

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (% p.a.)	4 Years (% p.a.)	Since inception^ (% p.a.)
Perennial Strategic Natural Resources Trust (Net)	-1.8	5.9	25.1	25.1	14.9	19.1	29.6
Benchmark (Absolute return of +6.50% p.a.)	0.5	1.6	6.5	6.5	6.5	6.5	6.5
*S&P/ASX200 Total Return Resources Index	-6.0	-5.2	-3.2	-3.2	7.1	12.3	18.1
Value Added	-2.3	4.3	18.6	18.6	8.4	12.6	23.1

^ Since inception: 1st April 2020. Past performance is not a reliable indicator of future performance. *S&P/ASX Total Return Resources Index is for comparison purposes only, the benchmark for the Trust is a positive absolute return exceeding 6.50% p.a. net of all fees.

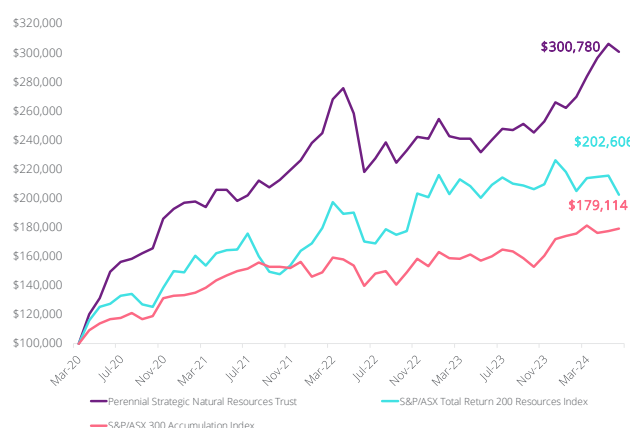
Overview

In a tough month for resources, the Trust did reasonably well to preserve capital, finishing down -1.8% net of all fees. This compares to the ASX200 Resources index which finished down -6.0%.

The only commodities to avoid finishing in negative territory in the month were oil (+8.8%) and metallurgical coal (+4.2%). Base metals continued to pull back from over-bought conditions reached in mid-May. We view the pullback as temporary. While demand expectations will ebb and flow, the end of commodity cycles is marked by a meaningful supply response. Outside of lithium, we haven't had that yet. That said, we do try to optimise returns through the cycle and to that end continued the cash build started in May, into June.

With Chinese copper inventories now starting to draw a myriad of commodity and stock specific catalysts in front of us, we expect to exit July with lower cash levels. For example, post month-end a fire at Anglo American's Grosnevor mine has taken roughly 1.0% of supply out of the seaborne met-coal market until further notice, which is more than enough to impact prices.

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 Strategic Natural 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 Managers
Sam Berridge & Ewan Galloway

Trust FUM
AUD \$24.9 million

Distribution Frequency
Annual

Minimum Initial Investment
\$25,000

Trust Inception Date
April 2020

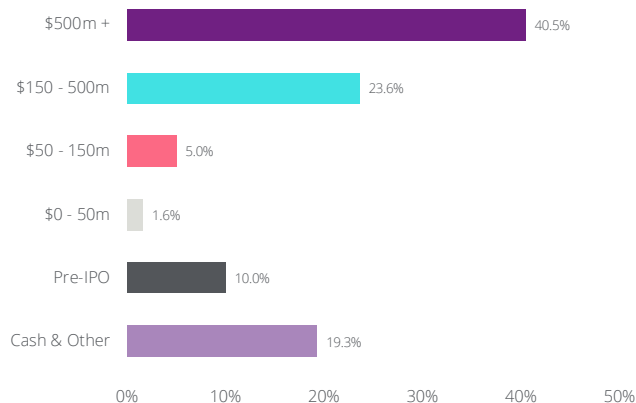
Fees
1.20% p.a. + Performance fee

APIR Code
WPC3240AU

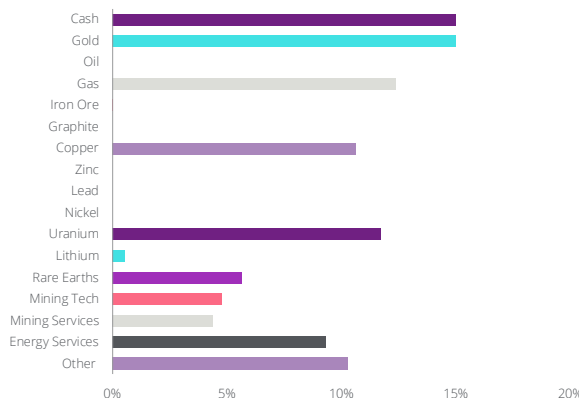
Top 5 Positions	Trust (%)
Ora Banda	6.3
Cooper Energy	6.0
Sprott Physical Uranium ETF	5.7
Metro Mining	4.0
DUG Technology	3.5

Source: Perennial Value Management as at 30th June 2024.

Market Capitalisation Exposure



Sector Exposure



Trust Review

Better performing investments during the month included;

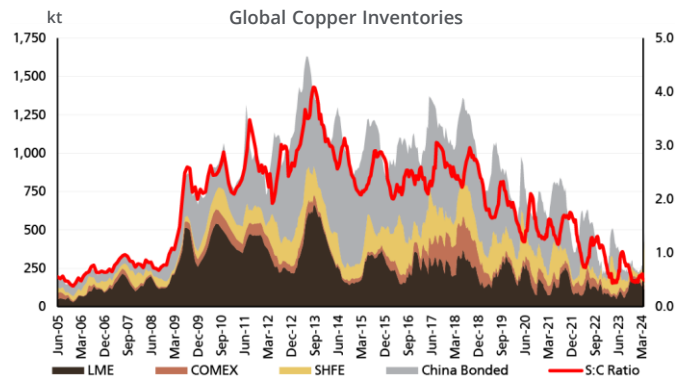
- Metallurgical coal producer, **Stanmore Resources**, finishing up 7.9% due to higher prices on a tightening met-coal outlook.
- **Conrad Asia Energy**, finished up 8.6% post the company guiding to a gas sales agreement (GSA) with Singapore being expected in the 'coming weeks'.
- Gold producer **Ora Banda** etched out a 3.1% gain against a flat gold price as the market anticipates strong quarter on quarter production growth in June (reported July).

Positions which weighed on performance during the month included:

- **Sprott Uranium ETF**, which finished down 9.9%, broadly in line with the uranium spot price move (-8.7%) and in contrast to the long-term uranium price (+6.7%) which continued to tick up.
- Rare earth developer **Brazilian Rare Earths**, finished down 12.0% after raising equity.
- Copper producer **Metal Acquisition Corp**, traded -7.8% lower on a weaker (-5.1%) copper price.

Coupled with the fading exuberance of a short-squeeze in copper occurring mid-May, price declines in June continued on rumbles of demand disappointment, both in China and the western world. We would add that Chinese energy-transition demand for copper now exceeds construction demand, and energy transition continues to be a favoured sector for stimulus. Secondly, the conditions for a short squeeze do have a fundamental basis, and while price spikes may fade, the longer-term trend remains very much in place.

Few charts sum that up better than global copper inventories over the last 20 years. We would add that while a supply response in cobalt (120ktpa market) and lithium (1.1Mtpa market) have seen prices roll over, a meaningful supply response for copper, which is a 26Mtpa market, will be much harder to achieve.



Source: UBS, Wood Mackenzie

Global, Currency & Commodities (%)

S&P 500	3.5
Nikkei 225	2.8
FTSE 100	-1.3
Shanghai Composite	-3.9
RBA Cash Rate	4.35
AUD / USD	66.7c
Iron Ore	-9.4
Oil	8.8
Gold	0.0
Copper	-5.1



Portfolio Managers: Ewan Galloway (left) and Sam Berridge (right)

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The Trust finished the month with 43 positions and cash of 15.0%.

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Signatory of:



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