

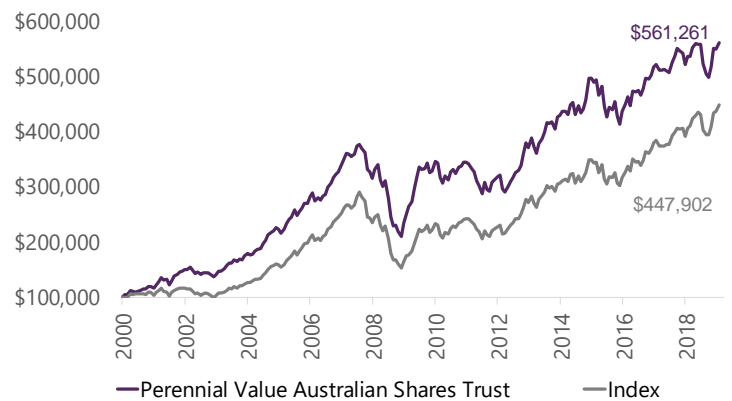
	Month (%)	Quarter (%)	FYTD (%)	1 Year (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception (%p.a.)
Perennial Value Australian Shares Trust (Net)	2.1	8.6	1.6	4.6	7.7	5.2	9.5
S&P/ASX 300 Accumulation Index	2.5	9.4	5.7	10.3	11.1	7.6	8.2
Value Added (Detracted)	-0.4	-0.8	-4.1	-5.7	-3.4	-2.4	1.3

Since inception: March 2000. 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 Integral Diagnostics (+22.9%), Seven Group Limited (+11.3%), Star Entertainment (+8.6%), Nufarm (+7.4%) and Westpac (+6.1%).
- Stocks which detracted included gold miners Evolution (-12.8%) and Northern Star (-8.5%) and Flight Centre (-8.7%).

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 Value Australian Shares Trust

The Trust aims to grow the value of your investment over the long term via a combination of capital growth and tax effective income, by investing in a diversified portfolio of Australian shares, and to provide a total return (after fees) that exceeds the S&P/ASX 300 Accumulation Index measured on a rolling three-year basis.

Portfolio Manager **Trust FUM**
John Murray **AUD \$942 million**

Distribution Frequency **Minimum Initial Investment**
Half yearly **\$25,000**

Trust Inception Date **Fees**
March 2000 **0.92%**

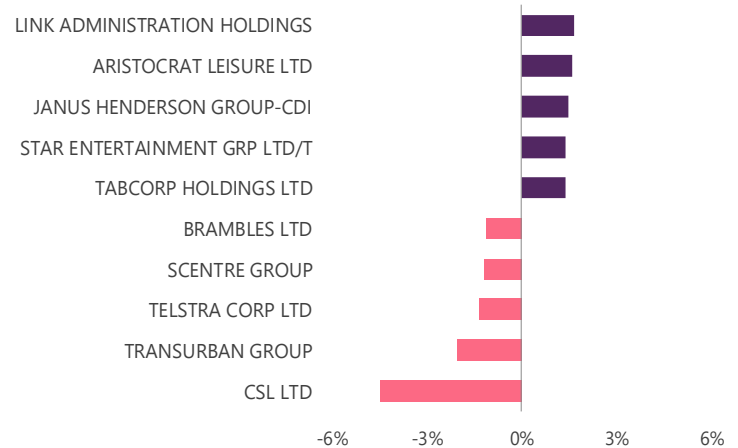
APIR Code
IOF0200AU

Portfolio Characteristics – FY20	Trust	Market
Price to Earnings (x)	13.9	15.5
Price to Free Cash Flow (x)	12.8	15.0
Gross Yield (%)	6.2	5.8
Price to NTA (x)	2.1	2.4

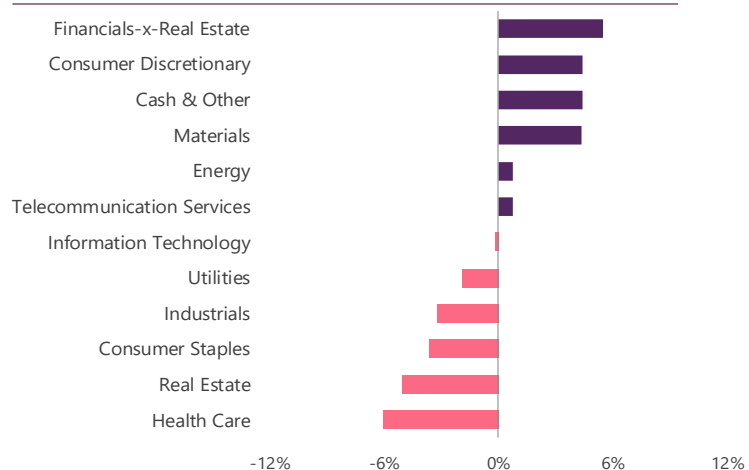
Source: Perennial Value Management. As at 30 April 2019

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.

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.

Integral Diagnostics (+22.9%) benefited from attractive government funding proposals from both sides of politics with a return of indexation with the Labor Party also proposing specific funding for expanded imaging diagnostics for cancer. Integral also reiterated their earnings guidance at month end.

Other stocks which performed well included Seven Group (+11.3%) which announced that FY19 EBIT is expected to be 40% higher than FY18 on the back of a strong performance from the Westrac mining services business.

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%).

Stocks which detracted included gold miners Evolution (-12.8%) and Northern Star (-8.5%) on the back of a weaker gold price and weaker quarterly reports. Flight Centre (-8.7%) was down following a profit warning as weakness in the Australian leisure business offset strength in the company's offshore operations.

Performance was also held back by being underweight the strong performing Information Technology and Consumer Staples sectors on valuation grounds.

Market Review – Australia (%)

S&P/ASX 300 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

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Signatory of:



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Trust Activity

During the month we reduced our position in Amcor (+5.3%) and mining services company Monadelphous Group (+9.2%) after the recent strong performance.

We initiated a position in mining services company Emeco (+7.8%) which at the time of purchase had fallen over 40% from the share price peak in October last year. Emeco's core business is the rental of mining capital equipment and is exposed to the strong growth expected in mining services activity in the next few years. Valuation is attractive at a FY20 P/E ratio of approximately 9.0x.

At month end, stock numbers were 65 and cash was 4.4%.

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.

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