

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	Since inception^ (% p.a.)	Since Inception^ Cumulative (%)
Perennial Global Resources Trust (Net)	5.3	12.1	20.2	20.9	60.4	138.3
Benchmark (Absolute return of +6.50% p.a.)	0.5	1.6	3.7	6.5	6.5	12.8
Value Added	4.8	10.5	16.5	14.4	53.9	125.5
S&P ASX200 Resources Total Return Index*	2.9	14.3	2.5	13.2	33.0	68.9

^ **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.

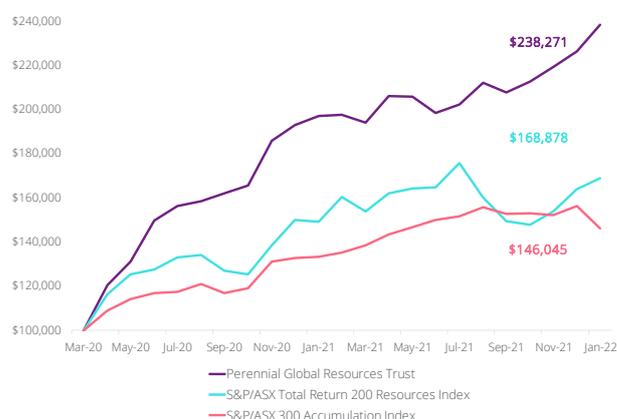
Overview

The Trust was up 5.3% (net of all fees) in January, led by a barbell of old and new energy exposures. Return for the 12mths to date is 20.2% net of all fees.

Hawkish comments from the Fed in late January made for a volatile month, resulting in a -9% fall in the ASX200 Resources Index from its intra-month high, before recovering slightly by month end. The Trust was defensively positioned going into the Fed meeting, as a result of profit taking earlier in the month.

Looking forward, we believe the barbell trade of old (oil'n gas) and new (battery metals) energy is likely to continue to do well. A prologued period of under-investment in oil'n gas production has led to a challenging outlook for production growth as the world shrugs off the last of the Omicron wave and tries to catch up on 2 years of missed travel. At the same time, elevated oil prices will only increase the transition towards new-energy solutions, which by their nature are very metals intensive.

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 \$20 million

Distribution Frequency

Annual

Minimum Initial Investment¹

\$25,000

Trust Inception Date

April 2020

Fees

1.20% p.a. + Performance fee

APIR Code

WPC3240AU

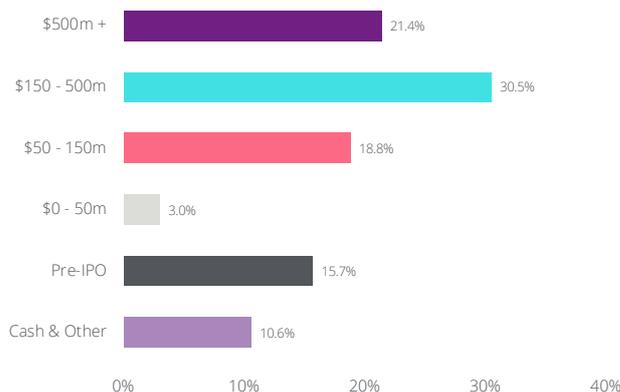
¹ Perennial Global Resources Trust is open to wholesale investors only.

Top 5 Positions	Trust (%)
Green Technology Metals	8.6
Jindalee	5.2
GenusPlus	4.4
Baraja	3.8
SPDR Oil & Gas ETF	3.6

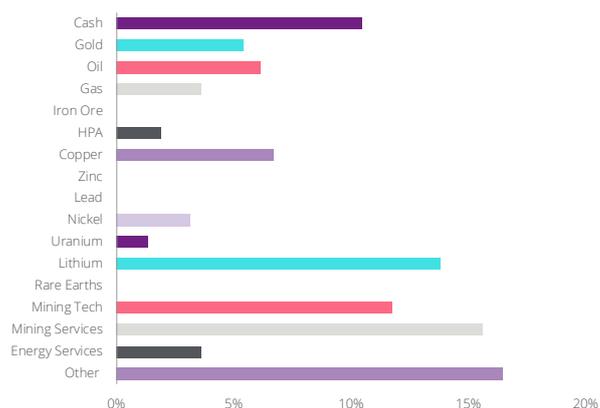
Source: Perennial Value Management. As at 31 January 2022

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

A barbell of old and new energy names led the gains in January, with notable moves including:

- **Green Technology Metals**, up 76.0% on the start of drill results from its Seymour lithium project, and the expansion of its land position in Canada.
- Another lithium developer, **Jindalee Resources**, up 19.5%, as drill results started to flow from the second round of drilling on its McDermitt lithium project, located in the United States.
- The **SPDR S&P Oil and Gas ETF** finished up 11.2% as the US oil majors continued to benefit from the tailwind of rising oil prices (up 17.3% in January).
- **Karoon Energy**, up 13.7%, on the back of higher oil prices and reporting December quarter production in line with full year guidance rates.

Other positive performers during the month included:

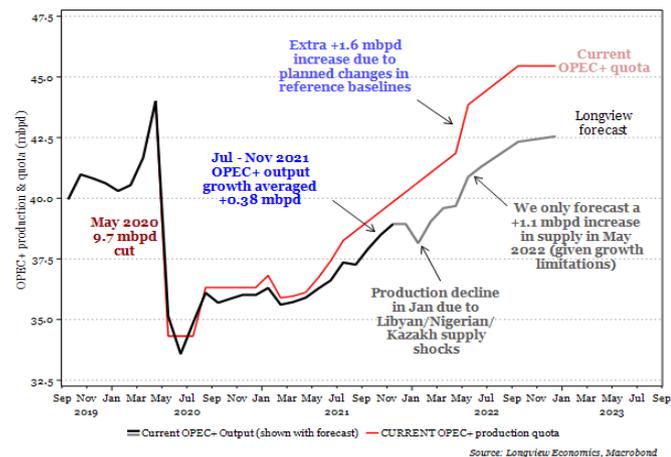
- **DUG Technology**, up 6.4%, after reporting strong revenue growth in January. The uptick in revenue was from the oil'n gas sector, which had been detracting from group performance up until recently.

Stocks which weighed on performance during the month included:

- Copper developers, **New World Resources** and **KGL Resources**, down 15.2% and 13.3%, respectively on a slightly lower copper price (-3.1%).
- **SciDev**, down 10.3%, prior to releasing a positive quarterly update at the end of the month.

A common theme running through the 2022 macro-economic outlook pieces published through December and January, was an acknowledgment that although inflation was stickier than expected there remains little reason for longer term inflation concerns on a 3 to 5 year basis.

Within that view is an assumption that the highly cyclical energy market will roll over and in doing so, shift from an inflation tailwind to a headwind. We're not so sure. The structural shift away from carbon-based power is without precedent, and there are impediments to carbon power investment that didn't exist in previous cycles. So, while it's tempting fate to say this time is different, it's easy to make an argument why it might be.



Source: Longview Economics, Macrobond. A key concern in oil markets is the growing gap between OPEC+ production quotas and achieved production rates. Should OPEC spare capacity turn out to be lower than forecast, oil prices are likely to move materially higher.

Global, Currency & Commodities (%)

S&P 500	-5.3
Nikkei 225	-6.2
FTSE 100	+1.1
Shanghai Composite	-7.6
RBA Cash Rate	0.10
AUD / USD	70.5c
Iron Ore	+15.9
Oil	+17.3
Gold	-1.8
Copper	-3.1

The Trust finished the month with 38 positions and cash of 10.6%.



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

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