

	Month (%)	Quarter (%)	FYTD (%)	1 Year (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception (%p.a.)
Perennial Value Active Plus Shares Trust (Net) #	2.1	8.6	2.4	5.4	-	-	-
Active Plus Shares – Strategy in Perennial Value Australian Shares Trust (Net) ^	-	-	-	-	8.7	-	5.3
S&P/ASX300 Accumulation Index	2.5	9.4	5.7	10.3	11.1	-	7.6
Value Added (Detracted)	-0.4	-0.8	-3.3	-4.9	-2.4	-	-2.3

^Strategy inception: May 2014. #Trust inception date May 2017. The Perennial Value Active Plus Shares Trust has been operating since May 2014. To give a longer term view of our performance in this asset class, we have shown longer returns for the Strategy in the Perennial Value Active Plus Shares Trust. The Strategy has identical investments and fees. Past performance is not a reliable indicator of future performance.

Overview

- Global equity markets were up strongly in April, with the S&P500 +3.9%, FTSE 100 +1.9%, Nikkei 225 +5.0% and Shanghai Composite -0.4%.
- The Australian market was also strong, finishing the month +2.5%.
- The Information Technology (+7.4%), Consumer Staples (+7.3%) and Consumer Discretionary (+5.5%) sectors led the way while the Resources (-2.5%) and REIT (-2.3%) sectors lagged.
- Stocks which performed well included Aristocrat (6.4%), SUPER Retail Group (+7.8%), Star Entertainment (+8.6%), Amcor (+5.3%) and Tabcorp (+3.7%).
- Stocks which detracted included gold miner Newcrest (-2.0%), Bluescope Steel (-3.6%) and Iluka (-4.0%).

Perennial Value Active Plus Shares Trust

The aim of the Trust is to grow the value of your investment over the long term by investing in a concentrated portfolio of Australian companies and to provide a total return that exceeds the S&P/ASX300 Accumulation Index measured on a rolling three-year basis.

Portfolio Manager Dan Bosscher	Trust FUM AUD \$17 million
Distribution Frequency Half yearly	Minimum Initial Investment \$25,000
Trust Inception Date May 2017	Strategy Inception Date May 2014
APIR Code WPC6780AU	Fees 0.92%

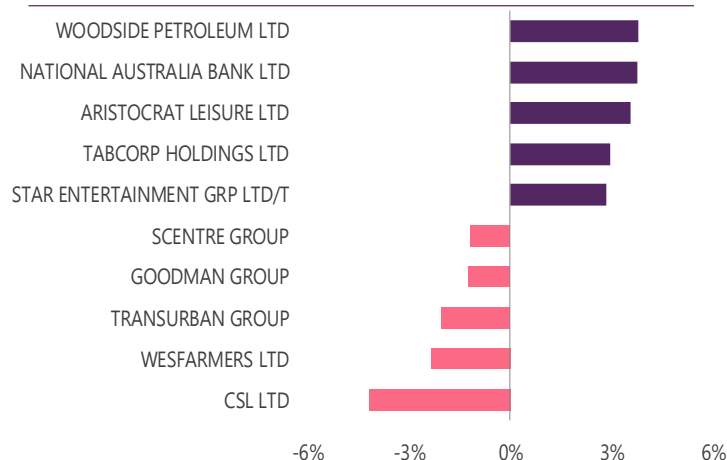
Portfolio Characteristics – FY20	Trust	Index
Price to Earnings (x)	13.5	15.5
Price to Free Cash Flow (x)	12.5	15.0
Gross Yield (%)	6.7	5.8
Price to NTA (x)	2.0	2.4

Source: Perennial Value Management. As at 30 April 2019.

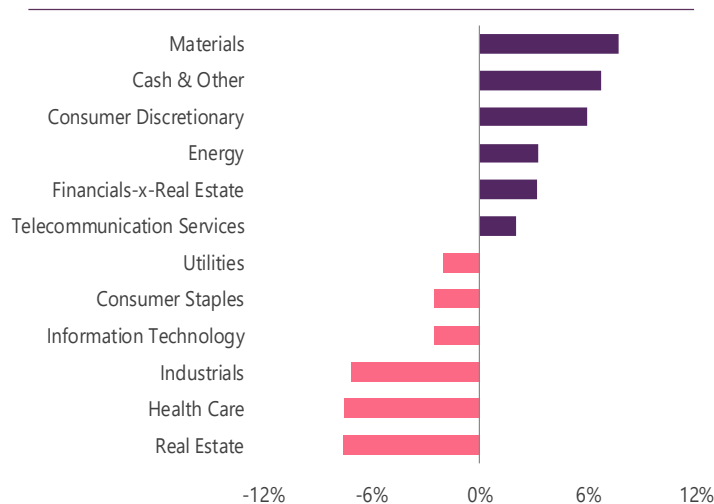
The above figures are forecasts only. While due care has been used in the preparation of forecast information, actual outcomes may vary in a materially positive or negative manner.

Trust Themes	Exposure
Mild Aussie Consumer	Long SUL only
Long Inflation	Woodside, BHP, RIO
Long Defensive Hedge	NCM, high cash
Short US10 Yr. Bond	Underweight Utilities

Top 5 Over / Underweight Positions vs Index



Sector Active Exposure vs Index



Trust Review

Global equity markets were stronger again in April. The Australian market consolidated the gains from the first quarter, finishing the month up 2.5%.

The Information Technology (+7.4%), Consumer Staples (+7.3%) and Consumer Discretionary (+5.5%) sectors led the way while the Resources (-2.5%) and REIT (-2.3%) sectors lagged.

The Federal government budget was announced earlier in the year than usual due to the pending federal election. The budget announcement together with the announcement of election commitments provided a boost for companies exposed to the domestic economy.

Star Entertainment (+8.6%) was higher following confirmation that Wynn Resorts was in takeover talks with competitor Crown Resorts sparking speculation around industry consolidation.

The major banks were in the main stronger with Westpac (+6.1%), Commonwealth Bank (+5.5%) and ANZ (+4.5%) all outperforming. Other domestic economy exposed holdings which did well included Super Retail (+7.8%).

Performance was also held back somewhat by being underweight the strong performing Information Technology and Consumer Staples sectors both of which we are underweight on valuation grounds.

Trust Activity

During the month, we exited our holdings in Qantas. We added to Star Group and Boral.

No new names were added to the Trust.

At month end the Trust held 25 stocks.

Outlook

The market is currently trading close to its long-term average, with a FY20 P/E of 15.5x and offering an attractive gross dividend yield of 5.8%.

Within the overall market, we are seeing many quality companies trading on attractive valuations which should deliver solid returns to investors from these levels.

By contrast, there remain pockets of expensive growth and momentum style stocks which present significant de-rating risks if the lofty growth rates implied in their valuations are not able to be met. We do not hold these types of stocks as they do not meet our value criteria.

The Trust continues to exhibit Perennial Value's true to label value characteristics, with the Trust offering better value than the overall market on each of our four valuation characteristics: price to earnings, price to free cash flow, gross dividend yield and price to net tangible assets.

As always, our focus will continue to be on investing in quality companies which are offering attractive valuations and have the ability to deliver high levels of franked dividend income to investors.

Market Review – Australia (%)

S&P/ASX300 Accumulation Index	+2.5
Energy	+1.5
Materials	-2.1
Industrials	+3.2
Consumer Discretionary	+5.5
Health Care	+3.1
Financials-x-Real Estate	+4.4
Real Estate	-2.3
Information Technology	+7.4
Telecommunication Services	+2.4
Utilities	-0.5

Global, Currency & Commodities (%)

S&P500	+3.9
Nikkei225	+5.0
FTSE100	+1.9
Shanghai Composite	-0.4
RBA Cash Rate	1.50
AUD / USD	-0.9
Iron Ore	+6.2
Oil	+6.4
Gold	-0.7
Copper	-1.3

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