

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	Since inception [^] (% p.a.)	Since Inception [^] Cumulative (%)
Perennial Global Resources Trust (Net)	-6.3	5.5	30.4	25.6	55.0	158.5
Benchmark (Absolute return of +6.50% p.a.)	0.5	1.6	5.9	6.5	6.5	14.6
Value Added	-6.8	3.9	24.5	19.1	48.5	143.9
S&P ASX200 Resources Total Return Index*	0.6	5.9	15.5	15.9	34.6	90.3

[^] **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.

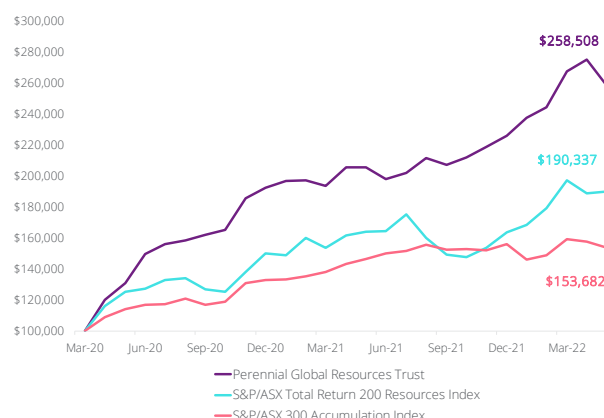
Overview

The trust was down 6.3% in May (net of all fees), in a volatile month for global markets. Over the twelve months to the end of May, the Trust has returned 25.6% net of all fees.

While commodities had withstood inflations concerns better than other sectors year to date, a spike in COVID infections in China and associated lockdowns raised concerns regarding commodity demand, with the majority of bulks, base and precious metals finishing down for the month, albeit off their intra-month lows. The exception being energy commodities, with oil (up 12.3%) and thermal coal (up 30.7%), highlighting how pervasive the global energy shortage is.

Economic data out of China for April was horrible, it's been quickly followed by a plethora of stimulus announcements, pointing to a swift rebound in the second half of the year. Stimulus has targeted the Chinese EV industry, along with the obligatory support for property construction and infrastructure. This suggests improving demand for commodities in general, and battery metals in particular over the coming months.

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 \$22.5 million

Distribution Frequency

Annual

Minimum Initial Investment¹

\$25,000

Trust Inception Date

April 2020

Fees

1.20% p.a. + Performance fee

APIR Code

WPC3240AU

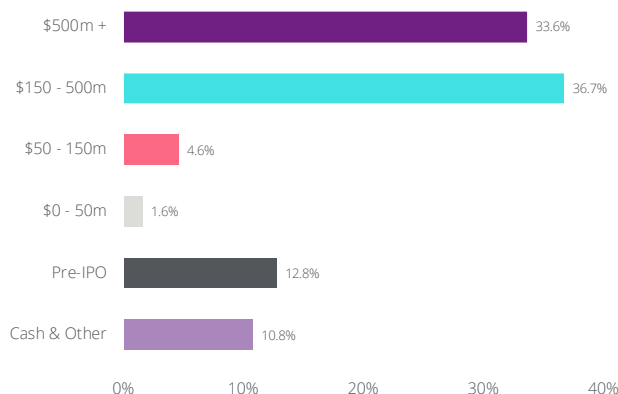
¹ Perennial Global Resources Trust is open to wholesale investors only.

Top 5 Positions	Trust (%)
Jindalee	5.6
Green Technology Metals	5.3
GenusPlus	5.0
Pantoro	4.4
Woodside	4.4

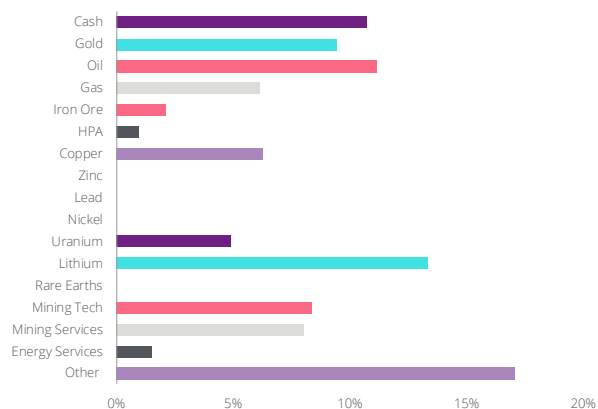
Source: Perennial Value Management as at 31 May 2022

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 spike in volatility disproportionately impacted the smaller market cap holdings in the trust during the month, in some cases irrespective of improving prices of commodity exposures. For example:

- **Jindalee** and **Green Technology Metals**, down 20.5% and 8.8% respectively despite higher lithium prices and no material news flow in the month.
- Conversely, **Mineral Resources** finished up 9.1% as lithium prices continued to rally

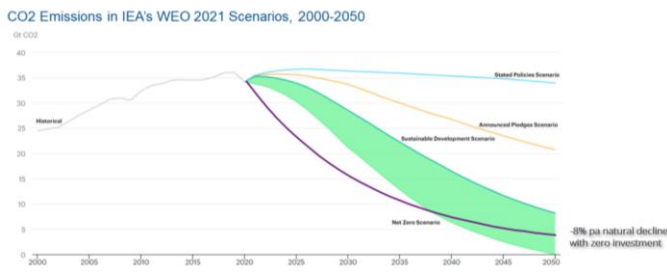
Old energy exposures fared better :

- **XOP Oil & Gas ETF** up 17.3% on higher oil prices
- **Stanmore Resources** up 12.7% upon completion of the BMC acquisition
- **Santos**, up 2.5% on higher oil prices

One industrial holding which ran against the tide of selling was **Energy Recovery**, up 9.1% on the back of reiterating guidance and a strengthening demand outlook for its pressure exchange pumps from the wastewater sector. Energy Recovery is leveraged the global shortage of potable water.

As is often the case in market draw-downs, the flow of liquidity resulted in a broad sell off irrespective of company specific fundamentals. While we increased the cash proportion of portfolio materially in early May, a suite of mid-sized positions with near-term catalysts finished the month down 4 to 6%, weighing on portfolio performance.

Looking forward, China stimulus seems to be getting traction with industry and should be felt by commodity markets in the near term. The global energy shortage shows no sign of easing, providing continued upward pressure on oil and gas prices. At the same time, governments are accelerating developments of renewable power generation to mitigate power shortages, all thematics the portfolio is exposed to.



Source: IEA, Perennial.

Global, Currency & Commodities (%)

S&P 500	0.0
Nikkei 225	+1.6
FTSE 100	+0.8
Shanghai Composite	+4.6
RBA Cash Rate	0.35
AUD / USD	71.7c
Iron Ore	-4.2
Oil	+12.3
Gold	-3.1
Copper	-2.6


The Trust finished the month with 33 positions and cash of 10.8%.



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

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Signatory of:

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