Global, Currency & Commodities (%)

S&P 500	+6.7
Nikkei 225	-1.9
FTSE 100	+2.1
Shanghai Composite	-0.6
RBA Cash Rate	0.10
AUD / USD	75.1c
Iron Ore	-8.3
Oil	+3.3
Gold	-2.4
Copper	+2.7

The portfolio finished the month with 41 positions and cash of 0.3%.



Investment team: Ewan Galloway (left) and Sam Berridge (right)

Invest Online Now

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